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Market Orientation and Bank Performance in Nigeria: How They Fare in First Bank Plc.

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ABSTRACT
The effect of market orientation (MO), organization performance (OP), intelligence generation (IG), intelligence desemination (ID) & response design (RD) as it applies to service industry like banking cannot be over-emphasized. Thus, this study aim at examing the effects of IG on OP of banking sector in the study area; it also identity the relationship between IG, ID and OP. For the purpose of this study, data were collected from 250 respondents in the study area that is, 59% response rate were found analyzable. The study revealed that, there was a significant relationship between market orientation MO and OP. ($P<0.05$). It was concluded, strategic market oriented approaches be developed so as to enhance O.P in the industry.
Keywords: MO, OP, ID, IG and RD.

INTRODUTION
Marketing conventionally holds that, Market Orientation provides a company with better understanding of its Customers, Competitors, Governmnet and Environment which further leads to a company performance. Market Orientation (MO) refers to the organization-wide generation of market intelligence through decision support system, marketing information system, marketing research, efforts dissemination of intelligence across the company, and wide responsiveness to changes taking place in the environment (Kohli and Jaworski 1990, Slater and Nawer 1996, Avlonilis and Gounans 1997). MO consists of three behavioural components-Customer orientation, Competitors orientation and Interfunctional coordination (Narver Stater 1990). An increase in MO will enventually improve organisation market performance.(Auahene-Gima 1996, Deshpande and Farley 1999, Dobni and Luffiran 2000, Dawes 2000). Furthermore (Stater and Mawer 2000) expounded explicitly that market orientation and business performance are positively related (Pulendran et.al. 2000), (Tay and Morgan 2000) also indentified significant relationship and positive link between market orientation and overall performance. While most MO studies have examined the effect of MO on business performance, demonstrating its superiority as a strategic orientation.(Zhou et al 2005).(Ogunsiji and Ladanu 2010,Ogunsiji and Akanbi 2013a & b) established the presence of an overwhelming management strategy,market orientation, knowledge management,entrepreneurial orientation,oganisational learning,environmental dissect among others that impact on business performance adopting a Resource-Based-View (RBV) approach on selected banks in oyo state of Nigeria. Likewise a similar study have been carried out on MO and organization performance in the manufacturing firm (Ofoegbu & Akanbi 2012) This study is focusing its searchlight on the banking sector in Nigeria using First Bank as a case study.

Hypotheses

1. There is no Significant effect of Intelligence Generation on Organization Performance.
2. There is no main and Interrative effect of Intelligence Generation and Reponse Design on Organization Performance.
3. Intelligence Generation and Response Design do jointly and Independently Predict Organization Performance.
4. There is no Significant Relationship between Organizational Performance and Intelligence Dissemination.

Literature Review and Conceptual Framework
Market Orientation in both manufacturing and service industries has attracted a significant amount of interest (Han et al. 1998, Day 1994, Kohli and Jaworski, 1990) while Slater and Narver 1994 Includes Satisying of needs and wants. (Amtsuno et al. 2002), Greeley 1995, Ghosh et al 1994, Speed and Smith 1993) agreed that marketing orientation as distint from market orientation results to superior organizational performance.In some extant literatures, (Han et al 1998,Jaworski & Kohli 1993) didn't support the fact that a direct relationship exist between performance and market orientation.

Market Orientation and Performance

Many empirical findings of the market orientation research have produced complex and mixed results with respect to the relationship between market orientation and business performance (Voss and Voss 2000). The previous research that predicted a positive relationship between market orientation and performance was using the assumption that a market orientation provides a firm with a better understanding of its environment and customers. The significance of including market orientation in an integrated model of determinants of performance is highlighted by several other research findings, which indicate that there is an influence of market orientation on customer orientation, organizational commitment, sales growth, and financial performance and profitability (Pelham and Wilson 1996; Slater and Narver 1994; Siguaw, Brown, and Widing 1994; Jaworski and Kohli 1993; Narver and Slater 1990). Some empirical studies found a positive relationship between market orientation and managers' perceptions of overall firm performance (Jaworski and Kohli 1993), managers' perceptions and financial performance (Pelham and Wilson 1996; Slater and Narver 1994), and managers' perceptions and new product performance (Atuahene-Gima 1996, 1995; Pelham and Wilson 1996; Slater and Narver 1994).But several studies did not support a direct positive relationship between performance and market orientation (Han, Kim, and Srivastava 1998; Jaworski and Kohli 1993). A plausible explanation for the lack of clear relationship with market orientation is that it is a more complex relationship than those tested for in previous studies (Pelham 1997). While many scholars have provided abundant evidence in extant literature linking the adoption of market orientation with organizational performance, (Day, 1994, 1998; Jaworski & Kohli, 1993; Narver & Slater, 1990, 1995; Narver, Park & Slater, 1994; Ruekert, 1992; Pelham, 1997, 2000), others postulate that organizational and environmental influences particularly in developing countries can further constrict the market orientation implementation (Sandri & Williamson, 1989; Okoroafo & Russow, 1993; Diamantopoulos & Cadogan, 1996).These studies were sort of summarized to reflet the positive relationships existing between market orientation,cutomers perceptions,environment as strategic management tools and organization performance (Ogunsiji and Akanbi 2013a), Later arguments emphasize the need to further explore and understand the challenging tasks of effective market orientation development and strategies implementation in emergent economies undergoing economic and market re-structuring.

This study explored the individual firm's market orientation profiles not for the purposes of comparisons or establishing correlations with previous studies in terms of their levels of market orientation, but to maximize what can be learned about the market orientation adoption and strategies implementation,especially the SAP-induced challenges as anin thing. It is the desire of the study that perhaps the outcome adopted in managing similar organizations in developing and emerging nations based upon continous improvement strategy/ could foster re-structural programs for competitive advantage in the 21st century's global marketplace, through adaptive strategic management of the market .(Ogunsiji 2004 and 2005; Wong et al 2009)

In the existing market orientation research, most definitions of market orientation were derived from the conceptualization of either Kohli and Jaworski 1990 or Narver and Slater 1990. Kohli and Jaworski 1990 compared three core elements of market orientation which are intelligence generation, intelligence dissemination, and responsiveness. In the same fashion, Narver and Slater 1990 postulated that market orientation has three components which are customer orientation, competitor orientation, and inter-functional coordination. The first component which is customer orientation involves the understanding of target customers and effectively deploying the skills and resources of the firm to satisfy customers by creating superior value. The second component which is competitor orientation has to do with creating superior value through understanding the principal competitors' short-term strength and weaknesses and long-term capabilities and strategies. The final component which is the inter-functional coordination involves getting all business functions working together to provide superior value Slater and Narver, 1994; Narver and Slater, 1990. Thus, market orientation salient dimensions, which are competitor orientation, customer orientation, and environment important strategic orientations,that show that organizational Performance can be seen as a multi-dimensional construct consisting of more than simply financial performance. But also mirrored the extent to which the organization is able to meet the needs of its stakeholders and its own needs for survival described market orientation as marketing's explanation of performance differentials between firms competitive marketing advantage among others (Baker and Sinkula 2005,Griffing 2003,Stoehorst and Raaij 2004).

There are substantial incontrovertible empirical evidences that have linked market orientation with business performance,some showing a direct positive relationship,indirect influences, or even dual influences or reinforced effects (Kumar et al., 2011; Avlonitis and Gounaris, 1997 Jaworski and Kohli, 1993), or indirect influences (Han et al., 1998), or dual influences (Ramayah et al., 2011), or no effects (Greenley, 1995 between the two constructs, depending on the various metrics of business performance that have been utilized e.g service productivity, return on assets, customer satisfaction, employee satisfaction, service quality, market share, sales, net income, size and age of the firm.In addition, the majority of the performance measurements identified focused on macro level-business performance (Martin-Consuegra and Esteban, 2007) whereas a more micro performance perspective is dealt with in other studies, for example, new product performance (Hsieh et al., 2008), financial performance (Lonial et al., 2008), retail performance (Panigyrakis and Theodoridis, 2007), and specific brand performance (O'Cass and Ngo 2007, Kotler 2010) all of which by some restrictive means,measure organization's performance.In such measures customer satisfaction, customer preference, share of customer mind, customer perception, and so on are of concern. Organizational performance is the results of the operations performed by the members of the organizations (Ruey-Gwo and Chieh-Ling, 2007).Implicitly market orientation does not only affect many types of performance measures, but it also impacts performance on a number of different levels from the overall organization to individual brands to individuals within the organization (Liao et al., 2011).

METHODOLOGY

Research Design

The design for this study is measured in two variables, with Market Orientation as the in dependent variable and Organization Perfomance as the dependent variable. The Market Orientation is measured by the Intelligence Generation, Response Design and Intelligence Dissemination.

The total population/sample frame was 1,786 out of which a sample size of 280 respondents selected randomly. However 250 questionnaires representing 89% response rate was received and analysed.

Research Instrument

The study use a four-part questionnaire with Bio-data/Demographic variable in section A, while Intelligence Generation in section B, Intelligence Dissemination in section C, Response Design in section D and Organizational Performance in section E. The 5-Point Likert scale was used on the factors of each variables in section A,B,C,D and E. Cronbach Alpha reliability test was used to test the reliability of result.

ANALYSIS OF RESULTS

Table 1 Summary of table using (T-test) showing the significant effect of Intelligence Generation on Organizational Performance.

	N	Mean	Std. Dev.	Crit-t	Cal-t,	DF	P
Intelligence Generation	250	11.7040	2.6857				
				1.96	68.790	249	.000
Organizational Performance	250	29.7120	3.9041				

Source: field Analysis

The above table 1 showed that there was significant effect of Intelligence Generation on Organizational Performance (Crit-t = 1.96, Cal-t 68.790, df = 248, P <.05 level of significance).Since Cal-t of 68.790 is greater than Crit-t of 1.96 at 5% level of significant.This indicates that the bank degree of Intelligence Generation is high leading to better and superior bank performance.Therefore,this level of Intelligence Generation should be maintained and sustained to guarantee a sustainable competitive advantage for the bank.Base on this the result it shows that there was a significant effect of Intelligence Genegration on Bank Performance.

Table 2 Summary of ANOVA showing main and interactiveve effect of intelligence generation and response design on organizational performance.

Source	**Sum of Squares**	**DF**	**Mean Square**	**F**	**Sig.**	**Remark**
Main effects	618.110	2	309.055	24.035	.000	
Intelligence Generation	191.810	1	191.810	14.917	.000	Sig.
Response Design	426.300	1	426.320	33.153	.000	Sig.
2- Way Interactions:						
Intelligence Generation x	13.967	1	13.967	1.086	.298	n.s.
Response Design	13.967	1	13.967	1.086	.298	n.s.
Explained	632.077	3	210.692	16.385	.000	
Residual	3163.187	246	12.858			
Total	3795.264	249	15.242			

Source: field Analysis

Table 2 showed there that was main and interactive effect of Intelligence Generation and Response Design on Organizational Performance($F(3,246) = .298$, $P > .05$).However the table indicated that Intelligence Generation and Response Design were not interatively significant.The interative effects of the two variables of factors should be emphasized in the bank. The hypothesis is therefore partly accepted.

Table 3 Summary of Table using Multiple Regression showing Intelligence Generation and Response Design on Organizational Performance.

Variably	**F-Ratio**	**Sig. of P**	**R**	**R^2**	**Adj.R^2**	**B**	**T**	**P**
Intelligence Generation	8.724	.000	.257	.066	.058	.243	3.811	.000
Response Design						.041	.641	.000

Source: field Analysis

Table 3 above showed the effect of Intelligence generation and Response Design was significant ($F_{(2,247)} = 8.724$; $R = .257$, $R^2 = .066$, Adj.$R^2 = .058$; $P < .05$). The independent/predictor variables jointly accounted for a variation of about 7%.

The following shows the various levels of contribution and levels of significance of the independent variables.

Intelligence generation ($\beta = .243$, $P < .05$) and Response Design ($\beta = .041$, $P < .05$) respectively.

This indicates that Intelligence Generation and Response Design were independently significant.This implies that the variables or factors were predictors of organizational performance.The bank should therefore emphasis Market Orientations variables or factors (Intelligence Generation and Response Design) in their banking activities.This is because they have the potential to contribute maximally to the bank performance and so the realization of the goals and objectives of the bank.Therefore , the results support that Intelligence Generation and Response Design jointly and independently predict Organisational performance.

Table 4 Summary of table using pearson correlation showing the significant relationship between organizational performance and intelligence dissemination.

VARIABLE	MEAN	STD. DEV.	N	R	P	REMARK
Organizational Performance	29.7120	3.9041				
			250	.020	.750	n.s.
Intelligence Dissemination	18.8960	3.2210				

Source: field Analysis

Table 4 showed that there was a significant relationship between Intelligence Dissemination and Organisational Performance ($r = 0.20$, $N = 250$, $p < 0.01$).The analysis indicates a positive association between Intelligence Dissemination and Organizational Performance.The bank should pursue rigorous banking operations and activities that can stimulate and enhance higher degree of Intelligence Diseemination since they have great impact on bank performance.

CONCLUSION AND RECOMMENDATION

A strong Market Orientation is imperative for better customer satisfaction more especially in the service industry like banks, offering homogeneous set of services .This study has concentrated on Intelligence Generation ,Intelligence Dissemination and Response Design as three major Market Orientation variables as they impact on Bank Performance.This research work concludes that there was a significant effect of Intelligence Generation on Oganisational Performance.This was also in line with findings from studies by (Kohli and Jaworski 1990,1993 and Ofoegbu and Akanbi 2012) who found that Market Orientation was associated with Organisational performance.

This study further concludes that there was main effects of Intelligence Generation and Response Design on Oranisational Performance. Furthermore ,Intelligence Generation and Response Design jointly and independently impacted organizational performance.This conclusion confirmed the findings of (Liu et al,2003) who found out that Market Orientation impacted on innovative performance.

Based on the findings from this study,it is recommended that organizations especially banks should develop and consolidate on Market Oriented strategies of Intelligence Generation,Intelligence Dissemination and Response Design in order to benefit from sustainable and competitive advantage.Banks should also train their employees on Market Orientation strategies that can enhance customer retention and loyalty.

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