

Measuring Methods in Marketing Performance of Plered Ceramic MSMEs

Edi Rahmat Taufik

Department of Management, Faculty of Economics and Business

Universitas Sultan Ageng Tirtayasa

doi: <https://doi.org/10.37745/ijbmr.2013/vol11n4113>

Published April 17, 2023

Citation: Taufik E.R. (2023) Measuring Methods in Marketing Performance of Plered Ceramic MSMEs, *International Journal of Business and Management Review*, Vol.11, No. 4, pp.1-13

ABSTRACT: *This study aims to analyze marketing performance on the direct and indirect influence of external environmental variables and market orientation through the mediation of product innovation. The data of this quantitative research was harvested from questionnaires distributed to 184 owners of Plered Ceramics business, selected through saturated sampling, and was analyzed using Structural Equation Modeling in SmartPLS. This study finds that external marketing environment and market orientation positively and significantly influence marketing performance and product innovation, that product innovation affects marketing performance, and that product innovation mediates the effect of marketing orientation on marketing performance and the effect of external marketing environment on marketing performance.*

KEYWORDS: marketing environment, market orientation, product innovation, marketing performance, MSMEs

INTRODUCTION

Ceramic craft is an art with conserved historical values from the era of kingdoms. The art is predicted to exist long before 1500 years BC in several ancient culture such as Egypt and China. It entered Indonesia in seventeenth century, when Chinese immigrants stayed in West Kalimantan. Therefore, ceramics in this island is influenced mainly by Chinese ancient ceramics. The products are manufactured in Singkawang and exported to Hongkong, Singapore, and Europe. Centers of this craft industry are spread in Indonesian islands such as Java, Sumatra, Kalimantan, Sulawesi, Bali, and Nusa Tenggara.

In West Java, the famous ceramics industrial center is Plered, whose product is popular as Plered Ceramics. This center is potential for long-term development as it has been developed and assisted by the Ceramic Industry Assistance Office (BPIK) since 1975 and supported by higher education institutions such as ITB and IKJ. Until recently, there are 184 home industries developing Plered Ceramics that work based on fellowship values.

Publication of the European Centre for Research Training and Development-UK

The marketing performance of Plered Ceramics industrial center is hindered by its external marketing environment, the environment outside company policy that influence the marketing behavior of the industrial center. The condition is worsened by business owners' principle; they do not consider the situation of their market, or not market oriented, and rely on the strongly-maintained traditional production processes. Therefore, it is essential for them to pay attention to their marketing environment and market orientation as well as to develop the existing products, which can help them to improve their marketing performance.

Marketing performance is the result of marketing activities to achieve company goals. It is measured through sales volume, customer growth, market share growth, customer's purchase intention, consumer decision to buy, customer perceived satisfaction, customer repeat purchase, customer loyalty, company profits, and investment capital gains (1,2). Furthermore, the measurements in this study refer to the indicators developed (1) and (2) with simplification and adjustment to the existing condition. The indicators are the attainment of sales target, customer growth, customer's purchase interest, customer satisfaction, and customer loyalty.

Product innovation includes the development of product elements as product characteristics, such as trendy products, aesthetic products, unique products, and products that are different from competitor's products. It is practiced to meet customer's need, wish, and expectation for the completion of marketing objectives (3). The indicators of product innovation in this research are trendiness, aesthetic, uniqueness, market acceptance, and all of them effect of the marketing performance of Plered Ceramic MSMEs.

Market orientation covers all corporate policies that focus on providing value to customers, building positive competition, and building value relationships within the company aimed at enhancing marketing performance in the long run (4). The indicators of market orientation used in this study are focus on customers, focus on competitors, and focus on the relationship between functions in the industrial center that affect the product innovation and marketing performance of Plered Ceramics industrial center in West Java.

External marketing environment is the environment beyond the policies of marketing fields. It includes business doers and forces outside marketing, i.e. macroenvironment (technology, economy, socio-culture, demography, politic, and regulation) and microenvironment (supplier, middleman, buyer, substitute product, and competition), that can push marketing performance (5). The indicators of external marketing environment in this research are economic situation, socio-cultural condition, technological advancement, regulation, supplier, middleman, and substitute product availability, consumer development, and competition situation.

Based on the details of the research variables above, the following conceptual research framework were generated.

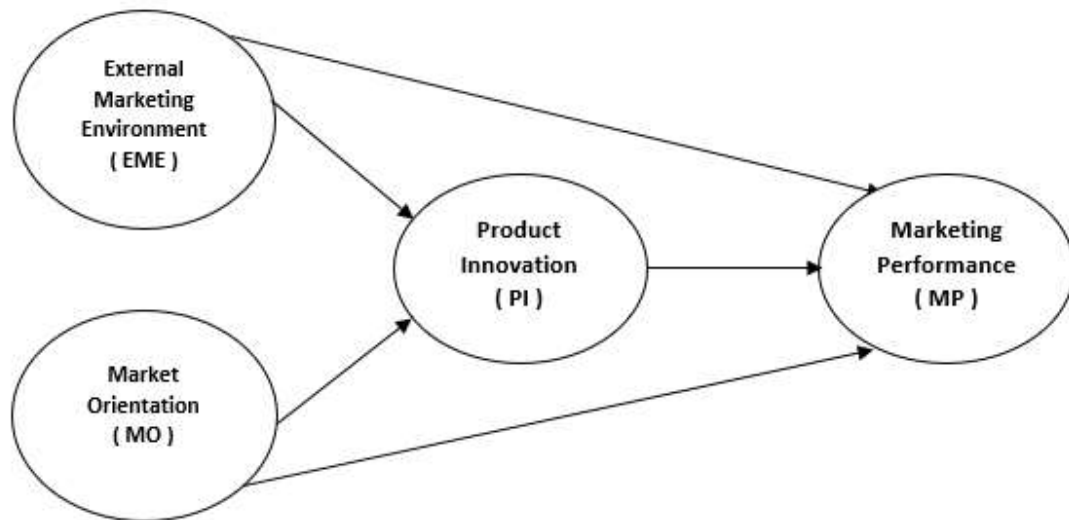


Figure 1. Conceptual Research Framework

External marketing environment is in fact social and physical factors outside the marketing circles that must be considered in business decision-making process (6). The environment consists of micro- and macroenvironment that can increase marketing performance (7). It can influence the life and the growth of companies (8). Many researchers agree that orientation to efficiency or business strategy in external environment affects business performance (9,10). Managerial capabilities and external environmental conditions have a fairly strong influence on business performance (11). Based on the description, the following hypothesis was formulated.

Hypothesis 1: External marketing environment positively and significantly influence marketing performance.

Technology is a process, technique, and method to solve technical problems in developing products. It consists of institutions and activities involved in converting new knowledge into input, process, and output (5). As it is crucial to avoid obsolescence to increase innovation, adaptation of technology is required to create new or innovated products. Kottler and Armstrong (12) proposed that cultural environment influences basic values, perceptions, preferences, and people or consumer behavior, so various opportunities to do product innovation for sustainable competitive advantage are created. Then Qureshi and Mian (13) that environmental changes significantly affects innovation. Based on the illustration above, the following hypothesis was formulated.

Hypothesis 2: External marketing environment positively and significantly influences product innovation.

Publication of the European Centre for Research Training and Development-UK

Gruber-Muecke and Hofer (4) assessed how market orientation behavior influences business performance in newly developed markets and found a positive effect. Bengesi and Le Roux (14) tested the effect of three entrepreneurial strategic responses, i.e. market orientation, innovation, and networking capability through regression analysis and found that all of which positively influence small and medium-sized enterprise's performance. Based on the description above, the following hypothesis was formulated.

Hypothesis 3: Market orientation positively and significantly influences marketing performance.

Han, Kim, and Srivastava (15) proposed that customer orientation along with competitor orientation and coordination across functions influence innovation. Manu (16) believes that customer and market-oriented companies are more capable of making innovations. There are positive and significant relationships, both direct and indirect, between market orientation and innovation performance (17–19). Based on the description above, the following hypothesis was formulated.

Hypothesis 4: Market orientation positively and significantly influences product innovation.

Product innovation will actually influence the appearance and the physical features of products, information and reputation offered to consumers as resources for marketing activities (20). Should marketing resources are optimally delivered to customers, they will respond to it well. The responses, in forms of improvements in sales volume and customer satisfaction and loyalty, are the indicators of marketing performance success(21). Further research by Benner and Tushman (22) that innovation positively influences firm performance and the finding of Wu and Lin (23) that innovation strategy positively affects organizational and quality innovations. Based on the arguments above, the following hypothesis was formulated.

Hypothesis 5: Product innovation positively and significantly influences marketing performance.

Njanja, Ougutu, and Pellisier (24) in their study concerning the effect of external environment consisting of globalization, technology, macroeconomy, regulation, incentives, and institutional policies on internal management strategy in Kenya found different effects from each dimension of the external variables on managerial strategy and concluded that there are no direct effect of environmental factors on performance, suggesting that mediation is required to achieve marketing performance as a part of business performance. Then Chadee and Roxas (25) that the quality of regulations and institutions or the government is strongly linked to innovation and firm performance and that innovation links the effect of external powers on firm performance. Based on the arguments above, the following hypothesis was formulated.

Hypothesis 6: Product innovation mediates the effect of external marketing environment on marketing performance

Atuahene-Gima (26) found that market orientation has a positive effect on the performance of new products at earlier stages of PLC and on incremental product innovation. Salavou, (27) showed that technological orientation directly has a significant effect on the product innovation of small and medium-sized enterprises. Appiah-Adu and Singh (28) found relationships between customer orientation, new product’s success, and firm performance. Therefore, it can be interpreted that product innovation links the relationship between market orientation and marketing performance. Based on the explanation above, the following hypothesis was formulated.

Hypothesis 7: Product innovation mediates the effect of market orientation and marketing performance.

METHOD

This quantitative study uses verification method to analyze relationships and influences between the exogenous and endogenous variables. Using saturated sampling, or census, all 184 members of the population of Plered Ceramics business owners and entrepreneurs were used as the sample. The data used in this study is primary, acquired and collected directly from the samples through 5-point Likert scale questionnaires – 1 for strongly disagree and 5 for strongly agree. Instrument test to measure validity and reliability was conducted prior to the questionnaire distribution.

The data was then processed using Structural Equation Modeling (SEM) with Partial Least Squares performed in SmartPLS. Hypotheses were accepted if t statistic > t table, while the role of mediation variables was measured using VAF (Variance Accounted For) criteria: value of less than 20% indicates no mediation, value between 20% and 80% indicates partial mediation, and value of more than 80% indicates full mediation.

Variable	R Square	Rule of Tumb	Conclusion
Product Innovation Marketing Performance	$R^2 \geq 0,75$ $0,25 \leq R^2 \leq 0,5$ $R^2 \leq 0,25$	Strong models Moderate models Weak models
Variable	Effect Size (f ²)	Rule of Thumb	Conclusion
EME → MP	Relationship	Large models Medium models Small or no relationship
EME → PI	models :	
MO → MP	$f^2 \geq 0,35$	
MO → PI	$0,02 \leq f^2 \leq 0,35$	
PI → MP	$f^2 \leq 0,02$	

Source : developed for this research, parameters adoption from Chin, 1998

RESULTS AND DISCUSSION

The analysis in this study consists of the following.

Convergent validity

This analysis was performed to see whether all indicators have fulfilled the factor loading requirement, i.e. values above 0.700. The result is that all factor loadings have fulfilled the criteria, as presented in the table below.

Table 1. Factor Loading Values

Indicator	Loading	Cut of Value	Remark
LPE_1	0.740	0.700	Valid
LPE_2	0.801	0.700	Valid
LPE_3	0.035	0.700	Invalid
LPE_4	0.781	0.700	Valid
LPE_5	0.832	0.700	Valid
LPE_6	0.871	0.700	Valid
LPE_7	0.813	0.700	Valid
LPE_8	0.771	0.700	Valid
LPE_9	0.775	0.700	Valid
LPE_10	0.101	0.700	Invalid
OP_1	0.807	0.700	Valid
OP_2	0.853	0.700	Valid
OP_3	0.850	0.700	Valid
IP_1	0.827	0.700	Valid
IP_2	0.817	0.700	Valid
IP_3	0.820	0.700	Valid
IP_4	0.873	0.700	Valid
KP_1	8.844	0.700	Valid
KP_2	0.840	0.700	Valid
KP_3	0.844	0.700	Valid
KP_4	0.753	0.700	Valid

Source: Processed primary data, 2019

Based on Table 1, two indicators, i.e. LPE_3 and LPE_10, do not meet the factor loading criteria as their values are below 0.700. therefore, they were excluded or eliminated from the model.

The next analysis was performed on the clean model; indicators that do not meet the validity requirement were excluded. The result of the new model is presented in Figure 2.

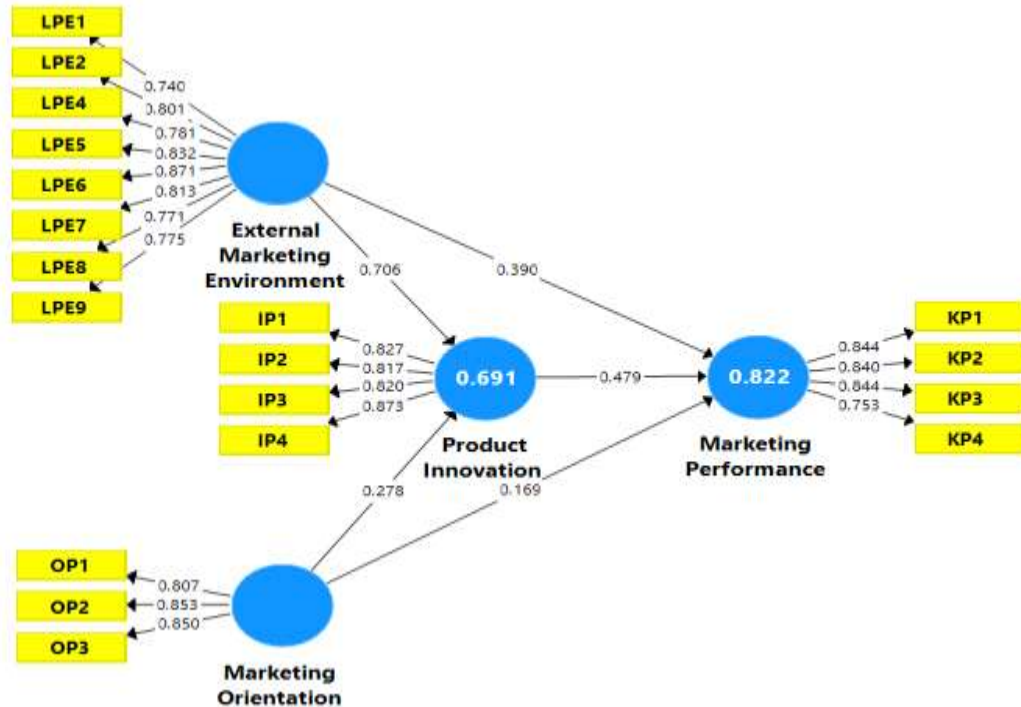


Figure 2. Research Model after Elimination using SmartPLS

Discriminant validity

Discriminant validity measures the validity of a model; it uses AVE (Average Variance Extracted) value. If the AVE value of a construct exceeds the correlation between constructs, a good model discriminant validity is indicated. The result of the analysis is presented in Table 2.

Table 2. Result of Discriminant Validity Analysis

Variable	External Marketing Environment	Market Orientation	Product Innovation	Marketing Performance
External Marketing Environment	0.799			
Market Orientation	0.293	0.837		
Product Innovation	0.788	0.485	0.834	
Marketing Performance	0.817	0.516	0.868	0.831

Source: Processed primary data, 2019

Based on Table 2, the AVE roots of each variable, i.e. external marketing environment, market orientation, product innovation, and marketing performance, are higher than the correlation between the construct, so discriminant validity has been achieved.

Composite Reliability and Cronbach's Alpha

Composite reliability and Cronbach's alpha were used to see the reliability of a construct. A construct is said to be reliable if the composite reliability and Cronbach's alpha values are higher than 0.700. The result of the composite reliability and Cronbach's alpha analysis is presented in Table 3 below.

Table 3. Analysis Result of Composite reliability and Cronbach's Alpha

Variable	Cronbach's Alpha	Composite Reliability	Cut-off Value	Remark
External Marketing Environment	0.919	0.934	0.700	Reliable
Market Orientation	0.786	0.875	0.700	Reliable
Product Innovation	0.854	0.902	0.700	Reliable
Marketing Performance	0.838	0.892	0.700	Reliable

Source: processed primary data, 2019

The table above show that the values of Cronbach's alpha and composite reliability of external marketing environment, market orientation, product innovation, and marketing performance are higher than the cut-off value of 0.700. therefore, all research variables are declared reliable.

Inner Model Evaluation (R^2 and f^2)

Inner model describes the effect between variables, which is concluded by considering the R squared value. The effect between variables in this study is presented in Table 4.

Table 4, Inner Model Evaluation Analysis Result

Variable	R Square	Rule of Tumb	Conclusion
Product Innovation	0,691	$R^2 \geq 0,75$	Moderate models
Marketing Performance	0,822.	$0,25 \leq R^2 \leq 0,5$ $R^2 \leq 0,25$	Strong models
Variable	Effect Size (f^2)	Rule of Thumb	Conclusion
EME \longrightarrow MP	0,314	Relationship	Large models
EME \longrightarrow PI	1,478	models :	Large models
MO \longrightarrow MP	0,120	$f^2 \geq 0,35$	Medium models
MO \longrightarrow PI	0,229	$0,02 \leq f^2 \leq 0,35$	Medium models
PI \longrightarrow MP	0,397	$f^2 \leq 0,02$	Large models

Source : Processed primary data, 2019

Based on Table 4, according to the R squared values, product innovation is explained by external marketing environment and market orientation for 69.1 percent (categorized as moderate), and marketing performance is explained by external marketing environment, market orientation and product innovation for 82,2 (categorized as strong). According to the effect size values, external marketing environment has a large influence on product innovation and marketing performance,

Publication of the European Centre for Research Training and Development-UK
market orientation moderately influences product innovation and marketing performance, and product innovation strongly influences marketing performance.

Hypothesis Testing

Based on the statistical analysis, t-test result and significance for testing hypotheses concerning the direct effect hypothesis and VAF values for testing hypotheses concerning mediation were obtained; they are presented in Table 5 and Table 6 below.

Table 5. T-Test and Significance Analysis Result

Relationship Between Variables	Coeff.	Std. Deviation	t Stat.	P Value
EME -----> MP	0,390	0,041	9,589	0,000
EME -----> <u>MP</u>	0,706	0,035	20,138	0,000
MO -----> <u>MP</u>	0,169	0,035	4,839	0,000
MO -----> MP	0,274	0,046	6,082	0,000
PI -----> <u>MP</u>	0,479	0,046	10,362	0,000

Source: Processed primary data, 2019

Table 6. Variance Accounted For (VAF) Values

Relationship Between Variables	Indirect Effect	Total Effect	VAF Value	Conclusion
EME -----> PI -----> MP	0,338 P value: 0,000	0,728	0,464 (46,4 %)	Partial Mediation
<u>MO</u> -----> PI -----> MP	0,133 P value: 0,000	0,303	0,438 (43,8 %)	Partial Mediation

Source: Processed primary data, 2019

The result of the analysis of Table 5 concerning the direct effect is explained as follows. The positive path coefficient value of 0.390 with the p value of 0.000 is lower than the alpha of 0.05, and the t statistics of 9.589 is higher than the t table of 1.96. Therefore, the hypothesis that external marketing environment positively and significantly influence marketing performance is accepted (**H1 is accepted**).

The positive path coefficient value of 0.706 with the p value of 0.000 is lower than the alpha of 0.05, and the t statistics of 20.138 is higher than the t table of 1.96. Therefore, the hypothesis that external marketing environment positively and significantly influences product innovation is accepted (**H2 is accepted**).

The positive path coefficient value of 0.169 with the p value of 0.000 is lower than the alpha of 0.05, and the t statistics of 4.839 is higher than the t table of 1.96. Therefore, the hypothesis that market orientation positively and significantly influences marketing performance (**H3 is accepted**).

Publication of the European Centre for Research Training and Development-UK

The positive path coefficient value of 0.274 with the p value of 0.000 is lower than the alpha of 0.05, and the t statistics of 6.082 is higher than the t table of 1.96. Therefore, the hypothesis that market orientation positively and significantly influences product innovation (**H4 is accepted**).

The positive path coefficient value of 0.479 with the p value of 0.000 is lower than the alpha of 0.05, and the t statistics of 10.362 is higher than the t table of 1.96. Therefore, the hypothesis that product innovation positively and significantly influences marketing performance (**H5 is accepted**).

The analysis of Table 6 was used to assess hypothesis concerning the indirect effect. Here Variance Accounted For (*VAF*) was used by dividing the indirect effect values with the total effect values. The criteria are that value of less than 20% indicates no mediation, value between 20% and 80% indicates partial mediation, and value of more than 80% indicates full mediation. The results of the analysis are detailed below.

VAF value of 0.464 or 46,4% indicates that H6, product innovation mediates the effect of external marketing environment on marketing performance, **H6 is accepted**; the mediation is partial. *VAF* value of 0.438 or 43,8% indicates that H7, product innovation mediates the effect of market orientation on marketing performance, **H7 is accepted**; the mediation is partial because the *VAF* values of product innovation is between 20% and 80%.

The result of the hypothesis testing concerning the effect of external marketing environment on marketing performance implies that economic situation, socio-culture, technological development, government policies, the presence of raw material suppliers, middlemen, consumers, and substitute products directly affect the sales growth, customer growth, customer satisfaction, and customer loyalty of Micro, small, and medium-sized Plered Ceramics enterprises in West Java. This finding supports the finding of Ward and Lewandowska, (9); Morgan and Hunt (10); and Matyuz *et al.*,(29) that external environment influences business performance.

The result of the hypothesis testing concerning the effect of external marketing environment on product innovation implies that economic situation, socio-culture, technological development, government policies, the presence of raw material suppliers, middlemen, consumers, and substitute products affect innovation for trendy, aesthetic, unique, and adaptive products, so the result of the innovation can be accepted by customers of Micro, small, and medium-sized Plered Ceramics enterprises in West Java. This finding supports the finding of Qureshi and Mian (13) that environmental changes significantly affects innovation.

The result of the hypothesis testing concerning the effect of market orientation on marketing performance indicates that focus on customer and competitor and relationship between functions in the industrial center directly influence the growth of sales and

Publication of the European Centre for Research Training and Development-UK customer as well as satisfaction and loyalty improvement in Micro, small, and medium-sized Plered Ceramics enterprises in West Java. This finding supports the finding of Gruber-Muecke and Hofer (4) and Bengesi and Le Roux (14) that market orientation positively influences business performance..

The result of the analysis indicates that market orientation with its indicators, i.e. focus on customer and competitor and relationship between functions in the industrial center, can develop, motivate, and improve innovation to produce trendy, aesthetic, unique, and adaptive products that are accepted by the customers of Micro, small, and medium-sized Plered Ceramics enterprises in West Java. This finding supports the finding of Huhtala (30) dan Song dan Wang (18) that market orientation positively influences product innovation.

The result of the hypothesis testing concerning the effect of Product Innovation on Marketing Performance indicates that product innovation leads to trendy, aesthetic, unique, and adaptive products, which directly affect the sales growth, customer growth, customer satisfaction, and customer loyalty. This finding supports the finding of Benner and Tushman (22) that innovation positively influences firm performance and the finding of Wu and Lin (23) that innovation strategy positively affects organizational and quality innovations.

This research finds that product innovation that leads to trendy, aesthetic, unique, and adaptive products mediates the effect of economic situation, socio-culture, technological development, government policies, the presence of raw material suppliers, middlemen, consumers, and substitute products on sales growth, customer growth, customer satisfaction, and customer loyalty. This finding supports the finding of Chadee and Roxas (25) that innovation links the effect of external powers on firm performance.

The effect of market orientation on marketing performance with the mediation of product innovation implies that product innovation leading to trendy, aesthetic, unique, and adaptive products partially **mediates** the effect of focus on customer and competitor and relationship between functions on the sales growth, customer growth, customer satisfaction, and customer loyalty of micro, small, and medium-sized Plered Ceramics enterprises in West Java

CONCLUSION

External marketing environment and market orientation directly has positive and significant effect on product innovation and marketing performance. Therefore, better management of economic situation, socio-culture, technology, regulation, supplier, middleman, consumer, and substitute product will lead to more trendy, aesthetic, unique, and adaptive products, which eventually increase sales growth, number of customers, and customer satisfaction and loyalty.

Publication of the European Centre for Research Training and Development-UK

Product innovation partially mediates the effect of external marketing environment on marketing performance and partially mediates the effect of market orientation on marketing performance. This can be even better if Plered Ceramics industries are managed better. Micro, small, and medium-sized Plered Ceramics enterprises in West Java are suggested to implement external marketing environment and market orientation management by adopting and enhancing product innovation in order to increase their marketing performance through growth of sales and number of customers and improving the satisfaction and loyalty of their customers.

To enrich the treasury of research, subsequent studies are suggested to observe different objects such as food, service, and other goods industries so that other research types, findings, and model can be generated. Other researchers are also advised to examine other variables, such as external environments, partnership, relationship, and service innovations, so that more people can get more benefits in the area of marketing performance for micro, small, and medium-sized enterprises.

References

1. Voss GB, Voss ZG. Strategic orientation and firm performance in an artistic environment. *J Mark.* 2000;64(1):67–83.
2. Zhou KZ, Yim CK, Tse DK. The effects of strategic orientations on technology-and market-based breakthrough innovations. *J Mark.* 2005;69(2):42–60.
3. Venkatesh A, Meamber LA. Arts and aesthetics: Marketing and cultural production. *Mark Theory.* 2006;6(1):11–39.
4. Gruber-Muecke T, Hofer KM. Market orientation, entrepreneurial orientation and performance in emerging markets. *Int J Emerg Mark.* 2015;
5. Hitt MA, Ireland RD, Hoskisson RE. *Concepts & Cases. Strateg Manag Compet South-Western Cengage Learn Mason.* 2009;
6. Mason RB. The external environment's effect on management and strategy: a complexity theory approach. *Manag Decis.* 2007;
7. Jackson RW, Wood CM. The marketing environment: A new paradigm. *Acad Mark Stud J.* 2013;17(1):35.
8. Covin JG, Slevin DP. Strategic management of small firms in hostile and benign environments. *Strateg Manag J.* 1989;10(1):75–87.
9. Ward S, Lewandowska A. Is the marketing concept always necessary? The effectiveness of customer, competitor and societal strategies in business environment types. *Eur J Mark.* 2008;
10. Morgan RE, Hunt SD. Determining marketing strategy: A cybernetic systems approach to scenario planning. *Eur J Mark.* 2002;
11. Hansen GS, Wernerfelt B. Determinants of firm performance: The relative importance of economic and organizational factors. *Strateg Manag J.* 1989;10(5):399–411.
12. Kotler P, Armstrong G. *Principles of marketing.* England. Pearson Education, Inc; 2014.

13. Qureshi S, Mian SA. Antecedents and outcomes of entrepreneurial firms marketing capabilities: An empirical investigation of small technology based firms. *J Strateg Innov Sustain*. 2010;6(4):26–41.
14. Bengesi KMK, Le Roux I. Strategic entrepreneurial response of small and medium enterprises in developing economies. 2014;
15. Han JK, Kim N, Srivastava RK. Market orientation and organizational performance: is innovation a missing link? *J Mark*. 1998;62(4):30–45.
16. Manu FA. Innovation orientation, environment and performance: A comparison of US and European markets. *J Int Bus Stud*. 1992;23(2):333–59.
17. Rezaei C, Maroofi F. Examine the Relationship Between Markets Oriented and Innovation of Saipa and Iran Khodro Group. *J Appl Sci*. 2015;15(3):558–63.
18. Song J, Wei YS, Wang R. Market orientation and innovation performance: The moderating roles of firm ownership structures. *Int J Res Mark*. 2015;32(3):319–31.
19. Wang CL, Chung HFL. The moderating role of managerial ties in market orientation and innovation: An Asian perspective. *J Bus Res*. 2013;66(12):2431–7.
20. Mahoney JT. The management of resources and the resource of management. *J Bus Res*. 1995;33(2):91–101.
21. Eusebio R, Andreu JL, Belbeze MPL. Measures of marketing performance: a comparative study from Spain. *Int J Contemp Hosp Manag*. 2006;
22. Benner MJ, Tushman ML. Exploitation, exploration, and process management: The productivity dilemma revisited. *Acad Manag Rev*. 2003;28(2):238–56.
23. Wu S-I, Lin C-L. The influence of innovation strategy and organizational innovation on innovation quality and performance. *Int J Organ Innov*. 2011;3(4).
24. Njanja WL, Ogutu M, Pellisier R. The effects of the external environment on internal management strategies within micro, small and medium enterprises; Kenyan case. 2012;
25. Chadee D, Roxas B. Institutional environment, innovation capacity and firm performance in Russia. *Crit Perspect Int Bus*. 2013;
26. Atuahene-Gima K. An exploratory analysis of the impact of market orientation on new product performance: a contingency approach. *J Prod Innov Manag an Int Publ Prod Dev Manag Assoc*. 1995;12(4):275–93.
27. Salavou H, Avlonitis G. Product innovativeness and performance: a focus on SMEs. *Manag Decis*. 2008;46(7):969–85.
28. Appiah-Adu K, Singh S. Customer orientation and performance: a study of SMEs. *Manag Decis*. 1998;
29. Matyusz Z, Demeter K, Szigetvári C. The impact of external market factors on the operational practices and performance of companies. *Soc Econ*. 2012;34(1):73–93.
30. Huhtala J-P, Sihvonen A, Frösén J, Jaakkola M, Tikkanen H. Market orientation, innovation capability and business performance: Insights from the global financial crisis. *Balt J Manag*. 2014;