

Full Length Research Paper

Assimilating entrepreneurial orientation and market orientation dimensions in the context of women-owned small and medium sized businesses

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Contemporary research exemplifies that an investment in employing an entrepreneurial orientation (EO) and market orientation (MO) strategies will assist small and medium sized businesses owned by women (WSMBs) in gaining success not only in short-term but over the longer period of time as well. Despite the significance of acquiring EO and MO to rejuvenate business performance, the distribution of EO and MO in literature is accounted as counter-productive. This argument advocate that an alignment amid EO and MO is advantageous for WSMBs, as it improves the business competitive ability to innovate and respond proactively to customers and market demands, which results in business growth and improved profitability. To this day, research has resulted in the development of EO and MO constructs, but literature accord no evidence whether the dimensions of EO and MO are related to each other in the context of WSMBs in developing countries of the world like Pakistan. This study examines the association amid dimensions of EO and MO, and findings suggest that all three dimensions of EO are positively associated with all three dimensions of MO in WSMBs context.

Key words: Entrepreneurial orientation, market orientation, women-owned small and medium sized businesses.

INTRODUCTION

The world is in a process of transformation, and sustainability of economic and social development is widely linked to the development of women as economic agents (Fujimori, 1995). This transition has globally patterned women entrepreneurial activities (Greene et al., 2003),

and made entrepreneurship a rewarding profession for women to grow and sustain, economically and independently. Women generally own small to medium sized businesses (WSMBs) and contribute significantly to world's innovation and economic growth. Contemporary competitive and dynamic market environment, coupled with demanding customers, now require firms of all sizes and nature to acquire entrepreneurial orientation (EO) and market orientation (MO) to grow and sustain profitably. EO explains the firm involvement in proactive and

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innovative strategies by entailing risk and is associated positively to firm performance, whereas, MO centres on customers and competitors and is connected strongly to firm performance. Despite the significance of acquiring EO and MO to rejuvenate business performance, the distribution of EO and MO in literature is accounted to be counter-productive as noted by McGrath and MacMillan (2000) and Wiklund and Shepherd (2003) that entrepreneurial success emerges when small and medium sized businesses (SMBs) employ creative and innovative thinking to shape the basic elements of firm's strategic marketing. The existing argument advocate that an alignment amid EO and MO is advantageous for SMBs and WSMBs (Baker and Sinkula, 2009), as it improves the business competitive ability to innovate and respond proactively to customers and market demands which results in business growth and profitability. Contemporary research exemplifies that an investment in employing an EO and MO strategy will assist SMBs and WSMBs in gaining success not only in short-term but over the longer period of time as well (Wiklund and Shepherd, 2005). To this day, research has resulted in the development of EO (Lumpkin et al., 2009; Covin and Slevin, 1989; Wiklund and Shepherd, 2005), and MO constructs (Kohli and Jaworski, 1990; Baker and Sinkula, 2005, 2007; Zhou et al., 2008; Narver et al., 2004), but literature accord no evidence whether the dimensions of EO and MO are related to each other in the context of WSMBs in developing countries of the world like Pakistan (Afza et al., 2010). Women entrepreneurs are deemed the corner stone of modern economic society and the growth and success of the free enterprise system is largely attributed to the energies and creativity of WSMBs (Brush et al., 2009; Schwartz, 1976). Majority of women entrepreneurs own small to medium sized businesses (Afza and Rashid, 2009) but unseemly, many of the developing and under-developed countries pay little intent to SMBs and WSMBs and tend to associate development with the growth of large-scale manufacturing industries. In Pakistan, there are 2 million SMBs; this includes 400,000 manufacturing units, 600,000 services units and approximately one million trade service units or retailers (Hassan, 2008). Deplorably, there are no sufficient data available on the economic value created by WSMBs to offer an accurate insight on the economic effect of WSMBs in various sectors of the economy (Bhutta et al., 2007). Although, WSMBs are regarded as panacea for economic problems confronted by the world today (Tamošiūnas and Lukošius, 2009), but little efforts have been devoted to the strengthening of WSMBs in many developing countries of the world. Recently, business and development studies delineated that the success and growth of WSMBs depends largely on the firm innovative ability (Covin et al., 2006) and marketing capabilities (Baker and Sinkula, 2007) in serving its customers and markets profitably (Baker and Sinkula, 2009). This relationship is sustained only when business creates and retains

its customers profitably over a longer period of time. The question pertains to, how WSMBs create this meaningful relationship which gives value to its customers and markets and also a potential profit to the firm. What strategic orientations are important for WSMBs long-term business growth and profitability? Literature illustrates that EO and MO contribute significantly to the growth and success of WSMBs, in this context; it is worth examining the relationship amid dimensions of both growth oriented strategic orientations such as EO and MO in the context of WSMBs in developing countries like Pakistan where women-owned businesses are on the rise.

THEORETICAL BACKGROUND AND HYPOTHESIS

Three conceptual models are developed based on the precepts of entrepreneurship, strategic marketing and strategic management literature. These models delineate the likely relationships among the components of both EO and MO constructs. Both EO and MO comprises of three dimensions. EO consists of risk-taking, innovativeness and proactiveness, whereas, MO comprises of competitor orientation, customer orientation and inter-functional coordination. Figures 1, 2 and 3 depict the relationships among the components of EO and MO. These relationships are hypothesized to provide pervasive understanding amid EO and MO dimensions and are based on the theories discussed in entrepreneurship and strategic marketing literature.

Proactiveness and dimensions of MO

EO influence on business performance has largely been argued by entrepreneurship scholars, and empirical evidences illustrate the EO positive performance implications for SMBs (Wiklund, 1999; Baker and Sinkula, 2009). Parallel to EO, MO is another dominant construct which impact positively on business performance; MO is an adaptive mechanism and is positively associated to EO in exploiting uncertain market environments (Miles and Arnold, 1991).

Scholars debate that market-oriented firms are reactive in nature and are likely to let pass valuable opportunities for creating new products and services which are based on the customers unexpressed needs (Hamel and Prahalad, 1994; Atuahene-Gima and Ko, 2001), therefore, it is imperative for the firms to align the proactive focus of EO to successfully meet the expressed and future needs of the customers and markets (Covin and Slevin, 1991; Atuahene-Gima and Ko, 2001). Though aligning the proactive dimension of EO with the dimensions of MO presents a persuasive argument, yet little or no empirical evidence prevail to support the alignment of EO dimension of Proactiveness with the dimensions of MO in WSMBs context. Figure 1 plots the relationships

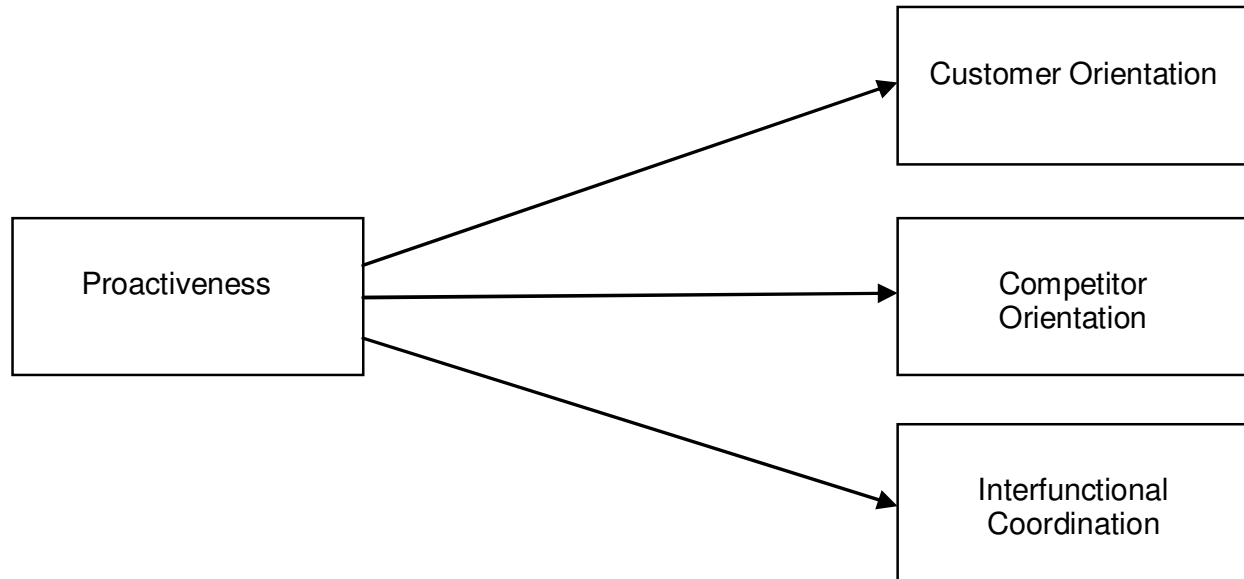


Figure 1. Relationship between proactiveness and dimensions of MO.

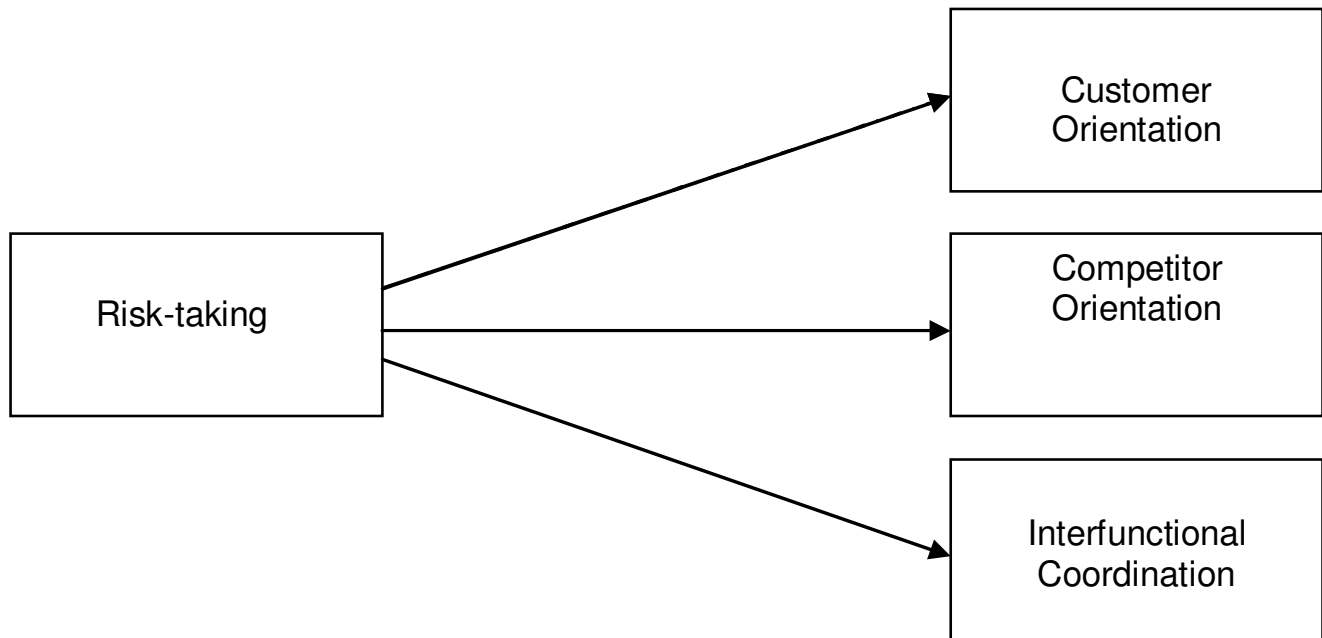


Figure 2. Relationship between risk-taking and dimensions of MO.

amid proactiveness and dimensions of MO.

Proactiveness and customer orientation

Proactiveness relates to a stance of foreseeing and responding to customer future needs and wants, thus, generating a pioneering advantage over competitors, whereas, customer orientation concerned with creating

value for current customers through gaining adequate understanding of customers expressed needs (Narver and Slater, 1990; Alpkan et al., 2007). The recent advances in production technologies, information and communication technologies as a result of globalization and internationalization have created highly competitive and dynamic domestic markets alongside with sophisticated and informed customer groups (Knight and Cavusgil, 2004). The reactive nature of MO does not

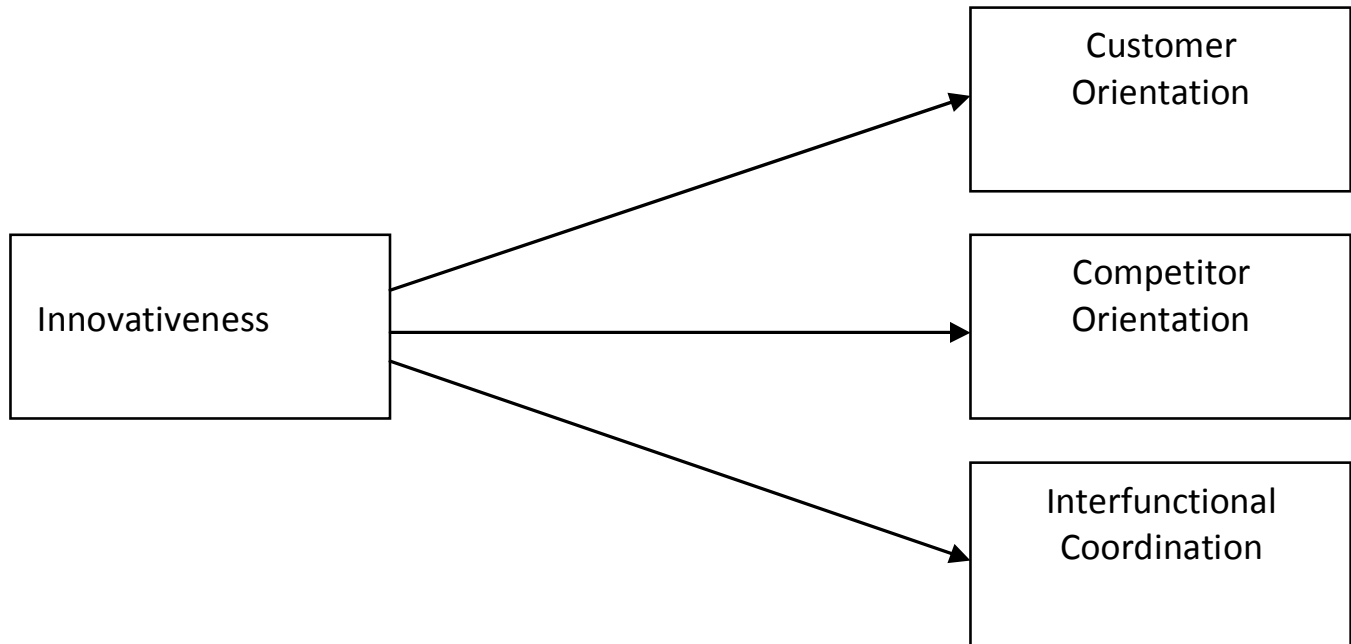


Figure 3. Relationship between innovativeness and dimensions of MO.

alone permit the WSMBs to define the future opportunities which are based on customers latent or unexpressed needs, whereas, customer orientation demands proactive disposition to provide continuous value and satisfaction to existing and future customers (Danneels, 2003; Alam, 2010). Therefore, it is fundamental for WSMBs to align the proactive stance to develop a customer oriented culture in order to successfully meet the expressed and future demands of the customers. Accordingly, it is hypothesized that:

H₁: Proactiveness is positively associated to customer orientation in WSMBs context.

Proactiveness and competitor orientation

The proactive stance will enable WSMBs to carefully study the competitor's actions and strategies to define the strengths and weaknesses of rivals (Narver and Slater, 1990; Dimitratos et al., 2010). The classical business failure reasons noted by Timmons and Spinelli (2007) include ignorance about competition. The authors argue that it's easy for a company to die simply by staying in a dark room, but to remain profitable, it requires, on the part of the firm, to be proactive and focus closely on the competition. That is, the proactive stance of WSMBs will promote a competitor oriented culture accentuating these WSMBs to continuously generate information about competitor's actions, strategies and capabilities. The ideology behind the positive relationship amid proactiveness and

competitor orientation is due to competitive nature of the domestic market structure and the presence of large rival firms. The growth of WSMBs will depend largely on developing a competitor oriented culture, the culture which stresses on defining the competitor's weaknesses and would permit WSMBs to make use of proactive stance to shape their own competitive strategies to serve customers and markets profitably. Thus, it is hypothesized that:

H₂: Proactiveness is positively associated to competitor orientation in WSMBs context.

Proactiveness and interfunctional coordination

The productive outcome of developing customer oriented culture and competitor oriented culture depends largely on the WSMBs level of interfunctional coordination; defined as a process that incorporates information pertaining to customers, markets and competitors and allow logical action on the part of the firm (Narver, Slater and Maclachlan, 2004; Alam, 2010). The proactive stance permits the firm to develop an embedded customer and competitor oriented culture which in return instigates the collection of information about customers, markets, environments and competitors (Baker and Sinkula, 2007).

The proactive approach together with interfunctional co-ordination will create an environment in which sharing of information among individuals and various business functions will be promoted and would result in efficient

decision making.

The WSMBs proactive approach will create a sense of urgency among the employees to respond quickly to the environmental challenges. This in result would improve the employee level of commitment to advance the firm market performance (Blankson and Cheng, 2005; Kennedy, Goolsby and Arnould, 2003; Vijande et al., 2008). Accordingly, it is hypothesized that:

H₃: Proactiveness is positively associated to interfunctional coordination in WSMBs context.

Risk-taking and dimensions of MO

Risk-taking is posits to have a negative influence on customer orientation (the dotted line signify the negative influence of risk-taking on customer orientation) as literature illustrates the fact that WSMBs are reported to be risk averse, as they lack material resources and expertise to invest in uncertain environment. Furthermore, WSMBs have the tendency to play safe and they prefer to focus on the existing customers and markets need and commit resources to satisfy the customers expressed and unmet needs (Afza, Osman and Rashid, 2010). Therefore, risk taking posits to be negatively associated to customer orientation for WSMBs, whereas, risk-taking is hypothesized to have a positive impact on competitor orientation and interfunctional coordination. Figure 2 illustrates the hypothesized relationships amid risk-taking and the dimensions of MO.

Risk-taking and customer orientation

Risk-taking is defined as firm readiness to commit resources in uncertain environment and situation through the introduction of new products or services, exploring new segments for products or services and investing in new projects (Lumpkin and Dess, 1996; Tajeddini, 2010). Though it has been argued a lot among the scholars that customer oriented firms are risk averse as they tend to focus on customer's existing needs and wants, and commit resources to serve the existing customers (Jaworski et al., 2000). Correspondingly, WSMBs are reported in literature as risk averse because they lack material resources and expertise to invest in uncertain environment (Talat et al., 2010; Baker and Sinkula, 2009). They instead, prefer to focus on the existing customers and market needs and commit resources to satisfy the customers expressed and unmet needs (Fairoz et al., 2010). Thus, it is hypothesized that:

H₄: Risk-taking is negatively associated to customer orientation in WSMBs context.

Risk-taking and competitor orientation

Risk-taking is hypothesized to be positively linked to competitor orientation in case of WSMBs. The marketing paradox transacts with the dilemma of whether firms should be proactive or reactive, or should they maintain a balance on the continuum to be reactive and proactive simultaneously (Narver et al., 2004). Conner (1999) is of the opinion that maintaining a balance on the continuum would allow the firm to generate funds being reactive and satisfying the customer current needs and concurrently using the funds to invest in new and risky projects through new product development and entering new markets to out compete the rival firms. WSMBs are usually competitive as they tend to focus on the opportunities in the segmented markets based on the defined weaknesses of the competitors, thus, competitor oriented approach together with the quest to outperform competitors make WSMBs prone to risk-taking. Therefore, it is hypothesized that:

H₅: Risk-taking is associated positively to competitor orientation in WSMBs context.

Risk-taking and interfunctional coordination

The inclination of WSMBs to initiate risk and stay ahead of competition requires high level of interfunctional coordination to reach timely decisions. Literature illustrates that small firms are leaders in experimentation and innovation, which results in technological change and growth (Gudmundson et al., 2003; Kuratko and Hodgetts, 2001). Being risky is a trait of WSMBs, as their birth in the face of competition is a risky ride on an uncertain avenue. Risk-taking nature of WSMBs initiates a sense of responsiveness among the individuals and various functions of the business (interfunctional coordination) to assimilate the facts pertaining to customers and competitors which permit logical actions. For that reason, the risk-taking nature of WSMEs will develop a sense of responsiveness among individuals and various functions of the business (interfunctional coordination) to respond efficiently to the existing and future opportunities in the market place (Kennedy et al., 2003). Thus, it is hypothesized that:

H₆: Risk-taking is positively associated to interfunctional coordination in WSMBs context.

Innovativeness and dimensions of MO

Innovativeness has been reported to be strongly rooted in WSMBs as SMBs are deemed as leaders in experimentation and innovation (Okpara and Kabongo, 2009). Innovativeness is now recognized as an organizational culture and defined as a business ideology to embrace

new ideas and experimentation which results in the development of new products and technological processes (Hurley et al., 2005). Innovativeness symbolizes the firm's strategic stance which signifies the firm readiness to critically evaluate the environment for the purpose of creating space for innovating new products and defining creative ways to explore new markets. The ever growing competition and shortened product and market life cycles stresses firms to strategically orient their postures towards innovativeness to ensure the profitable survival of the firm (Frank et al., 2010). Figure 3 plots the hypothesized relationships amid innovativeness and dimensions of MO.

Innovativeness and customer orientation

Innovative WSMBs stay close to the customers and markets to make note of their changing needs. Innovativeness is now recognized as an organizational culture and defined as a business ideology to embrace new ideas and experimentation that results in the development of new products and technological processes (Okpara and Kabongo, 2009). The growing rivalries and speed of innovation require innovative WSMBs to be customer oriented, which would permit these WSMBs to be responsive to the changing customer's existing and latent needs through innovating news products and services. Mixed literature illustrations on the relationship between innovativeness and customer orientation report that customer orientation had a negative impact on product innovation and new market development as staying close to customers will limit innovation in high-technology firms (Im and Workman, 2004; Woodside, 2005). It is contend in this study that the ever growing competition and shortened product and market life cycles stresses firms to strategically orient their postures towards innovativeness, and the strategic innovative posture if supplemented by customer orientation would result in profitable survival of the firm (Frank et al., 2010). Thus, innovativeness will positively influence the customer orientation focus of the WSMBs and accordingly it is hypothesized that:

H₇: Innovativeness is positively associated to customer orientation in the context of WSMBs.

Innovativeness and competitor orientation

An innovative firm tends to always study the competitor's moves and strategies to define their strengths and weaknesses, as differentiating from competitors is a trait of an innovative firm. Innovative firms with strong customer orientation have a tendency to evaluate their offerings

against rival firms for the positional advantage (Im and Workman, 2004). Therefore, innovativeness as an organizational culture will positively influence the competitor orientation focus of the firm as defining rival's strengths and weaknesses will facilitate the creative flow of products and services and strengthen the innovative culture in WSMBs (Narver and Slater, 1990). Thus, this study posits that:

H₈: Innovativeness is positively associated to competitor orientation in the context of WSMBs.

Innovativeness and interfunctional coordination

Innovativeness as an organizational culture may serve as momentum to interfunctional coordination. Innovative culture will foster the need of improved functional coordination among all functions of the business to expedite the flow of shared communication among individuals and departments (Im and Workman, 2004). Improved coordination among individuals and all functions of the business as a result of innovative culture will give firms an opportunity to embrace new ideas and technologies in an open environment, thus, enhancing the individual and team collective efficiency to contribute positively to innovativeness or vice versa. Thus, this study conjectures:

H₉: Innovativeness is positively associated to interfunctional coordination in the context of WSMBs.

METHODOLOGY

To test the research hypotheses, this study briefly discusses the research methodology employed. The study's methodology is divided into three parts. First, the target population and data collection method was delineated, after which the scales were adapted to measure the variables and data analysis techniques respectively.

Target population and data collection method

Target population of the study consists of WSMBs (women-owned small and medium sized businesses) registered with Federation of Chamber of Commerce and Industries (FCCI) and Small and Medium Enterprise Development Authority (SMEDA) in the province of Punjab, Pakistan. Survey questionnaire was developed based on the established EO and MO scales. A total of 400 WSMBs were randomly approached and 303 agreed to participate in the survey (182 manufacturing, 65 services and 56 retail/trade firms). This study made use of the single-informant method as representative of the firm to gather data from WSMBs, as EO and MO have established as firm level constructs and reported firmly rooted in organizations (Knight and Cavusgil, 2004). Researchers have advocated numerous reasons to explain the effectiveness of single-respondent approach over multiple-respondent approach; first, single-informant approach is cost effective, second, it permits the researcher to involve more respondent companies and generate a

higher response, third, it does not complicate the data set as multiple responses from the same company could complicate the analysis process, and lastly, most empirical researches in EO and MO streams preferred single-informant approach (Olson, Slater and Huly, 2005). In the context of WSMBs, CEO, founding, or managing entrepreneurs are always considered the operational and strategic heads and are considered the most likely informants because of their level of involvement in the overall running of the firm, and in the same context, this research classified the single-respondent as "founding or managing entrepreneur" and also the key respondent.

Measures

All measures used in this study are grounded in literature and adopted with modification to be used in the context of this study. Three dimensions of EO were measured with a revised version of (adjusted for terminology suitable for WSMBs) twelve items, seven-point scale based on the scales developed and, tested for validity and reliability by various leading entrepreneurship researchers (Covin and Slevin, 1989, 1991; Khandwalla, 1977; Lumpkin and Dess, 1996; Miller and Friesen, 1982). Of the three dimensions of EO, innovativeness was measured with five items anchored scale developed by Miller and Friesen (1982) and acclimatized for use in small firms by Covin and Slevin (1989).

The questions solicit respondents to evaluate: 1) the degree to which firm emphasizes R and D and innovativeness; 2) to what extent firm has added to its line of products/services; and 3) the level of changes in product line/services.

The last two items are adapted from the scale of Lumpkin (1998) which measures the firm innovativeness in developing new processes by soliciting, if innovative approaches to problem solving and development to production mechanisms are significant to firm. Proactiveness was measured with three items on 7-point scale. Two items out of the three measures of proactiveness were adopted from the scale developed by Covin and Slevin (1989) and one measure adopted from the scale developed by Lumpkin (1998).

The questions ask respondents to assess: 1) the firm proclivity to leap forward to seize opportunities and be the first to develop and introduce new products, services, technologies and processes; 2) the firm approach of acting ahead of competitors in predicting about future changes or needs; and 3) firm propensity to lead rather than following the competitors in introducing new products and services. Risk-taking was measured with four items on 7-point scale developed by Covin and Slevin (1989).

The questions require respondents to appraise: 1) firm tendency to engage in risky ventures; 2 and 3) firm leaning for bold versus careful acts in accomplishing firm targets; and 4) how firm risk-taking propensity accentuate firm decisions to allocate resources.

Whereas, all three dimensions of MO were measured with a revised version (adjusted for terminology suitable for WSMBs) fifteen items, seven-point scale based on scale developed and tested for validity and reliability by Narver and Slater (1990).

Of the three dimensions of MO, customer orientation was measured with six items anchored scale developed by Narver and Slater (1990). The questions solicit respondents to evaluate firm customer orientation in terms of: 1) monitoring the firm level of commitment to serving customer needs; 2) firm objectives are driven by customer satisfaction; 3) competitive advantage is based on the firm understanding of customer needs; 4) strategies are aligned with firm belief to continuously create value for customers; 5) measuring customer satisfaction sporadically; and 6) closely following customers for after-sales services. Competitor orientation was measured with four-items on 7-point scale developed by Narver and Slater (1990). The questions ask respondents to assess firm competitor orientation in terms of: 1) firm inclination to quickly respond to the competitor threatening actions; 2) sales and

marketing people regularly share information pertaining to competitor actions; 3) management regularly discusses the competitor strengths and actions; and 4) firm target customers following an opportunity for competitive advantage. Interfunctional coordination was measured with five items on 7-point scale developed by Narver and Slater (1990). The questions enquire respondents to evaluate the firm level of interfunctional coordination in terms of: 1) firm functions of the business are integrated in serving the needs of target markets; 2) firm functions of the business are responsive to each other's needs to collectively serve the market needs efficaciously; 3) firm all functions of the business share information pertaining to successful and unsuccessful customer experiences; 4) entrepreneur/manager understand the capacity of everyone in business in terms of their contributing capacity to create value for customers; and 5) resources are shared among all the functions of the business.

Data analysis techniques

Data collected were coded and entered into SPSS 17 for analysis, subsequently; reliability scores for each construct were calculated through Cronbach alpha (α) and depicted in Table 1. Further, the score for each variable was computed by summing all scores of items measuring a particular construct and divided by the number of items measuring that construct. Finally, Pearson correlation coefficients were computed to test the proposed relationships amid the dimensions of EO and MO, and results are summarized in Table 1.

RESULTS

The proposed relationships among the dimensions of EO and MO were tested using Pearson correlation coefficients; the correlation coefficients in Table 1 depict significant correlations amid the dimensions of EO and MO in WSMBs context. Results indicate that all three dimensions of EO have positive relations with the dimensions of MO and their relationships are statistically significant at ($p < 0.01$).

All study hypotheses are substantiated except for H_4 , which resulted otherwise. Hypotheses H_1 , H_2 and H_3 suggest that proactiveness is positively associated with customer orientation, competitor orientation and interfunctional coordination. All three hypotheses are supported by the data; customer's orientation ($r = 0.46$, $p < 0.001$), competitor's orientation ($r = 0.35$, $p < 0.01$), and interfunctional coordination ($r = 0.56$, $p < 0.01$). Hypotheses H_4 , H_5 and H_6 propose that risk-taking is negatively associated with customer orientation (H_4) but positively associated with other two dimensions of MO, that is, competitor orientation and interfunctional coordination. Hypotheses H_5 and H_6 are supported by the data but H_4 is refuted by the data since data suggest a positive association of risk-taking with customer orientation in the WSMBs context with coefficients values; customer's orientation ($r = 0.45$, $p < 0.001$), competitor's orientation ($r = 0.50$, $p < 0.01$), and interfunctional coordination ($r = 0.59$, $p < 0.01$). The last set of hypotheses H_7 , H_8 and H_9 suggest that innovativeness is positively associated with all three dimensions of MO in

Table 1. Means, standard deviations and Pearson correlation for EO and MO constructs (N = 303).

Variable	Mean	SD	1	2	3	4	5	6
1	4.64	1.90	(0.87)†					
2	4.65	1.88		(0.92)†				
3	4.67	1.85			(0.78)†			
4	4.72	1.77	0.46**	0.55**	0.45**	(0.83)†		
5	4.78	1.85	0.35**	0.39**	0.50**		(0.86)†	
6	4.75	1.84	0.49**	0.56**	0.59**			(0.79)†

1** Correlation is statistically significant at the 0.01 level (1 tailed); 2. † The bold values in parentheses are the reliability scores of the measures; 3. Mean shows the average score of respondents' responses; 4. SD shows standard deviation in respondents' responses; 5. "1" = Innovativeness, "2" = proactiveness, "3" = risk taking, "4" = customer's orientation, "5" = competitor's orientation, "6" = interfunctional coordination.

WSMBs context and are well supported by the data with coefficients values; customer's orientation ($r = 0.55$, $p < 0.001$), competitor's orientation ($r = 0.39$, $p < 0.01$), and interfunctional coordination ($r = 0.49$, $p < 0.01$).

DISCUSSION

Earlier studies of small and medium sized businesses have investigated the singular impact of EO and MO on business performance, but rarely have determined the association among the dimensions of EO and MO in the context of women-owned SMBs. Moreover, most of the studies on EO and MO have been carried out in market-driven economies where the institutional and market environments are well established. Concerns arising from conservative and transitional economies especially for businesses owned by women have not been awarded appropriate attention. Considering the significant role WSMBs play in conservative and transitional economies in employment creation, international trade and domestic wealth has profound implications for research and practices. To fill the void, this study was undertaken to examine the relationships among the dimensions of EO and MO in WSMBs context in Pakistan.

To sum up the results, this study proffers strong support to the study hypotheses presented in Figures 1, 2 and 3. First, the findings confirms that proactiveness as dimension of EO is significantly and positively related to all three dimensions of MO, that is, customer orientation, competitor orientation and interfunctional coordination. This signifies that aligning proactiveness with dimensions of MO in WSMBs context can drive them to identify potential opportunities ahead of competitors and creating products and services based on the customers expressed and latent needs. This result supports the researches of Zehir and Eren (2007) and Low et al. (2007) who found the positive relationship between proactiveness and dimensions of MO (customer orientation).

Further, the study results demonstrate that risk-taking is positively associated to all three dimensions of MO, though study posits that risk-taking is negatively associated to customer orientation in WSMBs context. The positive association between risk-taking and customer orientation as suggested by the data contradict the results of Cadogan and Siguaw (2002), who advocated that customer orientation reduces risk-taking, one plausible explanation for such a finding could be that WSMBs birth at the face of competition inclined them concurrently to be customer orientated and risk prone, as customer's pervasive understanding tend to intensify the WSMBs level of confidence to embark on risky ventures robustly. Finally, it substantiated as expected that innovativeness is positively associated to all three dimensions of MO for the reasons that innovativeness symbolizes the firm's strategic stance which signifies the firm readiness to critically evaluate the environment for the purpose of creating space for innovating new products and defining creative ways to explore new markets.

The ever growing competition and shortened product and market life cycles, stresses firms to strategically orient their postures towards innovativeness to ensure the profitable survival of the firm (Frank, Kessler and Fink, 2010).

MANAGERIAL AND FUTURE RESEARCH IMPLICATIONS

The result of the study revealed few managerial implications. First, the study demonstrates that EO and MO are beneficial for WSMBs in conservative and transitional economies. Correspondingly, CEO or top managers of WSMBs should endeavour to acquire EO and MO as decisive components of firm's strategic profile. With reference to future research perspective, the context-specific results of the current study should be viewed vigilantly when extended to other contexts.

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