Business Management and Strategy
ISSN 2157-6068
2022, Vol. 13, No. 2

A Study on the Impact of Market and Strategic Orientations on Business Performance by Emphasizing the Role of Innovation as a Mediator

Zhenia Tahmasebinia (Corresponding Author)

Department of Management, Islamic Azad University, Central Tehran Branch, Iran.
Email: zhenia.tahmasebi.nia@gmail.com

Aliakbar Jokar (Corresponding Author)

Department of Business Management Payame Noor University, Iran.
Email: jowkar.aliakbar@gmail.com

Amir Mohebi

Department of Management, The Institute for Management and Planning Studies, Iran

Sogand Fardmehregan

Department of Management, Ershad University of Damavand, Iran

Mehdi Beigi

Department of Civil Engineering, University of Texas at Arlington, USA

Foozhan Tahmasebinia

Dedman College of Humanities and Sciences, Southern Methodist University, USA

Received: May 29, 2022 Accepted: July 17, 2022 Published: August 2, 2022

doi:10.5296/bms.v13i2.19907 URL: https://doi.org/10.5296/bms.v13i2.19907

Abstract

This research aims to study the effects of strategic orientations as a broad spectrum of views on business performance. At the micro-level, the impact of market orientation as one of the main strategic orientations on performance was investigated. The statistical population of the study can be considered as 4,000 people. According to Morgan's table, we have tested the hypothesis using a sample of 351 people working in Iranian firms active in the healthcare field of supplying and manufacturing medical equipment and devices. So, we sent 351 questionnaires for data collection, and 247 were completed and then used for data analysis. This study emphasized the significant function of the market and strategic orientations on the organization's performance. By considering innovation as the mediator in this relationship, it has been found that innovation is critical in intensifying and improving business performance. Finally, we propose that managers, especially senior to middle ones, be alert and routinely seek appropriate strategies to implement in their department or firm following changes in a business environment and continuous technological advances.

Keywords: strategic orientations, innovation, market orientation, business performance

1. Introduction

In today's competitive world, the type of strategies and the classification of these strategies by managers play a significant role in shaping strategic thinking and planning in the organization (Chari et al., 2017). Strategists try to connect the past and present to anticipate what will occur in the future (AlQershi, 2021). A mixture of competitive strategies effectively improves organizational performance (Claver et al., 2012). So, among the different intangible and tangible assets owned by firms, strategic orientations are considered the most crucial resource since they profoundly can be involved in the routine and daily activities of the organization. Thus, it is not easy to be replicated by competitors (Lonial & Carter, 2015). Knowing the factors that affect the organization's performance has been vital for managers. In the performance evaluation, the status of an organization compared with its previous status, the status of competitors, and predetermined goals are examined, and its results are used to identify strengths and weaknesses, develop a plan and performance also prepares rewards for managers and employees. Strategic management makes it possible for the organization to be more efficient, and more importantly, this method allows the company to do things effectively (Bagheri, 2016) Also, by considering the role of small and medium-sized companies in the economic and social goals of the country, it is very important to pay attention to how they run their business in the fast-paced world of changes, and they have no choice except to successively learn and be sensitive to all the critical factors inside and outside their organization and identifying, responding, and acting quickly in a timely manner with concerning opportunities and threats, Because they know that ignoring the world of increasing global competition will only result in the loss of business opportunities (Taheri et al, 2017), On the one hand, the type of strategic orientations of the company is evident as one of the most important factors affecting organizational success, on the other hand, strategic orientations such as innovation, competitiveness, customer orientation, entrepreneurship, employee orientation and cost orientation can bring sustainable competitive advantage and excellent performance for the organization.

The relationship between strategic orientations, market orientation, organizational performance, and the associations between innovation and organizational performance in various fields of manufacturing and service industries have been vastly examined by researchers.

On the other hand, researchers claim that companies can maximize their performance by complementary market orientation and essential strategic orientations appropriate to the environmental conditions and organizational characteristics (Theodosiou et al., 2012).

Our finding highlights the critical role of strategic orientations, particularly market orientation, on the financial and non-financial performance of the business and shows that adding innovation in this relationship reinforces the success and boosts the results, and creates competitive advantages.

2. Literature Review

2.1 Strategic Orientations

A strategy is a set of distinctive pathways by which an organization can achieve its fundamental goals by shaping and implementing its activities (Fulford & Rizzo, 2009). Strategic orientations are a group of strategic management principles that induce the organization's behavior to improve its performance (Hakala, 2011). The most repeatedly cited strategic orientations directing various companies' behaviors are entrepreneurial, market, and learning. They may enable companies' behavior toward outcompeting in any market segment. Situational factors are one potential determinant of the choice of strategic orientation (krzakiewicz and cyfert, 2019). Strategic orientations refer to how a firm acclimates to its outer environment by implementing specific strategic directions (Avci et al.,2011).

2.2 Market Orientation

Carbonell and Escudero (2010) considered market orientation part of organizational culture. Narver and Slater (1990) believed, organizational culture fosters firms to make fantastic value for buyers by utilizing the essential behaviors and, therefore, the continuously outstanding performance of the business. They specified customer orientation, competitor orientation, and inter-functional coordination as three behavioral components of market orientation. Huhtala et al. (2014) and Narver and Slater (1990) suggested that market orientation could be seen with a holistic view that connects with competitors, customers, and inter-functional orientation. Market orientation (MO) was initially developed to operationalize and test the marketing notion empirically (Sciascia et al., 2006). Hutahayan (2021) stated that in order to understand the customers and boost the process of knowledge competence, market orientation could be applied as an interior attempt in organizations. Kandemir (2005) mentioned that market orientation is related with obtaining, sharing, and reacting to market information on market-oriented knowledge competencies, this information obtained from the market and utilized there, so these reciprocating flows make further knowledge therefore make excellent value for customers. Market orientation in practice can send information about consumer needs to produce products that fit their requirements. (Christaa & Kristinae, 2021).

2.3 Innovation

Innovation is the foremost strategic tool for competitive advantage in such intricate environments. (Gardaker et al., 1998). Regarding Brem and Voigt (2009); Huhtala et al., (2014), Innovation is one of the critical elements for having a successful sustainable business (Shmelev et al., 2018; Chamidah et al., 2020). Firms tend to reach Innovation by making and utilizing new services, systems, and processes as well by Rhee et al. (2010) also described Innovation as using some things that exist to make new ones. It means firms should give up their prior habits and substitute and try new ideas (Tsai & Yang, 2014). Innovation surrounds the product, process, or organizational functions to add something toward sustainable development (Doran & Ryan, 2014); moreover, it has a vital role in the company's survival. (Batra et al., 2015, Saunila, 2014). It refers to the firm's tendency and receptivity to implement ideas that diverge from the typical course of business (Khan et al., 2019).

2.4 Business Performance

Hult et al., (2004) demonstrated that one way to see the gained objectives by the organization is to consider its business performance. In this way, Bosilj-Vukšić et al., (2008) stated that business performance is assessed effectively when cost, time, quality, and quantity go toward standards agreed. Organizational performance is the most critical factor for organizations that allows for measuring their objectives, outcompeting, and staying forth in the competitive market (Rehman, et al., ,2018, 2019). In an extensive or organizational view, investors, shareholders, stakeholders, and economic development indicate business performance as the primary indicator (Khan & Ali, 2017). Organizational performance is calculated based on financial and non-financial performance (Rehman et al., 2018b; 2019). Organizational performance relies on the nature of organizational plans, and judgmental and objective performance is perceived (Agarwal et al., 2003). Businesses can be evaluated based on their size, the number of employees, working capital, and profitability. There are measures used to assess the performance of a business. Some used objective performance measures of return on equity (ROE), sales growth, and return on asset (Bamfo & Kraa, 2019); furthermore, Trkman and McCormack (2009) declared that it is helpful for organizations to assess their level of performance because this evaluation helps determine the degree of progress.

3. Theoretical Framework and Hypotheses

3.1 Strategic Orientations and Business Performance

One essential pillar that has significant implications for an organization’s structure, activities, investments, relations with the market, and performance is the strategy (Valos et al., 2010). Strategic orientations may also have a combined, cumulative effect on business performance because organizations can pursue several strategic orientations concurrently. Their integrated effects may help them achieve competitive advantages (Schindehutte et al., 2008). A strategy helps organizations find solutions to problems, create new capabilities, and improve business performance. (Sarker & Palit, 2015). Strategic orientation is viewed as principles that direct and influence the activities of a firm and creates the behaviors planned to assure the viability and performance of the firm. (Obeidat, 2016).

Hypothesis 1a (H1a). ‘Strategic orientations’ alone have a positive effect on business performance.

3.2 Market Orientation and Business Performance

Marketing orientation impacts firm performance as a source of competitive advantage (Morgan et al.,2009). Pioneer companies who are initiative to form a market orientation continuously gain impressive performance over their rivals (Kumar et al., 2011), Because they will have the capability to develop the functions that support product promotion to fulfill the customers' demands (Bamgbade et al., 2017), a study by Kumar et al. (2011) specified that firms with positive market orientation report higher business performance than businesses with lower levels of market orientation. Market-oriented companies keep a higher degree of customer fidelity and satisfaction with their products and services. Moreover, these types of companies make excellent customer value that its origin is outstanding organizational performance (Dadfar et al., 2013). Market orientation should be at the organization's heart to reach excellent performance by sustaining the firm's long-term capability and constructing a mutually beneficial relationship with the customer. (Bamfo & Kraa, 2019).

Hypothesis 1b (H1b). ‘Market orientation’ alone has a positive effect on business performance.

3.3 Innovation as a Mediator Between Strategic and Market Orientations With Business Performance

Han et al. (1998) stated that a firm that executes market orientation is more innovative than firms that are not customer-oriented. Innovation is introduced as the critical element for the contest in different markets (Hamel & Prahalad, 1994) and it is a strategic necessity, not a strategic choice (Nijssen & Frambach, 2000). Innovation is considered the leading force in defining effective strategies for small and medium enterprises (SMEs) (Santos-Vijande et al., 2013). So, the determination of strategic orientations is a necessity for successful innovation needs. Without a strategy, firms cannot get new capabilities and success. (Lawson & Samson, 2001). Rosli and Sidek (2013) investigated innovation dimensions: expanded from the process, product, and market. Innovation that aims to increase performance and competitiveness is integral to how well a business entity improves its performance and customer satisfaction (Agarwal et al., 2003; Calantone et al., 2002). Based on research by Lin at al., (2008), managers impact determines the company's market orientation, and, on the other hand, market orientation influences innovation. Both, innovation and market orientation have reciprocal roles against each other and at the final end have positive effects on competitive advantage (Huhtala et al., 2014; Newman et al., 2016; Baharun et al, 2019;

Jimenez-Jim enez & Sanz-Valle, 2011; Hilman & Kaliappen, 2015; Saunila, 2014; and Al-Ansari et al., 2013; Udriyah et al., 2019). However, market orientation is a basis for innovation because innovation results from market orientation (Jaworski & Kohli, 1993). Innovation also positively affects brand and value equity as two tools to assess business performance. Saunila et al. (2012) demonstrated that the company's profit would increase by innovation, and it moderates the relationship between market orientation and performance. Innovation is the process of pivoting an opportunity into a saleable idea (Reniati, 2013). Brown and Guzman (2014) concluded that firms that tend to be innovative boost their technological intensity and market share. According to the study by Mageswari, Sivasubramanian, and Dath (2017), managers and owners have an influential role as a source of organizational knowledge about the market in increasing innovation. Market orientation should be responsive to creative programs and strategies to changing customer demands. Therefore, it must be considered as continual innovative behavior (Kohli & Jaworski, 1990 Businesses concentrate on bringing innovation to make them competitive and sustain them in the long run when the industry activities change Moreover, as strategic tools, it enhances inventing and building new markets. (Bamfo & Kraa, 2019). The strategic orientations of the firm reflect operational, marketing, and entrepreneurial condition. A firm achieves its demands from the market by accepting risks, investing in innovation, evolving proactive, and developing future-oriented foresight (Kumar et al., 2012).

Hypothesis 1c (H1c). Strategic orientations through innovation are more positively effective on business performance

Hypothesis 1d (H1d). Market orientations through innovation are more positively effective on business performance.

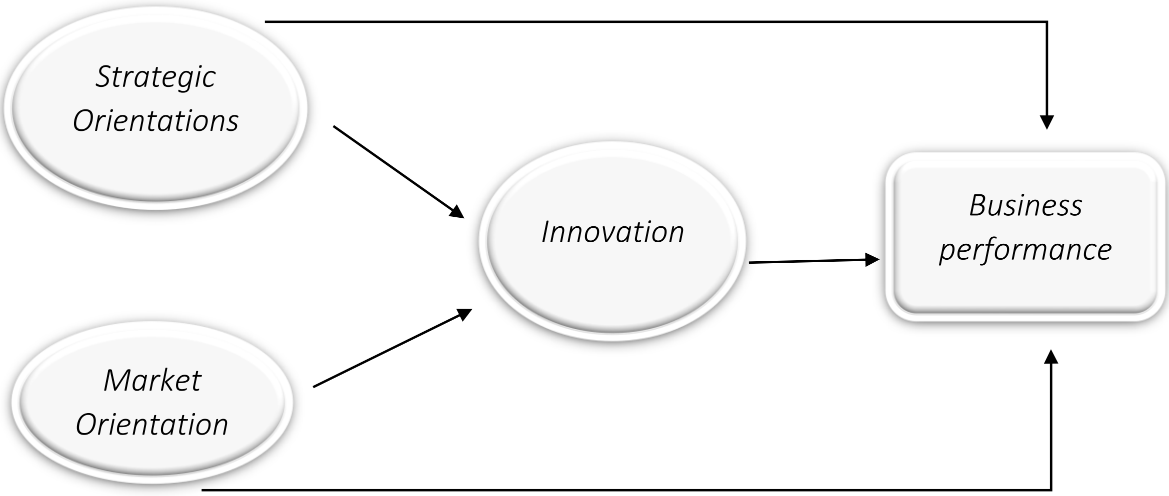

Figure.1. Study Framework

4. Data and Methods

Business Management and Strategy
ISSN 2157-6068
2022, Vol. 13, No. 2

The present study examined the impact of strategic orientations and market orientation on business performance by emphasizing the mediating role of innovation. This study is cross-sectional and quantitative. The statistical population of the research is companies registered in Tehran, Iran, that are active in importing, supplying, or manufacturing medical equipment and instruments. These companies have been registered in the National Medical Device Directorate-Ministry of health (National Medical Device Directorate-Ministry of health 2021), and they have been active for more than 5-6 years. In general, there are about 1,035 medical companies in Tehran, Iran, so it can be said that the statistical population of this study includes managers and deputies of about 1,035 companies. Therefore, the study's statistical population could be considered as 4,000 people. According to Morgan's table, the sample size was 351 people, 351 questionnaires were sent for data collection, and 247 completed ones that were usable received; It should also be noted that sampling of the present study was done based on available sampling. In order to measure the research variables and their relationships, a questionnaire was designed based on a 5-point Likert scale of 1 (strongly disagree) to 5 (strongly agree). This scale was used to rate the responses to the survey. We assessed Strategic orientations using 13 items adopted from Theodosius et al. (2012). In order to measure innovation, six items were adopted from the work of Lee and Choi (2003). On the other hand, market orientation was assessed through the Zhang and Duan (2010) five items questionnaire. Organizational performance was measured through a questionnaire with six items from the work of Lee and Choi (2003). This study used SMART-PLS to analyze the data through a measurement model and structural equation modeling techniques based on the collected data.

5. Results

The demographic information of the statistical sample is shown in Table 1. According to the data, Male participants were 65.59%, and female respondents were 34.41%. Out of 247 respondents, 35.63% had a bachelor's degree, 48.99% had a master's degree, and 15.38% had a doctorate.

Table 1. Descriptive statistics

Items	**Frequency**	**Percentage%**
Gender		
Men	162	65.59
Women	85	34.41
Total	247	100.00
Education		
Bachelor’s	88	35.63
Master	121	48.99
PhD	38	15.38
Total	247	100.00

The reliability of the indicators was examined in Table 2. First, the reliability of the structures, including factor loading value (>0.5), Cronbach's alpha (Cronbach's α > 0.7), and combined reliability (CR> 0.7), were measured (Hair et al., 2016). As Table 2 reports, all structures showed α and CR values above 0.70, so the reliability of the structure was confirmed. Convergent validity was also measured by average variance extracted (AVE). All latent variables showed AVE values above 0.50.

Table 2. Measurement model evaluation

Construct	**Item**	**Mean**	**SD**	**Loading**	**α**	**CR**	**AVE**
Strategic Orientations					0.917	0.929	**0.514**
	SO1	1.03994	3.9109	0.613			
	SO2	1.02985	3.7611	0.631			
	SO3	1.31819	3.5344	0.646			
	SO4	1.20449	3.5587	0.857			
	SO5	1.22189	3.8016	0.447			
	SO6	1.28041	3.4575	0.874			
	SO7	1.34305	3.3725	0.543			
	SO8	1.28944	3.4453	0.876			
	SO9	1.29246	3.6397	0.673			
	SO10	1.32160	3.4818	0.627			
	SO11	1.30893	3.6316	0.625			
	SO12	1.23910	3.4858	0.861			
	SO13	1.20951	3.5870	0.871			
Market					0.792	0.858	**0.554**

Orientation							
	MO1	1.24485	3.5466	0.768			
	MO2	1.25171	3.7571	0.509			
	MO3	1.34487	3.3603	0.794			
	MO4	1.23576	3.4818	0.809			
	MO5	1.36880	3.3927	0.798			
Innovation					0.805	0.860	**0.513**
	I1	1.20751	3.6113	0.564			
	I2	1.23078	3.5668	0.687			
	I3	1.26107	3.5466	0.612			
	I4	1.33394	3.3725	0.658			
	I5	1.24226	3.4777	0.870			
	I6	1.19844	3.5992	0.853			
Business Performance					0.831	0.871	**0.536**
	BP1	1.18966	3.8219	0.621			
	BP2	1.24545	3.4737	0.889			
	BP3	1.26056	3.4413	0.648			
	BP4	1.36064	3.3401	0.656			
	BP5	1.22815	3.7895	0.676			
	BP6	1.23576	3.4818	0.868			

Notes: AVE: average variances extracted; α: Cronbach's alpha; CR: composite reliability; SD: standard deviation

Differential validity was investigated in Table 3. The criterion of Fornell-Larcker (1981) was used to examine differential validity. Accordingly, the value of the AVE root of the hidden variables must be greater than the correlation between the hidden variables.

Table 3. Discriminant validity

	Strategic Orientations	Market Orientation	Innovation	Business performance
Strategic Orientations	0.717			
Market Orientation	0.729	0.744		
Innovation	0.646	0.556	0.714	
Business Performance	0.712	0.732	0.610	0.732

This study examines two tests to assess the predictive power of the structural model. The acceptable value of R Square for dependent structures can be equal to or greater than 0.1 (Purwanto & Sudargini, 2021). The results show that the R Square values for Innovation and Business performance are 0.847 and 0.855, respectively. In Stone Geisser's Q2 prediction correlation test, when Q2 is greater than zero, the Q2 value of the dependent variables (I = 0.420 and BP = 0.433) in the present study supports the predictive relationship of the model.

In the continuation of the test, the research hypotheses were examined according to Tables 4 and 5. In Table 4, the first and second hypotheses of the research were analyzed based on direct relationships.

Table 4. Direct relationship.

Constructs	Direct effects (coefficients)	t-value	(p-value) 0.05%	Results
SO→BP	0.233	3.804	0.011	Supported
MO→BP	0.404	5.295	0.000	Supported

Business Management and Strategy
ISSN 2157-6068
2022, Vol. 13, No. 2

In Table 5, the fourth and fifth hypotheses are examined based on the mediating role of Innovation.

Table 5. Mediation effects.

Innovation as mediator	**Direct effects**		**Indirect effect**		**Total effect**	**Results**
	coefficients	t-value	coefficients	t-value		
SO→I→BP	0.233	3.804	0.167	3.452	0.400	Supported
MO→I →BP	0.404	5.295	0.137	3.297	0.541	Supported

6. Conclusion and Discussion

This study aims to investigate the impact of strategic orientation, market orientation, and innovation on business performance. First, our findings suggest that strategic orientations significantly and positively affect business performance. Strategic orientations are known as a backbone for organizational success. One of the strategic orientation frameworks is being active, not passive. In the current environment, firms that work actively by having managerial perception based on a systematic overview of internal and external threats and opportunities are successful because they perform market research regularly by focusing on components like cost, customer, competitor, innovation, and human resource, and entrepreneurial orientation.

Hence, they gain sustainable advantages and simultaneously better business performance. Our finding is consistent with the research results by Krzakiewicz and Cyfert (2019) on the necessity of formulating strategic behavior models that affect business performance. Strategic orientations are broadly required and believed to be critical for the survival and sustainability of businesses at all levels (Uzoamaka et al., 2020). Our study demonstrates that market orientation has a positive and significant impact on business performance; based on the empirical evidence and result of numerous marketing scholars, Market orientation allows firms to respond to customers' needs and get feedback to increase their research and development to learn from external knowledge that is reached from competitors and customers. also, being market-oriented is not related to a single department in firms then; managers should expand a strong market-oriented culture in their organization, as Andiyanto and Sufian (2017) argued, this market-oriented culture in the firm can be applied to accomplish the performance that shows how the company identifies the market needs/wants and demand. Thus, market orientation should be at the organization's heart to accomplish the maximum performance level, have effective long-term capacity planning, and build a mutually profitable relationship with the customer. (Bamfo & Kraa, 2019). Finally, the results showed that innovation plays a mediating role in the impact of strategic and market orientations on business performance and has a positive and significant effect. Previous research showed that innovation makes products or services based on customer requirements. Its knowledge and intelligence are exclusively and interactively received via the market, so market orientation is a basis for innovation. Most of the time, innovation is the result of market orientation. Among scholars, innovation is a vital feature in today's business atmosphere; as Mohnen and Hall (2013) stated, introducing innovation into an organization's operations might be considered as bringing a new condition to improve performance. Success in a competitive global economy is linked mainly to innovation. (Rajapathirana et al., 2018). One way to make and develop growth, sustain performance, and build a version in such a dynamic and changing environment is to be innovative Pavitt & Patel, 1999; Cottam et al., 2001).

So as a bottom line, the integration of diverse orientations within an organization may also constitute a unique set of resources that are hard to imitate, thereby providing these organizations with a competitive advantage concerning rivals (Hult et al., 2004; Liu et al., 2003).

7. Limitations and Future Research

The research assessed the business performance by considering several financial and non-financial modules. The business performance can also be evaluated using human resources, organizational, financial accounting, and capital market outcomes. Ideally, it is suggested to investigate business performance using comprehensive factors, especially human resource outcomes, which have a crucial role in productivity and efficiency in each process, department, and organizational level.

Strategic orientations as one of the surveyed items in this research include various micro-level components, some of which are monitored in this study, namely Market orientation, which is explicitly evaluated in this research. However, other ones, such as entrepreneurial and Learning orientation (Krzakiewicz & Cyfert, 2019), could be assessed in future studies. This study uses the quantitative approach to examine the effect of Market orientation, strategic orientations, and innovation on business performance; however, future researchers could use the qualitative techniques to make a deeper view of the issue. Respondents to the survey were selected from the corporation that acts as manufacturing and trading firms in the field of medical industry from Tehran Province-Iran, so in the future analysis, researchers could expand their study sample to more provinces, other countries, and other areas of industry.

References

Agarwal, S., Erramilli, M. K., & Dev, C. S. (2003). Market orientation and performance in service firms: role of innovation. *Journal of services marketing.*

Al-Ansari, P., & Pervan, S. X. (2013). Innovation and business performance of SMEs: the case of Dubai. *Education, Business and Society: Contemporary Middle: Contemporary*

Middle Eastern Issues, *9* (3-4), 162-180.

AlQershi, N. (2021). Strategic thinking, strategic planning, strategic innovation and the performance of SMEs: The mediating role of human capital. *Management Science Letters, 11*(3), 1003-1012.

Andiyanto, F., & Sufian, M. S. (2017). Analisis Pengaruh Orientasi Pasar Dan Inovasi Terhadap Keunggulan Bersaing Dalam Rangka Meningkatkan Kinerja Bisnis (Studi Empiris Pada Industri Pakaian Jadi Skala Kecil dan Menengah di Kabupaten Kudus). *Jurnal Ekonomi Dan Bisnis*, 1-20.

Avci, U., Madanoglu, M., & Okumus, F. (2011). Strategic orientation and performance of tourism firms: Evidence from a developing country. *Tourism Management, 32*(1), 147-157.

Bagheri, J. (2016). Overlaps between human resources' strategic planning and strategic management tools in public organizations. *Procedia-Social and Behavioral Sciences, 230,* 430-438.

Baharun, R., Mi, T. J., Streimikiene, D., Mardani, A., Shakeel, J., & Nitsenko, V. S. (2019). Innovation in healthcare performance among private brand's healthcare services in small and medium-sized enterprises (SMEs).

Bamfo, B. A., & Kraa, J. J. (2019). Market orientation and performance of small and medium enterprises in Ghana: The mediating role of innovation. *Cogent Business & Management, 6*(1), 1605703.

Bamgbade, J. A., Kamaruddeen, A. M., & Nawi, M. N. M. (2017). Towards environmental sustainability adoption in construction firms: An empirical analysis of market orientation and organizational innovativeness impacts. *Sustainable Cities and Society, 32*, 486-495.

Batra, S., Sharma, S., Dixit, M. R., Vohra, N., & Gupta, V. K. (2015). Performance implications of industry appropriability for manufacturing SMEs: The role of technology orientation. *Journal of Manufacturing Technology Management.*

Bosilj-Vukšić, V., & Indihar-Štemberger, M. (2008). The impact of business process orientation on financial and non-financial performance. *Business process management journal.*

Brem, A., & Voigt, K. I. (2009). Integration of market pull and technology push in the corporate front end and innovation management—Insights from the German software industry. *Technovation, 29*(5), 351-367.

Brown, F., & Guzmán, A. (2014). Innovation and productivity across Mexican manufacturing firms. *Journal of technology management & innovation, 9*(4), 36-52.

Calantone, R. J., Cavusgil, S. T., & Zhao, Y. (2002). Learning orientation, firm innovation capability, and firm performance. *Industrial marketing management, 31*(6), 515-524.

Carbonell, P., & Escudero, A. I. R. (2010). The effect of market orientation on innovation speed and new product performance. *Journal of Business & Industrial Marketing.*

Chamidah, N., Guntro, B., & Sulastri, E. (2020). Marketing communication and synergy of Pentahelix strategy on satisfaction and sustainable tourism. *The Journal of Asian Finance, Economics and Business, 7*(3), 177-190.

Chari, S., Balabanis, G., Robson, M. J., & Slater, S. (2017). Alignments and misalignments of realized marketing strategies with administrative systems: Performance implications. *Industrial Marketing Management, 63*, 129-144.

Christa, U., & Kristinae, V. (2021). The effect of product innovation on business performance during COVID 19 pandemic. *Uncertain Supply Chain Management, 9*(1), 151-158.

Claver-Cortés, E., Pertusa-Ortega, E. M., & Molina-Azorín, J. F. (2012). Characteristics of organizational structure relating to hybrid competitive strategy: Implications for performance. *Journal of Business Research, 65*(7), 993-1002.

Cottam, A., Ensor, J., & Band, C. (2001). A benchmark study of strategic commitment to innovation. *European Journal of Innovation Management.*

Dadfar, H., Brege, S., & Semnani, S. S. E. (2013). Customer involvement in service production, delivery and quality: the challenges and opportunities. *International journal of quality and service sciences.*

Doran, J., & Ryan, G. (2014). Eco-Innovation–does additional engagement lead to additional rewards? *International Journal of Social Economics.*

Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of marketing research, 18*(1), 39-50.

Fulford, H., & Rizzo, A. (2009). A conceptual model for the strategic orientation of small firms. *Journal of Enterprising Culture, 17*(01), 25-54.

Gardaker, G., Ahmed, P. K., & Graham, G. (1998). An integrated response towards the pursuit of fast time to market of NPD in European manufacturing organizations. *European Business Review, 98*(3), 172-177.

Geisser, S. (1975). The predictive sample reuse method with applications. *Journal of the American statistical Association, 70*(350), 320-328.

Hair, J. F., Hult, G. T. M., Ringle, C., & Sarstedt, M. (2016). A primer on partial least squares structural Equation modeling (PLS-SEM).

Hakala, H. (2011). Strategic orientations in management literature: Three approaches to understanding the interaction between market, technology, entrepreneurial and learning orientations. *International Journal of Management Reviews, 13*(2), 199-217.

Hamel, G., & Prahalad, C. K. (1994). Competing for the future. *Harvard business review,* *72*(4), 122-128.

Han, J. K., Kim, N., & Srivastava, R. K. (1998). Market orientation and organizational performance: is innovation a missing link? *Journal of marketing, 62*(4), 30-45.

Hilman, H., & Kaliappen, N. (2015). Innovation strategies and performance: are they truly linked? *World Journal of Entrepreneurship, Management and Sustainable Development.*

Houston, F. S. (1986). The marketing concept: what it is and what it is not. *Journal of marketing*, *50*(2), 81-87.

Huhtala, J. P., Sihvonen, A., Frösén, J., Jaakkola, M., & Tikkanen, H. (2014). Market orientation, innovation capability and business performance: Insights from the global financial crisis. *Baltic Journal of Management.* https://doi.org/10.1108/BJM-03-2013-0044

Hult, G. T. M., Hurley, R. F., & Knight, G. A. (2004). Innovativeness: Its antecedents and impact on business performance. *Industrial marketing management, 33*(5), 429-438.

Hutahayan, B. (2021). The relationships between market orientation, learning orientation, financial literacy, on the knowledge competence, innovation, and performance of small and medium textile industries in Java and Bali. *Asia Pacific Management Review*, *26*(1), 39-46.

Jaworski, B. J., & Kohli, A. K. (1993). Market orientation: antecedents and consequences. *Journal of marketing*, *57*(3), 53-70.

Jiménez-Jiménez, D., & Sanz-Valle, R. (2011). Innovation, organizational learning, and performance. *Journal of business research*, *64*(4), 408-417.

Kandemir, D. (2005). A study of market knowledge competence as a source of SBU performance. Michigan State University.

Keskin, H. (2006). Market orientation, learning orientation, and innovation capabilities in SMEs: An extended model. *European Journal of innovation management*

Khan, S. N., & Ali, E. I. E. (2017). The moderating role of intellectual capital between enterprise risk management and firm performance: A conceptual review. *American Journal of Social Sciences and Humanities*, *2*(1), 9-15.

Khan, S. N., Hussain, R. I., Maqbool, M. Q., Ali, E. I. E., & Human, M. (2019). The mediating role of innovation between corporate governance and organizational performance: Moderating role of innovative culture in Pakistan textile sector. *Cogent Business & Management.*

Kohli, A. K., & Jaworski, B. J. (1990). Market orientation: the construct, research propositions, and managerial implications. *Journal of marketing*, *54*(2), 1-18.

Krzakiewicz, K., & Cyfert, S. (2019). Strategic orientations of the organization-entrepreneurial, market and organizational learning. *Management*, *23*(1).

Kumar, K., Boesso, G., Favotto, F., & Menini, A. (2012). Strategic orientation, innovation patterns and performances of SMEs and large companies. *Journal of Small Business and Enterprise Development.*

Kumar, V., Jones, E., Venkatesan, R., & Leone, R. P. (2011). Is market orientation a source of sustainable competitive advantage or simply the cost of competing? *Journal of marketing, 75*(1), 16-30.

Lawson, B., & Samson, D. (2001). Developing innovation capability in organizations: a dynamic capabilities approach. *International journal of innovation management, 5*(03), 377-400.

Lee, H., & Choi, B. (2003). Knowledge management enablers, processes, and organizational performance: An integrative view and empirical examination. *Journal of management information systems, 20*(1), 179-228.

Lin, C. H., Peng, C. H., & Kao, D. T. (2008). The innovativeness effect of market orientation and learning orientation on business performance. *International journal of manpower.*

Liu, S. S., Luo, X., & Shi, Y. Z. (2003). Market-oriented organizations in an emerging economy: A study of missing links. *Journal of Business Research, 56*(6), 481-491.

Lonial, S. C., & Carter, R. E. (2015). The impact of organizational orientations on medium and small firm performance: A resource-based perspective. *Journal of Small Business Management, 53*(1), 94-113.

Mageswari, S. U., Sivasubramanian, R. C., & Dath, T. S. (2017). A comprehensive analysis of knowledge management in Indian manufacturing companies. *Journal of Manufacturing Technology Management.*

Ministry of Iran (2021). National Medical Device Directorate-Ministry of health and medical education-.

Mohnen, P., & Hall, B. H. (2013). Innovation and productivity: An update. *Eurasian Business Review, 3*(1), 47-65.

Morgan, N. A., Vorhies, D. W., & Mason, C. H. (2009). Market orientation, marketing capabilities, and firm performance. *Strategic management journal, 30*(8), 909-920.

Narver, J. C., & Slater, S. F. (1990). The effect of a market orientation on business profitability. *Journal of marketing, 54*(4), 20-35.

Newman, A., Prajogo, D., & Atherton, A. (2016). The influence of market orientation on innovation strategies. *Journal of service theory and practice.*

Nijssen, E. J., & Frambach, R. T. (2000). Determinants of the adoption of new product development tools by industrial firms. *Industrial Marketing Management, 29*(2), 121-131.

Obeidat, B. Y. (2016). The effect of strategic orientation on organizational performance: The mediating role of innovation. *International Journal of Communications, Network and System Sciences, 9*(11), 478-505.

Pavitt, K., & Patel, P. (1999). 6 Global corporations and national. *Innovation policy in a global economy, 94.*

Purwanto, A., & Sudargini, Y. (2021). Partial Least Squares Structural Squation Modeling (PLS-SEM) Analysis for Social and Management Research: A Literature Review. *Journal of Industrial Engineering & Management Research, 2*(4), 114-123.

Rajapathirana, R. J., & Hui, Y. (2018). Relationship between innovation capability, innovation type, and firm performance. *Journal of Innovation & Knowledge, 3*(1), 44-55.

Rehman, S. U., Mohamed, R., & Ayoup, H. (2018). Management Control System (MCS) as a package elements influence on organizational performance in the Pakistani context. *Pakistan Journal of Humanities and Social Sciences, 6*(3), 280-295.

Rehman, S. U., Mohamed, R., & Ayoup, H. (2019). The mediating role of organizational capabilities between organizational performance and its determinants. *Journal of Global Entrepreneurship Research, 9*(1), 1-23.

Reniati (2013). Kreativitas Organisasi dan Inovasi Bisnis. Bandung: Alfabeta.

Rhee, J., Park, T., & Lee, D. H. (2010). Drivers of innovativeness and performance for innovative SMEs in South Korea: Mediation of learning orientation. *Technovation, 30*(1), 65-75.

Rosli, M. M., & Sidek, S. (2013). The Impact of innovation on the performance of small and medium manufacturing enterprises: Evidence from Malaysia. *Journal of Innovation Management in Small & Medium Enterprises*, 2013, 1.

Santos-Vijande, M. L., del Río-Lanza, A. B., Suárez-Álvarez, L., & Díaz-Martín, A. M. (2013). The brand management system and service firm competitiveness. *Journal of Business Research, 66*(2), 148-157.

Sarker, S., & Palit, M. (2015). Strategic orientation and performance of small and medium enterprises in Bangladesh. *International Journal of Entrepreneurship and Small Business, 24*(4), 572-586.

Saunila, M. (2014). Innovation capability for SME success: perspectives of financial and operational performance. *Journal of Advances in Management Research.*

Saunila, M., & Ukko, J. (2012). A conceptual framework for the measurement of innovation capability and its effects. *Baltic Journal of Management, 7*(4), 355-375.

Schindehutte, M., Morris, M. H., & Kocak, A. (2008). Understanding market-driving behavior: the role of entrepreneurship. *Journal of small business management, 46*(1), 4-26.

Sciascia, S., Naldi, L., & Hunter, E. (2006). Market orientation as determinant of entrepreneurship: An empirical investigation on SMEs. *The international entrepreneurship and management journal*, *2*(1), 21-38.

Shmelev, S. E., Sagiyeva, R. K., Kadyrkhanova, Z. M., Chzhan, Y. Y., & Shmeleva, I. A. (2018). Comparative sustainability analysis of two Asian cities: A multidimensional assessment of Taipei and Almaty. *The Journal of Asian Finance, Economics and Business, 5*(3), 143-155.

Taheri, S., Moradi, M. R., Manafzadeh, M. A., Ghaderi, E., & Mowlaie, S. (2017). The Effect of Types of Market Entry Modes on Organizational Design in Hotels in Tehran Province. *Journal of Ecophysiology and Occupational Health, 17*(3-4), 87-92.

Theodosiou, M., Kehagias, J., & Katsikea, E. (2012). Strategic orientations, marketing capabilities and firm performance: An empirical investigation in the context of frontline managers in service organizations. *Industrial marketing management, 41*(7), 1058-1070.

Trkman, P., & McCormack, K. (2009). Supply chain risk in turbulent environments—A conceptual model for managing supply chain network risk. *International Journal of Production Economics, 119*(2), 247-258.

Tsai, K. H., & Yang, S. Y. (2014). The contingent value of firm innovativeness for business performance under environmental turbulence. *International Entrepreneurship and Management Journal, 10*(2), 343-366.

Udriyah, U., Tham, J., & Azam, S. (2019). The effects of market orientation and innovation on competitive advantage and business performance of textile SMEs. *Management Science Letters, 9*(9), 1419-1428.

Uzoamaka, N. O. P., Ifeoma, A. R., & Nosike, R. C. J. (2020). Strategic Orientation Dimensions: A Critical Review.

Valos, M. J., & Bednall, D. H. (2010). The alignment of market research with business strategy and CRM. *Journal of Strategic Marketing, 18*(3), 187-199.

Zhang, J., & Duan, Y. (2010). The impact of different types of market orientation on product innovation performance: Evidence from Chinese manufacturers. *Management decision.*

Copyright

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (http://creativecommons.org/licenses/by/4.0/).