The Influence of Market Orientation on Marketing Competency and the Effect of Internet-Marketing Integration

by *Norzalita Abd. Aziz* and *Norjaya Mohd. Yasin*, Marketing Department, Level 4, Faculty of Business Management, Universiti Kebangsaan Malaysia, 43600 UKM Bangi, Selangor, Malaysia

Abstract

The Internet technology has been recognised as a key business resource and is increasingly being used and integrated into firm's marketing activities. This study explored the relationship between market orientation and marketing competency and investigated the role of the Internet marketing integration in the market orientation-marketing competency linkage. From an analysis of a survey data from 47 manufacturing firms involved in exporting and 33 travel agencies, four dimensions – Providing Customer Value, Competitor Orientation, Management Commitment and Customer Retention were extracted from factor analysis result of market orientation. However, this study found that Competitor Orientation and Management Commitment influenced marketing competency of the firm. Compared to the previous study, the integration of the Internet marketing did not seem to moderate the influence of market orientation on marketing competency. In addition, the Internet-oriented profiles of the Malaysian exporters and travel agencies were constructed using characteristics in terms of its size, age in operations, the importance of different regional market to the firm, level of market orientation, and market area responded, which can be used for future research.

Introduction

The nature of business in today's marketplace demands firms to interact with their customers and business partners using technology to provide services instantaneously across international borders. Therefore, companies must relate the traditional face-to-face interaction via a technology interface. Advances in technology have revolutionised the way in which businesses are conducted in the new economy. Currently, billions of people around the world are connected to the internet and this lead to the growth of international networks. The Internet can be a powerful source of competitive advantage in global markets and an increasing number of companies are developing internet based strategies to support overall business development. Kotler (2000) indicated that the Internet eliminates the economic consequences of geographic distance to insignificant levels, which opens up substantial opportunities for reaching international as well as domestic markets.

Despite the importance of technology in the firm's survival and growth, there is very little empirical research evidence to examine the impact of Internet marketing on the firm's market competency in Malaysia. At the same time, although many firms have been rapidly integrating the Internet into their marketing activities, there is also little empirical study that has focused on the role of the Internet in the firms' effort to be more competent in the market. Therefore, the objective of this study is to examine the influence of Internet marketing on the development of marketing competency particularly among the small and medium industries in Malaysia.

Literature Review

Internet Marketing

The key concept of the Internet is connectivity that interlinked computers throughout the world operating on a standard protocol. Also known as 'The Information Superhighway', the Internet is open to the public and supports applications such as e-mail, the World Wide Web, file transfer, and Internet Relay Chat (Metcalfe, 1996). Franklin (1997) discussed that to keep up with the competition, companies need to speed up communications between trading partners, establish better relationships with customers, suppliers and partners, and reduce expenditure. In the technology environment, communication is critical – accuracy and timeliness of information and speed of response are important to successful relationships. The Internet-extranet facilitate and support those elements by allowing partners to communicate, exchange information, purchase goods or services, conduct information searches, manage and monitor their businesses details, subscribe to services and perform other activities (Maloff, 1997).

Thus, among the principal gains that firms can anticipate from the Internet are shared information and data, reductions in operating costs, savings in time and resources, improvements in customer services and generally improve business-to-business relationship (Vlosky, Fontenot and Blalock, 2000; Anderson, 1998; Rich, 2000). According to Cronin (1996) the Internet's competitive value for a particular organisation will reflect the interaction of customer connectivity and external competitive forces with internal network access and core applications. Hallowell (2001) explained that the Internet enables customers to engage in a higher degree of self-services. The Internet can be a source of information and feedback in building strong customer relationship. Internet tools can also assist companies in gathering essential information. Marketers recognise that the more information they can gather on customers through the Internet helps to customise the offerings extended to their customers and prospects. Based on a recent study by Crosby and Johnson (2002) the Internet and other technology solutions could help create products and services that meet the diverse wants of a widely scattered customer base.

The Internet is also an important communication tool in the tourism industry through communication and offering potential tools to assist in global strategies (Page, Brunt, Graham and Connell, 2001). Many travel organisations especially hotels, tour operators, and airlines have started improving their services using the Internet in order to provide better quality services to customers. In the tourism industry, tourists need information to choose and plan their holidays because personal needs are pivotal factors that shape the expectations. Holiday cannot be demonstrated without access to accurate, reliable, timely and relevant information because of its complexity and interdependence (O'Conners and Frew, 1999). Internet technologies offers considerable opportunity and many companies already utilise some electronic information exchange to facilitate business activities.

Market Orientation

Market orientation is a business philosophy, which the company will identify and satisfy customer needs and integrate the marketing concept throughout the organisation. According to Narver and Slater (1990) market orientation refers to the firm's commitment to the creation and delivery of superior value to customers and to co-ordinate activities and processes to achieve this purpose. Similarly, Gray, et al. (1999) defined market orientation as the organisational behaviours that are concerned with identifying customers' need and competitors' actions, sharing market information throughout the organisation and responding to it in a co-ordinated, timely and profitable manner. Kohli and Jaworski (1990) defined market orientation in terms of three specific information-processing activities of firms: organisation-wide generation of information, the dissemination of this intelligence across the organisation and a co-ordinated response and future customer needs and preferences. They explained the concept, which relies on the role of information that can be maximised when it is shared among virtually all functions in an organisation in a co-ordinated manner.

According to Cravens, Lamb and Crittenden (2002), achieving market orientation involves obtaining information about customers, competitors and markets; examining the information from a business perspective; determining how to deliver superior customer value; and implementing actions to provide value to customers. In order to do so, the communication system plays a very important role. Improved communications and information implies a greater variety and volume of interaction between the firm and its customer and across the firm's boundaries, which consequently, assists the creation of successful relationship marketing. It is logical to expect that the integration of Internet technology into the firm's communication system and activities will further strengthen relationship marketing of firms that exhibit a market orientation.

The Influence of Market Orientation on Marketing Competency

Since the marketing concept is the cornerstone of the marketing discipline and managerial practice, there has been considerable interest in recent years among marketing scholars in the construct of market orientation, which focused on assessing customer needs, improving customer satisfaction, and creating customer value (Cadogan & Diamantopoulos, 1995; Greenley, 1995; Kohli and Jaworski, 1990; Narver and Slater, 1990). According to Prasad, Ramamurthy and Naidu (2000), firms with a higher degree of market orientation engender a firm wide culture, processes, behaviours and skills to respond to customer needs and satisfaction levels and also monitor competitor capabilities and actions.

Past researches have also focused on the construct development of market orientation, antecedents to market orientation, and the impact of market orientation on firms' performance. (Hooley and Cox, 2000; Jaworski and Kohli, 1993; Narver and Slater, 1990; Pelham, 1997). Except the study by Prasad, Ramamurthy and Naidu (2000), there is little empirical research that focuses on the role of the Internet to relate to market orientation. A conclusion derived from a study by Gray, et al. (1998) on New Zealand firms showed that more market oriented firms are more likely to have written codes of ethics, more efficient and effective in new product development programmes and make greater use of information technologies such as the web. Prasad, Ramamurthy and Naidu (2000) found that the Internet-marketing integration moderate the influence between market orientation and marketing competency.

Marketing Competency

The literature offers various definitions of competency depending from which perspective it is viewed. In the field of strategy, there are two major paradigms used to explain competencies: the competitive forces view (Porter, 1980; 1985) and the resource based view (Prahalad and Hamel, 1990). The competitive forces view argues that the success of a company's competitive strategy depends on the choice of a strategy that positions the firm in its industry so that it can defend itself against competitive forces. Such forces include the bargaining power of suppliers and customers, the threat of new entrants or substitute products, and the rivalry among existing firms. Another dominant view of firm performance that has been widely accepted and gaining increasing acceptance in strategic management literature is the resource based view. According to this view, a firm performs well over time because it develops a distinctive competence that allows it to outperform its competitors. In other words, the firm's performance depends on its capabilities rather than the environment in which it operates.

In the field of marketing, Miles and Snow (1978) explained that marketing competency refers to an assessment of how well or poorly firms perform marketing related activities compared with their competitors. Miles and Snow have profiled four strategic type of firms based on their patterns of behaviour in terms of the rate the firm changes its products or market in alignment with its environment. The four types of firms are named prospectors, defenders, analysers, and reactors. A past study in the service industry by Han, Kim and Srivastava (1998) showed that integration of new technology innovation in service offerings and operations plays a mediating role in the market orientation – organisational performance link. This suggests that the Internet technology can facilitate a firm's realisation of competitive superiority on several marketing-related competencies.

Today, in the global business environment, there is an intense competition among firms in the same industry. An increasing number of firms start to form relationship with their suppliers, partners, agents and customers that are supported by electronic communication. Shared information is one of the key tenets of relationship marketing and modern business partnerships. Sharing information represents the most significant change implied by new marketing and it is a very important factor in the sales process. Therefore, improvement in the flow of information within the organisation and across the organisation's boundaries will assist in the creation of successful relationship marketing. It is difficult to attain and realise the benefits of relationship marketing without the application of modern computing and communications technology in the proliferation of service marketing particularly in the tourism industry.

Technology acts as an unparalleled tool that makes it possible for service firms to extend their capability and to forge networks of relationship across the globe. Thus, the firm's ability to remain at the forefront, as a service provider should provide differentiation feature from its competitors. In the global marketplace, a service through network relationships and effective maintenance has become vital for survival of future service firms. The growing importance of information technology in manufacturing and service enterprises in the developed and developing countries, lead to fundamental issues such as what are the major impacts of the Internet on firms in developing and maintaining customer relationships and how it supports the marketing mix. The challenge for firms now is to create the right ICT environment by exploiting new media and technologies in developing and enhancing customer relationship marketing that requires maintaining competitive advantage in a digital economy.

Research Model and Hypotheses

Figure 1

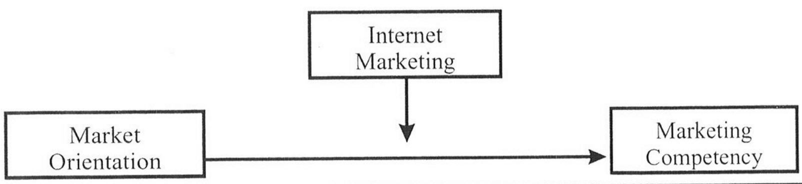

Figure 1 shows the research model of this study. The aim of this study is to determine the influence of internet marketing integration on the relationship between market orientation and marketing competency.

The literature seems to suggest that market-oriented firms are committed to deliver superior value to customers in order to achieve marketing competency. In general, previous studies have found a positive relationship between market orientation and business performance and that the firms are better off than their competitors in terms of their market competency (Narver and Slater, 1990; Pelham and Wilson, 1996). In the context of exporting firms' performance, Prasad, Ramamurthy, and Naidu, 2001) also found that market orientation has a positive influence on marketing competency. Therefore, in this study, firms with a high market orientation are hypothesised to have a superior marketing competency.

H1: Firms with greater market orientation in terms of (a) customer value, (b) competitor orientation, (c) management commitment, and (d) customer retention, will possess superior marketing competency.

In order to achieve competitive advantage marketers have attempted to capitalise on the special capabilities of the Internet and integrate it into marketing activities of the firm (Prasad, Ramamurthy, and Naidu, 2001). A previous study in the service industry shows that the integration of new technological innovations mediates the relationship between market orientation and firm performance (Han, Kim and Srivastava, 1998). This indicates that the integration of the Internet technology can facilitate in improving the firm's competency. Therefore, it can be expected that the greater integration of Internet marketing in the firm's marketing activities would further strengthen the marketing competency of market-oriented firms.

H2: Greater integration of the Internet into marketing activities strengthens the relationship between market orientation in terms of (a) customer value, (b) competitor orientation, (c) management commitment, and (d) customer retention; and marketing competency.

Research Methodology

Research Design. The data base for this research was obtained from travel agencies and export-oriented manufacturing firms in Malaysia located within the Klang Valley. A total number of 200 firms (100 manufacturing and 100 services companies) were identified for the actual survey. The firms were randomly selected from the listing of FMM Directory and Malaysian Association of Tour and Travel Agents (MATTA). Since the main objective of this study is to clarify the domain constructs, the unit of analysis is conducted at the organisational level of analysis. Therefore, the top management or the senior executives' perceptions of the study variables are measured. These people are regarded as the main source of information because they are directly responsible for planning and management of the company. The survey was conducted through self-administered questionnaires which were distributed to the managers of the respective companies.

The data collection instrument is a structured questionnaire which was first developed and pre-tested among a small group of respondents, who are academics and have significant expertise in IT, relationship and tourism marketing. The questionnaire contains two parts: Part I deals with the firm's perception of market orientation, Internet marketing and marketing competency. Market orientation was measured using a 5-point Likert scale items with anchor points 1 = strongly disagree and 5 = strongly agree. This measurement was adopted from Narver and Slater's (1990) scale, which has three components: customer orientation, competitor orientation, and inter-functional co-ordination.

Marketing competency was measured using a 5-point Likert scale measured on a 1 = well below average, to 5 = well above average, consisting of six items borrowed from Prasad, Ramamurthy, and Naidu (2001). The variable of Internet marketing integration was measured using statements with dichotomous types of answers, measured on a scale of 1 = currently in use to 0 = not in use. The measurement, which is also borrowed from Prasad, Ramamurthy, and Naidu (2001), covers a broad spectrum of applications, ranging from external focus and internal focus in marketing activities. Part II obtains information on the firms' characteristics in terms of number of employees, age, ownership, percentage of employment in foreign market, market area responded, and decising making orientation.

Measures. In order to ascertain whether the measures retained construct validity (i.e. measure what they are supposed to) an exploratory factor analysis using principal components and varimax rotation technique was conducted to examine the underlying dimension of market orientation and market competency. In determining the factors, common decision rules employed in empirical research were applied: (i) minimum eigenvalue of 1, (ii) KMO measure of sampling adequacy greater than 0.5, (iii) minimum factor loading of 0.3 for each indicator variable, (iv) simplicity of factor structure, and (v) exclusion of single item factor structure.

A factor analysis on market orientation construct resulted in five factors explaining 70.37% of the overall variance. The factors and their corresponding items were then grouped and renamed accordingly as shown in Table 1. One of the factors was excluded for further analysis because it has only a single item (after the deletion process). The Bartlett's Test of Sphericity was significant (Chi-square = 452.95, $p < 0.01$). To measure the internal consistency of the items, a reliability test was conducted on all factors. The coefficient alphas for all the four factors were above 0.5, the minimum value of acceptable reliability for basic research (Nunnaly, 1967).

For the construct, marketing competency, a factor analysis on the six items produced two factors which accounted for 58.8% of the total variance. However, only one factor containing five items, is considered for further analysis and the factor loadings for the five items ranged from 0.575 to 0.757. The Bartlett's Test of Sphericity was also significant (Chi-square = 86.857, $p< 0.01$). The result of the reliability test for this variable was also above the satisfactory level.

In the case of Internet marketing integration, the measures were ranked into two groups (high and low) using the median value as the cut-off criterion, thus making it a categorical variable. In view of the discrete nature, this variable is turned into a dummy in the process of regression analysis.

Table 1: Factor and Reliability Analysis for Market Orientation

Variables	F1	F2	F3	F4
Factor 1 – Providing Customer Value				
· Monitor/assess commitment in serving customer needs	0.911			
· Business objectives driven by customer needs and satisfaction	0.868			
· Frequent measurement of customer satisfaction	0.688			
Factor 2 – Competitor Orientation				
· Sharing information about competitor		0.702		
· Rapid resonse to competitor actions		0.689		
Factor 3 – Management Commitment				
· Sharing of resources among business units			0.789	
· Understand how employees can create customer needs			0.770	
· Internal business functions integrated to serve customer needs			0.639	
Factor 4 – Customer Retention				
· Close attention to after sales services				0.799
· Regularly visit customers				0.780
Percentage of Variance	29.64	15.07	9.64	8.66
Eigenvalues	4.45	2.26	1.44	1.30
Reliability (Cronbach Alpha)	.828	.696	.709	.632
Mean value	4.184	3.544	3.827	3.513
(Standard deviation)	.6429	.8518	.7118	1.053

Table 2: Factor and Reliability Analysis for Marketing Competency	
Variables	**Factor Loadings**
Product quality	0.575
Product variety	0.678
Marketing Support Customer service Technology	0.708 0.775 0.757
Total Variance Explained	58.82
Eigenvalues	2.491
Reliability (Cronbach Alpha)	0.782
Mean value **Standard deviation**	3.8709 0.6429

Study Results

Sample Characteristics. As shown in Table 3 the study sample comprises of 47 manufacturing firms and 33 travel agencies which vary on such characteristics as number of employees, age, ownership, markets served and percentage of employment on foreign markets. From Table 3 we can observe that 60% of the total number of firms have less than 50 employees and the other 40% have more than 50 employees. In terms of percentage of employment in foreign markets, 58% of the firms do not have employees in foreign markets, less than 20% of the firms have about 23.4% of their employees working in a foreign market, and the rest of the firms have very few employees working in the foreign market. 62% of the firms have been operated for more than 10 years, 16.5% between five to nine years and 21.5% operate less than five years. In terms of ownership, 65.4% are Malaysian independent –owned companies, 12.8% are subsidiaries of Malaysian, 2.6% are subsidiaries of foreign companies, and 19% are joint ventures of Malaysian and foreign companies.

Table 3: Description of Study Sample	
Company Characteristic	**Percentage**
Number of Employees	
Less than 10	27.5
10-49	32.5
50-99	11.3
100-150	25.0
over 150	3.8

Employment in Foreign Markets	
None	58.0
1-20%	23.4
21-50%	6.5
51-75%	7.8
76-100%	3.9
Age of Company	
Less than 5 years	21.5
5-9 years	16.5
10-14 years	22.8
15-24 years	25.3
25 years and above	13.9
Ownership of Company	
Independent-owned Malaysia	65.4
Subsidiary of Malaysia	12.8
Subsidiary of foreign	2.6
Joint venture of Malaysia and foreign	1.9
Others	
Market Area Responded for	
China	22.4
Asia other than China	33.3
USA/Canada	33.3
Others	11.0

The Usage of the Internet in Marketing Activities

Table 4 shows the extent of usage of the Internet in the marketing activities of the responding firms. In terms of customer-related marketing activities, 73.8% of the firms use the Internet to answer customer queries, 65% of the firms use the Internet to promote the firm's products, and 40% use the Internet to provide on-line product catalogue to customers. In the sales activities, 42.5% of the firms use the Internet to get access to product information, 40% use the Internet for transmission of sales call information and 32.5% of the firms use the Internet to purchase parts and components from suppliers. In activities relating to market research and communication, 68.8% of the firms use the Internet to gather market information, 55.7% use the Internet for marketing and prospecting and 44.3% use the Internet in communication and co-ordination of company operations and team projects.

Table 4: The Extent of Internet Usage in Marketing Activities

No.	Marketing Activities	Frequency	% of Firms
1.	Promote and advertise company's products, services and capabilities	52	65.0

2.	Provide on-line product catalogue to customers and prospects	32	40.0
3.	Answer customer queries about product availability, order status, etc.	59	73.8
4.	Allow customer to place on-line orders	35	43.8
5.	Enable sales people on-line access to product/price/performance information	34	42.5
6.	Enable sales people on-line transmission of sales call information	32	40.0
7.	Enable on-line purchase of parts/ components from supplier	26	32.5
8.	Provide on-line support to distributors/ dealers	22	27.5
9.	Gather market related information on customers, competitors, and industry	55	68.8
10.	Use web site visitor information for marketing and prospecting	44	55.0
11.	Realise better communication and co-ordination in managing operations and team projects	35	43.8

Relationship between Market Orientation and Marketing Competency

Marketing competency is regressed on all independent variables that made up market orientation. As shown in Table 5, competitor orientation is found to have a significant and positive influence on marketing competency at a significant level of $p< 0.01$. Management commitment is also found to have a significant and positive relationship with marketing competency at a significant level of $p< 0.01$. These results support hypothesis 1 (b) and 1 (c). Variables customer value and customer retention do not seem to have an influence on marketing competency.

Table 5: The Influence of Market Orientation on Market Competency

Independent variables	Standardised Beta	T Value	Sig.p
Customer Value	0.005	0.058	0.954
Competitor Orientation	0.309	3.086	0.003
Management Commitment	0.348	3.415	0.001
Customer Retention	0.146	1.448	0.152
Adj. R sq. = 0.330, Sig.F =0.000			

The Influence of Market Orientation on Marketing Competency

The Influence of Internet Marketing Integration in the Market Orientation-Market Competency Linkage

One of the objectives of this study was to examine whether Internet marketing integration moderates the influence of market orientation on market competency. Hypothesis 2 postulates that the greater the integration of the Internet into marketing activities the stronger the relationship between market orientation in terms of (a) customer value, (b) competitor orientation, (c) management commitment, (d) customer retention, and marketing competency. A moderated regression analysis is utilised for testing of this hypothesis. The results are shown in Table 6 below:

Table 6: The Moderating Effect of Internet Marketing Integration on the Relationship between Market Orientation and Market Competency

Variables	Step 1	Step 2	Step 3
	Std. Beta	Std. Beta	Std. Beta
Customer Value (X1)	.005	.005	-.056
Competitor Orientation (X2)	.309**	.306**	.141
Management Commitment (X3)	.348**	.341**	.392**
Customer Retention (X4)	.146	.148	.308*
Internet Marketing (IM)		.026	.053
X1 x IM			.308
X2 x IM			.514
X3 x IM			-.374
X4 x IM			-.473
R sq. R sq. change F change Sig. F change	.365 .365 10.622 .000	.365 .001 .074 .787	.392 .027 .752 .560
** significant at 0.01 * significant at 0.05			

Table 6 summarises the results of regression analysis for testing the moderating effect of Internet marketing integration on the relationship between market orientation and marketing competency. The addition of Internet marketing integration and the interaction terms increases R square from 36.5% to 39.2%. However, the standardised beta of interaction between all market orientation variables and Internet marketing integration are found to be insignificant, indicating that Internet marketing integration does not moderate the relationship between market orientation and market competency.

Discussion and Research Implications

Briefly summarising the results of the above analysis, it appeared that firms that employed a market orientation approach relatively achieve a superior marketing competency. The study's results validate the other findings in the literature such as those of Prasad, et al. (2000). However, for this study, only the competitor orientation and management commitment component of market orientation strongly influence marketing competency. This implies that firms need to be competitive oriented and need to secure full management commitment in all its marketing activities to enable making effective marketing decisions in order to be more marketing competent.

In terms of the role of Internet-marketing integration in the linkage between market orientation and marketing competency, the study showed that the Internet technology did not improve the strength of the influence of market orientation on marketing competency. Thus, this study did not support the findings of Prasad et al. (2000). One plausible explanation for this unexpected relationship is that firms selected for the study are made up of small and medium enterprises that are not involved much in foreign markets. The Internet technology is not being used extensively, probably because of the slow adoption of the Internet technology by small firms or the level of sophistication of the Internet in these firms is still low. As such, the integration of the Internet into their marketing activities did not indicate much impact on the firms' marketing competency.

Hoffman (1999) explained that corporate input-based competencies will seek to find the attributes existing in the firm rather than what they achieve. This phenomenon is based on the knowledge and skill base of firms' operations over their competitors in order to maintain a competitive advantage. The search for distinctive attributes (differences) may explain a wide range of possibilities in order to be able to identify a useable framework, which may require comparisons with similar companies. Based on the analysis results on market orientation in this study (manufacturing firms and travel agencies), only competitor orientation and management commitment are significantly related to marketing competency. It can be concluded that these companies are under corporate input-based competencies. Therefore, the management commitment plays an important role in achieving market competency. Management commitment in our study consisted of three factors; sharing of resources among business, understanding how employees can create customer needs and internal business functions integrated to serve customer needs.

In managerial decision making it is important for the decision to proactively seek new ideas and the ability to consider options and select an appropriate one. This involves motivation in evaluating the different options in relation to company operation, creativity in assessing priorities, eliminating irrelevant or incompatible ideas. In enhancing a company's marketing competency, decision making should allow for changes in the marketplace with every business unit manager keeping an open mind, a flexible approach to solving problems, ready to adapt to market conditions and customer expectations. Furthermore, an awareness of changes in the marketplace such as competitors' activity and consumer perception is necessary so that firms can create product or service differentiation. This is particularly important when the firm's goal is to carve out new market niches and differentiate the service/product. Management commitment should involve the whole organisation in building long-term commitment through activities such as inspiring and enthusing staff, feeding them appropriate information and obtaining feedback in order to achieve company marketing competency.

At the same time, the competences of knowledge and experience will need to be built on and expanded to develop distinctive expertise through the use of motivation, communication, co-ordination and leadership. Management should be able to demonstrate responsibility by their proactive behaviour and a positive outlook in searching for better ways of carrying out task and delivery of marketing activity such as through the usage of the Internet. Understand how employees can create customer needs, the communication from customer-staff-management decision makers should be practiced in the firm in allowing and ensuring firm's customers have relevant and necessary information for using the service or product. The second factor is competitor orientation involving two items; sharing information about competitor and rapid response to competitor actions. This will definitely need the management to focus on maintaining communication with all functional divisions/departments in the organisation and gathering information about competitors and also customers. The management needs to recognise and compile useful information and must have the ability to interpret and draw useful and timely conclusions from competitor information. At the same time, ability to learn from mistakes is another important aspect in the development of marketing competency.

Concluding Comments

This study investigated the relationship between two key concepts, market orientation and marketing competency, and the role of Internet marketing integration in this relationship. The results suggested that market orientation in terms of competitor orientation and management commitment influenced marketing competency. Market orientation in terms of customer value and customer retention did not seem to have an impact on marketing competency. With respect to the Internet marketing integration, this study found that the Internet technology did not moderate the relationship between market orientation and marketing competency. Based on the findings of this study, it is necessary, therefore, for firms to have a market orientation approach to improve the firm's marketing competency and make an impact on the firms' performance.

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