

A measure of Market Orientation for Farmers Perspective: Scale Development and Validation

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Abstract: *This paper deals with the new trends in measurement of market orientation. Market orientation is one of the most investigated methods found on marketing conception. Market orientation comes back in 90's of 20th century by workers Kohli and Jaworski and Narver and Slater. Many methods have been declared in the previous years, but lot of these methods include the knowledge by Kohli and Jaworski (MARKOR) and Narver and Slater (MKTOR). In this paper researcher refers and examines the MARKOR scale of Kohali and Jaworski to measure Market Orientation for Farmers perspective. These research studies involved definition of market orientation, impact market orientation on business performance, methods for measurement of market orientation. First of all, literature of these was reviewed. This analysis is based on a sample of 50 Farmers in Pune and Ahmednagar Districts. Validity of this scale is analyzed through Cronbach alpha analysis. The MARKOR measure in original form is not adequate. Researcher refined MARKOR scale based on fewer measurement items are proposed under the heads of Intelligence Generation, Intelligence Dissemination and Responsiveness.*

Keywords: *MARKOR, Market Orientation, Measurement Scale, Farmer, Agriculture.*

Introduction

Market orientation is one of the most investigated methods founded on marketing conception. Market orientation comes back in 90th of 20th century by workers Kohli and Jaworski and Narver and Slater. These research studies involved definition of market orientation, impact market orientation on business performance, methods for measurement of market orientation.

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Market Orientation: As stated previously, approaches to the market orientation concept are basically made from two perspectives: the behavioural or process perspective (Kohli and Jaworski, 1990; Deng and Dart, 1994; Doyle and Wong, 1998; Jaworski *et al.*, 2000), versus the cultural (Slater and Narver, 1995; Turner and Spencer, 1997; Harris, 1998; Narver *et al.*, 1998). In many ways the Kohli and Jaworski (1990) and Narver and Slater (1990) papers provided a theoretical foundation for others to build on and subsequent research reflected elements of both studies. For example, the instruments used to measure market orientation were often based on the comprehensive questionnaire developed and tested by Narver and Slater (1990) (for example; Greenley, 1995; Pelham and Wilson, 1996; Slater and Narver, 1994a). But at the same time a number of scholars responded to Kohli and Jaworski's (1990) proposition that the market orientation-performance relationship is moderated by environmental variables such as the competitive intensity, market turbulence and technological change (for example, Diamontopoulos and Hart 1993; Dobschaet *et al.*, 1994; Greenley 1995; Slater and Narver, 1994a).

Two distinct streams emerge when reviewing the market orientation concept. A market orientation has been defined as both a behavioural function (Jaworski and Kohli 1993) and an organizational culture of the firm (Slater and Narver 1995). Market orientation was defined by Narver and Slater (1990) as the competitive strategy that most efficiently generates the right kinds of behaviour to create enhanced value for the consumer and therefore assures better long-term results for corporations. According to these authors, market orientation is based on orientation towards the customer, orientation towards competitors and inter-functional coordination. Kohli and Jaworski (1990) identify three structural components of market orientation:

- I. Generation and analysis of all relevant information about the market;
- II. Dissemination of this information among the various departments of the organization in order to coordinate and arrange strategic planning; and
- III. Implementation of strategic initiatives designed to satisfy the market.

MARKOR: MARKOR by Kohli and Jaworski (1993) contains 20 items on the basis 5 degree Likert scale. There are three components too, but the perception of MARKOR is different. The first component measures gaining information (6 items), the second deals with dissemination of the information (5 items) and the last centre to two activities – the planned response and the implemented response. Pelham (1993), Webster (1994), Thomas (1994), Farrell (2002) pointed to know exactly definition of market orientation by Kohli and Jaworski. Market orientation is implementation of marketing conception after words by Kohli and Jaworski. Gabel (1995) and Langerak (1997) declared that Curchill conception do not used by realization of MARKOR, the indicator of validity is not satisfactory; the MARKOR does not include items about perceptions of customers and distributors. Farrell and Oczkowski (1998) pointed to MARKOR has difficult evaluation of information dissemination and MARKOR includes only one item for market measurement and most items measured customers. The MARKOR does not measure customers' value too (Pelham, 1997).

1. Item Generation:

Researcher considers MARKOR scale by Kohli and Jaworski to develop new measurement scale for Market Orientation for Farmers Perspective. Here the Basic three heads like Intelligence Generation, Intelligence Dissemination and Responsiveness are same. To generate suitable items for each of the constituent elements of a farmer's market orientation, the market orientation and farming literatures were reviewed. Subsequently, items from several existing scales were modified and complemented by further items generated from qualitative interviews with Agricultural College Professors, Agricultural Officers and Farmers. Throughout this process, care was taken to avoid redundancy among items as well as exceptionally lengthy items, multiple negatives, double barreled items, colloquialisms and jargon [DeVellis, 1991]; to avoid agreement bias, both positively and negatively worded items were included in the item pools [Spector 1992].

2. Methods:

The MARKOR scale was collected from published articles (MARKOR: Kohli, Jaworski & Kumar 1993 p476). Researcher will introduce a new method for measurement of market orientation in this part of the paper. The New method for measurement of market orientation is based on of 5 point Likert scale. The questionnaire containing the market

orientation measurement is intended for Farmers. The selection of measured items follows particularly from the determination of elements influencing the degree of market orientation contained in the proposed model, while the present manner of measurement by means of the Likert scale shall be observed. Newly created items are divided to three main fields – Intelligence Generation, Intelligence Dissemination and Responsiveness.

The Farmers are included for the first time for measurement of market orientation and analysis is done by using SPSS.

3. Result & Discussion:

The method for measurement of market orientation proposed in this manner was compiled to the form of a questionnaire; some items were changed to the inversion ones and were confronted with opinions of farmers doing farming. According to Churchill’s concept, the new constructed method has to be verifying of validity. Cronbach alpha is usually using for verification the method in area of market orientation. During calculation we followed from questionnaires filled in by farmers in Pune and Nashik Division. The Cronbach alpha coefficient was determined for all partial parts of the proposed measuring method, see Table no. 1.

Reliability Statistics

Cronbach's Alpha	N of Items
.907	21

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
IG1	74.94	177.200	.523	.903
IG2	75.26	176.278	.498	.903
IG3	76.14	169.143	.593	.901
IG4	75.52	168.581	.618	.900
IG5	76.46	166.621	.667	.899
IG6	75.76	171.451	.580	.901

IG7	74.36	175.949	.654	.900
IG8	74.20	180.776	.541	.903
ID1	74.24	178.023	.651	.901
ID2	74.66	176.188	.578	.902
R1	74.66	173.739	.620	.900
R2	75.92	170.932	.622	.900
R3	74.32	178.549	.557	.902
R4	75.70	169.194	.617	.900
R5	74.44	177.966	.602	.902
R6	74.44	174.945	.681	.900
P1	75.28	177.512	.393	.906
P2	75.70	185.847	.177	.911
P3	75.40	177.306	.521	.903
P4	75.44	175.394	.392	.907
P5	74.76	174.676	.457	.905

Table no. 1: The value of Cronbach alpha coefficient for the proposed method

The value of the Cronbach alpha exceeds the value of 0.9 for all elements, for items concerning the Intelligence Generation, Intelligence Dissemination and Responsiveness it exceeds the limit of 0.9. The resulting value of Cronbach alpha for the completely proposed measuring method of market orientation is 0.907, which means the proposed method can be used for the market orientation measuring, see Tomášková (2005).

Conclusion:

A lot of methods for measurement of market orientation include only a few components of market orientation. The most often mentioned components Intelligence Generation, Intelligence Dissemination and Responsiveness. The New method fulfils the conditions of validity according to Cronbach Alfa. To measure market orientation it is recommended to use this method. This method was used for measurement of market orientation among farmers.

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- **Books:**

1. Marketing Research by William G. Zikmund
2. Marketing Research by Gilbert Churchill, Dawn Iacobucci & D. Israel

Appendix 2
Questionnaire

A. *Intelligence Generation (IG):*

1. I discuss with the family members about the crop
2. I collect the information by discussing with relatives, friends & other people in my village.
3. I collect the information through KVK & Agricultural Produce Market Committee.
4. I collect the information about market demand.
5. I do soil testing & seed treatment.
6. I collect the information about new technology in market.
7. I think about the available & required resources (eg. Water, fertilizers, seeds, labour and climate etc.)
8. I think about the capital required for production.

B. *Intelligence Dissemination (ID):*

1. I think as my own
2. I discuss it with the family members.
3. I discuss it with my friends.*

C. *Responsiveness (R):*

1. I take decision after analyzing all information.
2. I implement new technology immediately.
3. I check the crop periodically to see if it is growing well as per market demand or not.
4. If there is any change in the market, I change the crop. (e.g. If the rate of corn seeds decreases I harvest the green or baby corn and sell it in market rather than corn seed)
5. I plan all farm activities and follow the same
6. I treat farming as Business
7. I treat farming as Family Activity*

D] Economic Performance:

1. Increase farm output
2. Getting good price for product
3. Getting profit from the farming
4. Able to fulfill your family needs from the farm income
5. Like to continue farming with your next generation

Note: * Denotes Added item.