Conceptual Model for Innovation in the Approach of Market - Oriented Strategies

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Abstract

Market orientation refers to a set of cross-sectional functional processes and activities aimed at satisfying customer expectations through a continuous assessment of their needs. This includes processing information to generate market intelligence from the entire organization with respect to said needs: current and future. This study proposed a market orientation model (based on the one introduced by Narver and Slater) that allows organizations to identify the most critical factors for innovation in their market-oriented approach. A self-administered questionnaire was distributed to 307 employees at different companies in Medellin, Colombia, and the data resulting from exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) were used to build the model proposed in this study. It was identified that the two main variables related to innovation in market-oriented strategies are adaptation to changes in customer preferences and proactive behavior in the work environment.

Keywords : **market orientation, innovation, marketing, strategy**

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Market orientation has been a fundamental area in marketing theory because the performance of companies has been associated with the degree to which they apply this business philosophy (Acevedo-Gutiérrez et al., 2019; Baliga et al., 2020; Pantouvakis, 2014). Shapiro (1988) was perhaps the first to conceptually probe into market orientation, supporting the view that organizations should commit as whole entities to their global organizational interests, leaving aside particular objectives of each department (Fuentes Jiménez, 2010). Other theoretical pioneers in this field, such as Kohli and Jaworski (1990) and Narver and Slater (1990), made market orientation one of the most researched and discussed topics in marketing (Woller, 2002). As many subsequent studies have been based on the theoretical contributions of these authors, their original concepts still dominate the literature on the subject (Ross et al., 2013). Kohli and Jaworski (1990) defined market orientation, from the perspective of information processing, as the generation of market intelligence from the whole organization with respect to the current and future needs of customers; more

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specifically, it is the process of making market intelligence, disseminating information across departments, and the response capacity of the entire organization (Herrero et al., 2018). On the other hand, Narver and Slater (1990) defined market orientation as the ability to create an organizational culture that is shaped by customer orientation, competition orientation, and inter-functional coordination (Pantouvakis, 2014).

Both definitions support the idea that market orientation can provide superior value to customers based on market intelligence (Luque-Ortiz, 2021; Tammi et al., 2014). Woller (2002) highlighted five common points in both definitions: (a) the main purpose is value creation for customers; (b) value is created for customers according to their expressed and potential needs; (c) there is interdepartmental coordination and cooperation in the acquisition and dissemination of market intelligence (a market-oriented organization is a learning organization); (d) the capacity of the entire organization to respond to market intelligence; and (e) the causal relationship between market orientation and the long-term performance of the organization. Regarding present and future customer needs, marketing and other departments must be involved in the customer orientation strategy by implementing inter-functional coordination to develop market intelligence and satisfy customer needs (Murillo Oviedo et al., 2020).

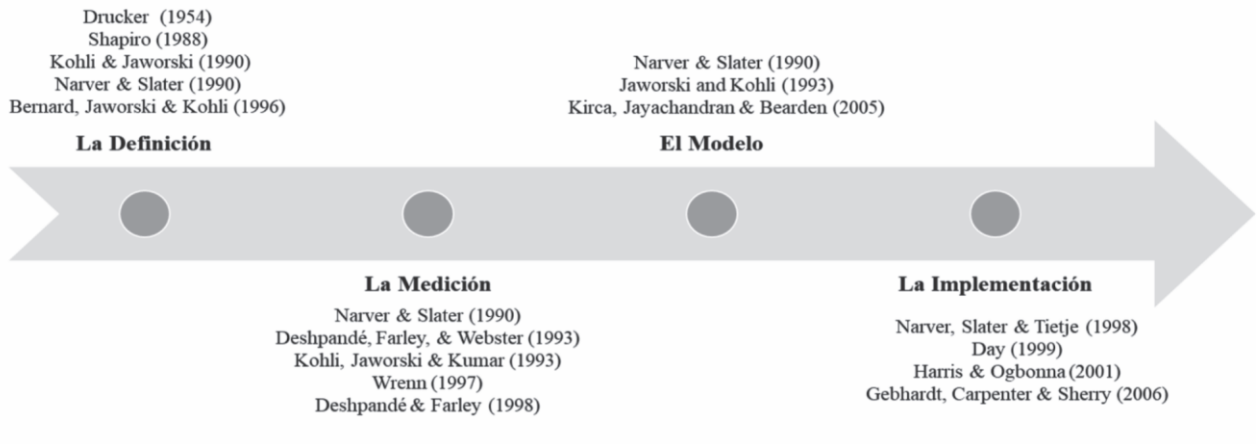
In the literature, we have not identified a model, based on the elements proposed by Narver and Slater, that organizations can use to develop market-oriented strategies. Nevertheless, they should incorporate processes that allow them to collect information about the present and future customer needs.

This study proposes a model that organizations can use to identify the most critical factors for innovation in their market-oriented strategies. Another contribution is that organizations can employ the proposed model to establish innovative mechanisms for adapting to change in relation to their customers, detect new business opportunities, and adequately implement marketing strategies.

The Evolution of Market Orientation

The emergence of market orientation is associated with the marketing concept proposed by Drucker (1954), which is the ability to see business from the customer's point of view. Van Raaij and Stoelhorst (2008) defined four steps or topics in the evolution of the studies into market orientation, namely definition, measurement, model, and implementation (Figure 1), which represent the different nuances of the concept.

Figure 1. ***Evolution of Market Orientation***



Source : Created by the authors ; adapted from Van Raaij and Stoelhorst (2008).

Many tools have been developed to measure market orientation, such as MKTOR, MARKOR, MORTN, EMO, CUSTOR, and MOB. Many of these methods include only some components of market orientation, specifically customer orientation, competition orientation, and interfunctional coordination, but neglect others (Deshpandé et al., 1993; Deshpandé & Farley, 1998; Kohli et al., 1993; Narver & Slater, 1990; Tomaskova, 2009; Wrenn, 1997).

In relation to the model, the literature has evolved to the point at which we can use it to study the possible moderating or mediating variables of market orientation as well as the possible causes and effects that they would have on its implementation. Some studies that implemented meta-analyses determined the most representative variables in models for market orientation and analyzed the orientation – performance relationship (Jaworski & Kohli, 1993; Kirca et al., 2005; Narver & Slater, 1990).

Market Orientation Model Proposed by John Narver and Stanley Slater (1990)

In their model, Narver and Slater (1990) proposed that market orientation consists of three behavioral components (i.e., customer orientation, competitor orientation, and interfunctional coordination) and two decision criteria (i.e., long-term approach and profitability). Customer orientation consists of understanding target buyers to be able to constantly create superior value for them (Suar & Mishra, 2020).

Additionally, because the needs of the customers are dynamic, a company can try to anticipate changes in their preferences by monitoring the successes and failures of their competitors (Tammi et al., 2014), thus ensuring a satisfactory introduction of products and/or services into a market. According to Murillo Oviedo et al. (2020), it is important to understand the strengths and weaknesses of the competition as well as the technological advances achieved by the actions of an organization. Therefore, information about the competition (regarding sales, response time to actions, the analysis of strategies, and market opportunities) should be considered in order to develop competitive advantages.

In addition, quality management should integrate all the functions to create a product or process that can satisfy the needs and desires of customers, considering aspects such as processing cost, speed, safety, and competitiveness to generate functional integration in a strategy that contributes value to customers and allows joint actions to be carried out (Nikmah et al., 2020).

Regarding the two decision criteria in Narver and Slater's model, long-term perspective and emphasis on benefits (profitability) should be a part of companies' primary objectives, generating a positive margin in the long term. In addition, managers should focus on market performance because the performance of an organization lies in the strength of its market, which implies the achievement of objectives in terms of products, total sales, profitability, market share, and the like (O'Cass & Weerawardena, 2009).

Finally, although this model has been widely accepted and frequently cited by marketers, it can be improved. Many market orientation studies are leading the field in the development of more parsimonious and generalizable market orientation scales. Therefore, other market-oriented approaches that combine different strategies should be explored so that marketing executives can assess the degree of market orientation of their companies and identify the problem areas (Dursun & Kilic, 2017).

Methodology

In this study, a questionnaire comprising 28 questions (which correspond to the variables that compose the proposed model) was answered by 307 employees of different companies in Medellin, Colombia, from October – December 2018. The objective is to identify the factors that define the market orientation of their organizations. Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) were implemented to analyze the resulting data. The former contributes significantly to the analysis of the interrelation patterns between the variables, reduction, classification, and description of data (Frías-Navarro & Pascual Soler, 2012), which are

indispensable procedures for the analysis of the variance common to all the variables. Thus, a number of variables with high loads in a factor are minimized, improving the interpretation of factors. EFA was applied to the entire group of variables using maximum likelihood (ML) as a factor extraction procedure and choosing varimax (an orthogonal rotation method that minimizes the number of variables that have high saturations in each factor as a rotation procedure) from SPSS, the statistical software. According to the results of the EFA, a basic structure of the theoretical model with five hypotheses was obtained. This structure was validated using the second statistical method, that is, CFA, to obtain evidence of the validity of the theoretical model derived from the output of the EFA (Pérez-Gil et al., 2000). Based on the results of the EFA and the five factors it identified, the following hypotheses are formulated to build the proposed model :

- **H1 :** Adaptation to changes in customer preferences (AP) has an influence on innovation in market-oriented strategies (IM).
- **H2 :** Adaptation to changes in customer preferences (AP) has an influence on organizational capacity to detect market opportunities (CO).
- **H3 :** Organizational capacity to detect market opportunities (CO) has an influence on innovation in market-oriented strategies (IM).
- **H4 :** Organizational capacity to detect market opportunities (CO) has an influence on effectiveness in the execution of marketing strategies (EM).
- **H5 :** Effectiveness in the execution of marketing strategies (EM) has an influence on innovation in market-oriented strategies (IM).
- **H6 :** Effectiveness in the execution of marketing strategies (EM) has an influence on proactive behavior in the workplace (PB).
- **H7 :** Proactive behavior in the workplace (PB) has an influence on innovation in market-oriented strategies (IM).
- **H8 :** Adaptation to changes in customer preferences (AP) has an influence on proactive behavior in the workplace (PB).

Analysis and Results

As a result of the first stage, by means of the axis rotation performed in the EFA, 28 variables were analyzed as proposed by Narver and Slater (1990) in the MKTOR scale. This scale presents theoretical support based on three operational components (customer orientation, competitor orientation, and inter-functional coordination) and two decision criteria (long-term perspective and profitability perspective). According to Álvarez González et al. (2005), an initial path of items can be generated by adopting this approach. Thus, the items were initially grouped into five components or factors, as follows:

Factor 1 : Adaptation to Changes in Client Preferences (AP)

This factor groups variables that define the frequency with which companies research customer needs and expectations, as well as the way in which they develop products and services according to the requirements expressed by the end-users. This factor is also linked to variables that measure the ability of companies to detect changes in customer preferences and generate a marketing plan with greater coverage.

Items

↳ ***AP1.*** We conduct customer research frequently to find out about the products and services customers will need in the future.

↳ ***AP2.*** We use the results of market research as a source of information for decision-making.

↳ ***AP3.*** We are able to quickly detect changes in customer preferences.

↳ ***AP4.*** We periodically contact our customers to know more about their perception of the quality of our products and services.

↳ ***AP5.*** We develop systems to detect fundamental changes in the industry.

↳ ***AP6.*** We periodically review the effect that changes in the environment can have on customers.

↳ ***AP7.*** The objectives of the company I work for are consistent with achieving customer satisfaction.

↳ ***AP8.*** The company I work for constantly evaluates the performance of the services and/or products offered in the market.

Factor 2 : Organizational Capacity to Detect Business Opportunities (CO)

The second factor refers to the variables that evaluate the degree of innovation of companies when they implement market-oriented strategies. It also includes variables related to the exchange and flow of information of the functional areas in the organization for purposes that involve decision-making and how to respond to changes in the business environment in order to achieve better performance and customer satisfaction.

Items

↳ ***CO1.*** Interdepartmental meetings (within the company) are held periodically to discuss trends and developments in our target market.

↳ ***CO2.*** Marketing personnel spend time discussing customer needs with other functional areas.

↳ ***CO3.*** When something important happens to a customer, the whole company knows this information in a short period of time.

↳ ***CO4.*** Customer satisfaction data is distributed at all levels of the company on a regular basis.

↳ ***CO5.*** When one area of the organization detects important aspects about competitors, it quickly alerts other areas in the company.

Factor 3: Proactive Behavior in the Workplace (PB)

It groups the variables regarding the organizational capacity to detect opportunities that allow companies to offer and introduce new products and services into the market. It also involves items related to the differentiating factors of a company, that is, those characteristics that distinguish it from its competitors.

Items

↳ ***PB1.*** There is a fluid exchange of opinions among the different areas of the company to decide how to respond to changes in competitor prices.

- ***PB2.*** There is no reason to ignore changes in product and service needs that arise from customers.

- ***PB3.*** The way products and/or services are being developed is periodically reviewed to ensure that they correspond to customers' wishes.

- ***PB4.*** The different areas of the organization meet periodically to plan a response to changes in the business environment.

- ***PB5.*** If a competitor launches an intensive campaign aimed at its target customers, the company develops an immediate response.

Factor 4 : Effectiveness in Execution of Marketing Strategies (EM)

This factor covers the variables that evaluate the feasibility of the strategies derived from the company's marketing plans and market research. Therefore, the variables focus on strategic decisions and are aimed at defining the actions that must be taken to ensure the conditions for the survival, growth, and sustained profitability that the organization expects to achieve. The objective of these variables is to identify future and potential business situations to reduce uncertain conditions and make decisions that have a greater chance of success for the company.

Items

- ***EM1.*** There is a great concern for coordinating the activities of all areas of the company.

- ***EM2.*** Consumer complaints are addressed in a timely manner.

- ***EM3.*** We have the capacity to implement a marketing plan with greater market reach.

- ***EM4.*** My experience and opinions are taken into account to apply different marketing strategies defined by the company.

Factor 5 : Innovation in Market Orientation Strategies (IM)

This factor is associated with proactive behavior in the workplace and business environment, and it is decisive in order to compete and survive in changing and competitive environments. The variables grouped under this factor assess the time it takes a company to respond to rapid changes in the market and how it generates a positive image of the organization in the minds of current and potential customers.

Items

- ***IM1.*** The company I work for has the capacity to constantly innovate in market orientation strategies.

- ***IM2.*** If customers wish to modify a product or service, all the areas of the company that are involved try to meet their requests.

- ***IM3.*** The company I work for has a positive image in the minds of our current and potential customers.

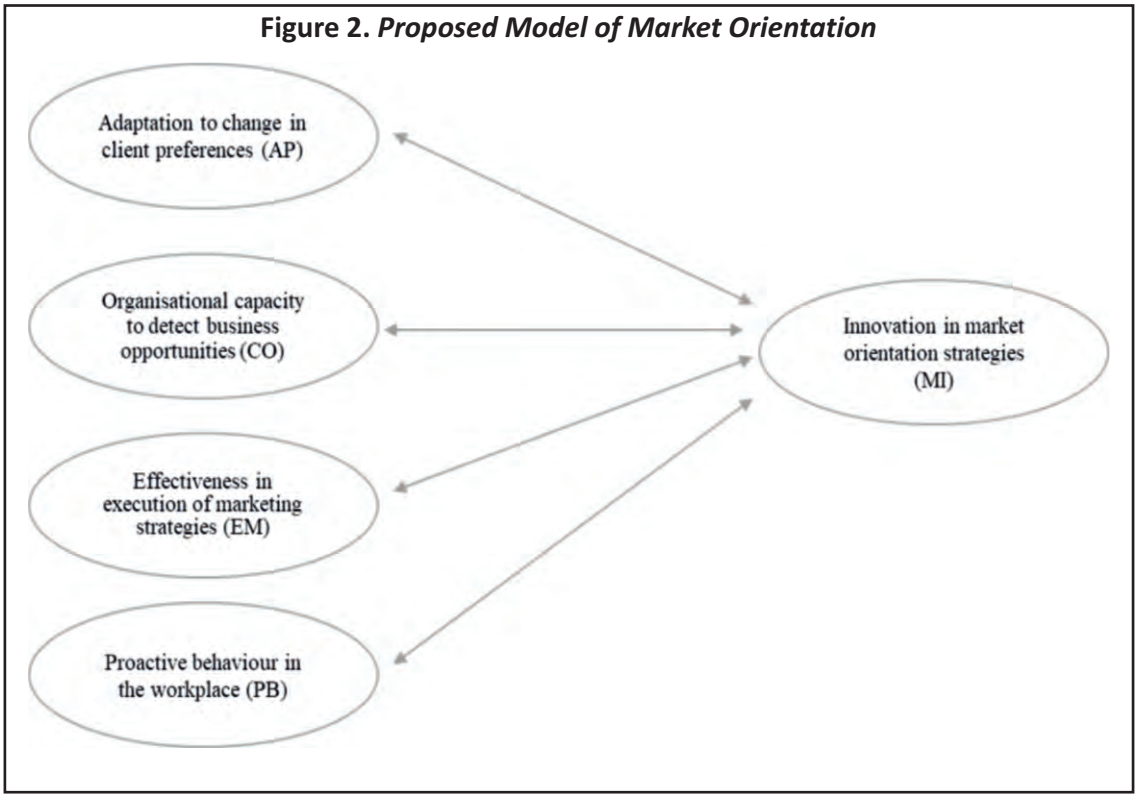
- ***IM4.*** Our brand is positioned in the minds of the people in Medellín.

- ***IM5.*** The company I work for has the capacity to detect opportunities to offer new products and services in the market.

↳ ***IM6.*** The products and/or services offered by the company I work for can be easily imitated by other companies.

In this first stage of the analysis, it was possible to verify that the collected data did not show redundant information since most of the factor loadings of the observable variables are greater than 0.6 (Bagozzi & Yi, 1988). Moreover, the average of factor loadings for each construct is greater than 0. 7 (Hair et al., 1999). Constructs with a value below the recommended level were discarded; this was the case with the variable regarding alerts about competitors' information generated by functional areas of the organization, which is associated with Factor 1, and presented a factor loading of 0.357. It was discarded to achieve convergence in the proposed model. After this procedure, the resulting theoretical model was arrived at (Figure 2), with the respective hypotheses to be validated by CFA.

Figure 2. ***Proposed Model of Market Orientation***



For the verification of the model through the application of the CFA, validation of the scales in which the information and the reliability of the measuring instrument used was measured. For this purpose, we carried out convergent validity, discriminant validity, and Cronbach's alpha tests on the eight hypotheses formulated earlier (H1 – H8).

Convergent Validity

The reliability of this model was evaluated at two levels: (a) the reliability of the observable items and (b) that of the constructs (Calvo-Porral et al., 2013). To determine the model's reliability, some authors have established that the reliability of the observable items greater than 0.6 is evidence that the model is reliable (Herrero et al., 2018).

Likewise, in the case of constructs, which refer to the degree to which an observable variable reflects a factor, a value greater than 0.7 is considered acceptable (Hair et al., 1999). Therefore, convergent validity assesses the degree to which the measurements or items that describe the same concept are correlated (Calvo-Porral et al., 2013).

In this study, it was not necessary to eliminate any construct since all their standardized factor loads meet the evaluation criteria established above, as shown in Table 1.

Table 2 shows Bartlett's test of sphericity and the Kaiser – Meyer – Olkin (KMO) measure, which are statistics commonly employed to study the sampling adequacy of a model.

Table 1. ***Convergent Validity of Standardized Factor Loadings***

Construct	Item	Standardized Factorial Loads	Average Standardized Factor Loads
Adaptation to Changes in Client Preferences (*AP*)	*AP* 1	0.725	0.73
	AP 2	0.812	
	AP 3	0.761	
	AP 4	0.753	
	AP 5	0.759	
	AP 6	0.652	
	AP 7	0.655	
	AP 8	0.730	
Organizational Capacity to Detect Business Opportunities (*CO*)	*CO* 1	0.757	0.73
	CO 2	0.767	
	CO 3	0.774	
	CO 4	0.851	
	CO 5	0.513	
Proactive Behavior at the Workplace (*PB*)	*PB* 1	0.735	0.70
	PB 2	0.771	
	PB 3	0.738	
	PB 4	0.784	
	PB 5	0.466	
Effectiveness in Execution of Marketing Strategies (*EM*)	*EM* 1	0.720	0.70
	EM 2	0.757	
	EM 3	0.723	
	EM 4	0.597	
Innovation in Market Orientation Strategies (*IM*)	*IM* 1	0.715	0.72
	IM 2	0.733	
	IM 3	0.710	
	IM 4	0.770	
	IM 5	0.757	
	IM 6	0.659	

Table 2. ***Convergent KMO Validation and Bartlett's Test of Sphericity***

Factor	KMO Value	Bartlett's Value
AP	0.890	0
CO	0.766	0
PB	0.770	0
EM	0.708	0
IM	0.829	0

On the one hand, the first statistic is used to test the hypothesis that the correlation matrix obtained is not an identity matrix, that is, there are significant intercorrelations between the variables that justify the factor analysis. Its *p*-value must be lower than the critical level 0.01, since, if the critical level is higher, it is not possible to reject the null hypothesis of sphericity and, consequently, it cannot be ensured that the factorial model is adequate to explain the data (Aldas-Manzano, 2005). In view of the fact that the model presented presents Bartlett's values equal to zero, it can be claimed that there are significant correlations between the variables.

On the other hand, the value of the KMO sampling adequacy measure is defined as an index that compares magnitudes of the correlation coefficients observed with the magnitudes of the partial correlation coefficients. With a value that ranges between 0 and 1, it is used as a measure of the adequacy of a sample; more specifically, low values in the said index rule out the application of this analysis (Aldas-Manzano, 2005). Lévy Mangin et al. (2006) characterized these values on a scale that considers that KMO measures close to 0.90 are highly acceptable; to 0.80, moderately acceptable; to 0.70, acceptable; to 0.60, insufficient; and below 0.50, unacceptable.

As shown in Table 2, the coefficients calculated by the SPSS software for each of the factors meet the criteria previously mentioned. This indicates that it is feasible to implement the data reduction technique and thus clarify the reality of the factors that influence the perceptions of employees and entrepreneurs regarding adequate market strategies to detect business opportunities and generate proactive behavior in the workplace.

Discriminant Validity

Discriminant validity is one of the criteria commonly used to evaluate the measurement scales of latent constructs in social sciences. It states that, for a measure to be valid, the measures of the same construct must be highly correlated to one another, and that correlation must be greater than that of the measures proposed for a different construct (Martínez-García & Martínez-Caro, 2009).

In this study, the discriminant validity analysis was performed by checking that the confidence interval in the estimation of the correlation between each pair of factors did not contain a value of 1 (Anderson & Gerbing, 1988). Table 3 shows that all the cases meet this criterion.

Table 3. ***Discriminant Validity of the Measurement Model***

	AP	*CO*	*PB*	*EM*	*IM*
AP	...	[0.505;0.743]	[0.559;0.721]	[0.404;0.592]	[0.664;0.790]
CO	[0.505;0.743]	...	[0.356;0.664]	[0.051;0.457]	[0.359;0.664]
CP	[0.559;0.721]	[0.356;0.664]	...	[0.380;0.576]	[0.496;0.672]
EM	[0.404;0.592]	[0.051;0.457]	[0.380;0.576]	...	[0.319;0.520]
OM	[0.664;0.790]	[0.359;0.664]	[0.496;0.672]	[0.319;0.520]	...

Table 4. ***Cronbach's Alpha of the Factors Used as a Reliability Index***

Factor	Cronbach's Alpha
AP	0.900
CO	0.851
PB	0.825
EM	0.712
IM	0.862

Table 5. ***Statistics to Evaluate the Goodness of Fit***

Chi-square/*df*	CFI	TLI	RMSEA	SRMR
1.43	.918	.904	.067	.069

In addition, the reliability of the internal consistency of the instrument was estimated by means of Cronbach's alpha. As can be seen in Table 4, the measuring instrument used in this study exhibits high reliability of the measurement scale, given that the Cronbach's alpha of the constructs under analysis remains within the range of values recommended in the literature (Pascual Soler et al., 2006).

Before testing the hypotheses proposed in the model in Figure 2, the goodness of fit must be evaluated, which was done using five statistics (see Table 5): (a) the chi-square statistic divided by degrees of freedom *(df)*, (b) the comparative fit index (CFI), (c) Tucker – Lewis index (TLI), (d) the standardized root mean square residual (SRMR), and (e) the root mean square error of approximation (RMSEA) (Arango-Botero et al., 2020; Kerkhoff, 2017). The standard guidelines for an acceptable fit establish that if the TLI and the CFI are greater than 0.95, it is a good fit; and, if they are above 0.90, it is an acceptable fit. Additionally, if RMSEA<0.08, the fit is acceptable (McClintock et al., 2016). Other authors have suggested that the chi-square value relative to the *df* ratio should be 3:1 or lower (Tabachnick & Fidell, 2013). An SRMR value under 0.08 is considered acceptable (Hu & Bentler, 1999). The SEM function of the Lavaan package (Rosseel, 2012) of the R software (R Development Core Team, 2016) was used to calculate the statistics shown in Table 5.

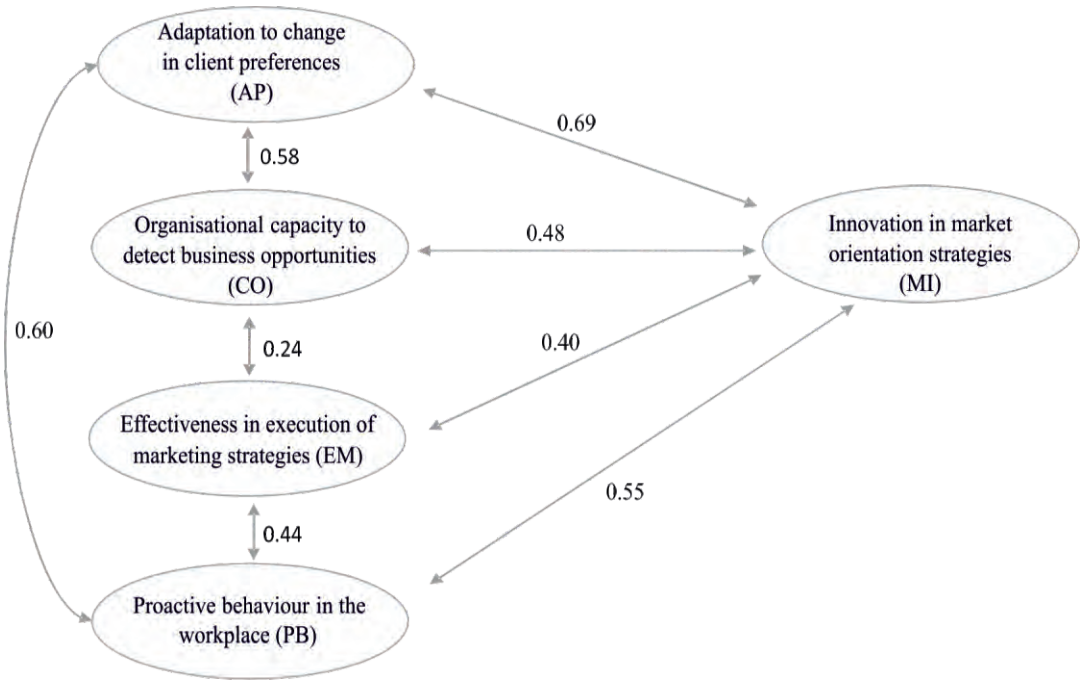
Hypotheses Testing

Based on the results of the previous tests, the proposed structural model was estimated to assess on what basis companies determine their market orientation. Therefore, the degree of association in the formulated hypotheses was measured using Somers' D. The latter is a measure of association between two ordinal variables that takes a value between –1 and 1, where values close to 1 (in absolute value) indicate a strong relationship between the two variables, and values close to zero mean that there is little or no relationship between the two variables (Abascal & Grande, 2005).

The Somers' D coefficient was calculated in SPSS software in such a way that it was possible to observe the degree of association between the variables that were part of the model and those that were not. This was done to check the degree of association of the hypothetical relationships.

Figure 3 presents the model obtained after performing the CFA with its respective association values between the variables. After the degree of association between the variables with an established relationship within the model was calculated, it is obtained that the strongest relationships are expressed in hypotheses H1 and H8, which exhibit Somers' D coefficients of 0.69 and 0.60, respectively. Similarly, hypotheses H2, H7, H3, H5, and H6 show

Figure 3. ***Market Orientation Model with Somers' D Between Variables***



a medium – high association between observable and latent variables. Finally, only hypothesis H4 presents a weak relationship since, for the purposes of this study, weak relationships are defined as those below 0.4. As a result, H4 is rejected, while all the other hypotheses are supported.

Discussion

In recent years, market orientation has become a vital tool for generating strategic advantages in organizations (Cheung & Pires, 2015). Hence, research in this field has focused on identifying the relationship between this orientation and the innovativeness that it should generate (Ejdys, 2015; Shashishekar & Anand, 2019). Ozkaya et al. (2015) determined that knowledge of customers and competitors improves a company's performance, thanks to market-based innovations. It supports two of the constructs in the model proposed here: adaptation to changes in customer preferences and organizational capacity to detect market opportunities.

Along these lines, Urde et al. (2013) identified two main elements related to market orientation: (a) the need not to isolate themselves from the changing requirements of customers to achieve a high level of differentiation in the market where organizations are located; and (b) market share increase. Their results align with ours, especially regarding two of the main hypotheses in the model proposed in this study (i.e., H1 and H3). However, it is essential to highlight that the key elements that have been identified require implementation processes, which sometimes could be expensive in order to generate the expected impact on organizations; hence, the marketing strategies that have been designed should be executed in an effective manner (Augusto & Coelho, 2009).

Subsequently, Hofer et al. (2014) argued that such market orientation should be permanently integrated into the strategies and operations of organizations so that direct effects can be perceived both in the company itself and in its relationship with different stakeholders (employees, partners, and competitors, among others). In particular,

the second most important construct in the model proposed here (i.e., proactive behavior in the workplace) provides the elements that enable such integration.

Shih (2018) identified a strong relationship between innovation in strategic orientation and market orientation. However, other additional elements such as business orientation and business operations could be found in his study. He also presented three relevant elements of market orientation that allow organizations to gain a competitive advantage: competition orientation, interfunctional coordination, and proactivity. Particularly, the third component is part of the construct *proactive behavior in the work environment*, which is identified in this study. These results support the idea that organizations should integrate different elements to achieve greater competitive advantages based on the implementation of market-oriented strategies (Sharma & Goyal, 2020). In this regard, Al Mamun et al. (2018) proposed the integration of market orientation, business orientation, and consumer performance. Their results are in line with the findings of this study and proposed a model that integrates elements such as the execution of marketing strategies, organizational capacity, and adaptation to customer needs.

Finally, although the proposed model includes the necessary elements to ensure innovation in market-oriented strategies, other authors identified additional factors that could be complementary and provide the proposed strategies with greater scope and support. Such is the case of Papadas et al. (2017), who, in their ecological marketing model, established that an organization oriented to this type of marketing is one that employs green initiatives at a strategic, tactical, and internal level, taking into account that these strategies must transcend the entire organization at all levels of decision-making. On the other hand, Ruizalba Robledo et al. (2015) found that communication and internal intelligence play an essential role in implementing market orientation.

Theoretical and Practical Implications

As mentioned in the first section, this study is based on Narver and Slater's model, which relates long-term profits to customer orientation, competitive orientation, and interfunctional coordination. As a theoretical implication, this paper makes a contribution to the literature on marketing orientation because the model proposed here presents, in an innovative manner, elements that have not been included in previously published works. In particular, the proposed model establishes four elements associated with innovation in market orientation strategies: adaptation to changes in customer preferences, capacity to detect business opportunities, effectiveness in execution of strategies, and proactive behavior in the workplace. Now, in relation to managerial implications, the proposed model is generic for all types of organizations, which is why it can be validated in all types of industrial and economic sectors. Furthermore, such a model can incorporate additional elements according to the particularities of each organization.

Conclusion

This study presents a model based on factor loadings to analyze the degree of innovation in market-oriented strategies. The model indicates that companies should establish effective communication channels, adapt to changes in the environment, detect business opportunities, effectively execute marketing strategies, and promote proactive behavior in the workplace. The presence of convergent validity and discriminant validity in the instrument, as well as acceptable reliability, confirms that the instrument evaluates fundamental variables that influence ideas, expectations, market motivations, and the way in which companies respond to customer needs.

According to the theory, it can be concluded that the association coefficients calculated for the hypothetical relationships in the model present significant values, which indicates an adequate correlation between the variables evaluated in the analysis. However, the results also show that hypothesis H4 (regarding the incidence of effectiveness in the execution of marketing strategies on proactive behavior in the workplace) is the only one that

did not obtain the minimum value defined in this study (i.e., 0.4); therefore, the said association is considered weak.

Based on the results obtained regarding innovation in market-oriented strategies, organizations must conduct processes to adapt to their context considering customer changes; make decisions to take advantage of opportunities; and face threats that are posed as a result of changes or movements in the market. Second, they should maintain and increase their proactivity in terms of searching for new market opportunities, innovative actions regarding customer management, and result orientation; all of this is included in the concept of proactive behavior in the workplace, which is defined in the proposed model.

Finally, companies should have the organizational capacity to detect market opportunities; and, once changes are detected, they must be flexible enough to guide their business model so that they can take advantage of the opportunities and detect new needs, preferences, and tastes of consumers to translate them into new products or to redesign those they already have.

Limitations of the Study and Scope for Further Research

- To overcome the limitations of this study, the survey should be conducted outside Medellín and Colombia to understand the variables and differential factors that come into play in other business contexts.

- Future studies can be longitudinal to compare and follow up on the way in which market orientation evolves at companies in Medellin. Additionally, having a more robust statistical sample, more structured statistical analyses can be carried out.

Authors' Contribution

Jonathan Bermúdez-Hernández and Alejandro Valencia-Arias conceived the idea and defined the content of the paper. Jonathan Bermúdez-Hernández and Walter Mauricio Montaño-Arias reviewed the literature. Jonathan Bermúdez-Hernández and Alejandro Valencia-Arias acquired and analyzed the data. Alejandro Valencia-Arias performed the statistical analysis, and all three authors prepared and revised the manuscript.

Conflict of Interest

The authors certify that they have no affiliations with or involvement in any organization or entity with any financial interest or non-financial interest in the subject matter or materials discussed in this manuscript.

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