Market Orientation and Brand Orientation from Customer Perspective an Empirical Examination in the Non-profit Sector

Dr. Riza Casidy Mulyanegara

Marketing Group, Swinburne University of Technology

Locked Bag 218 Lilydale, VIC 3140, Australia

Tel: 61-392-157-243   E-mail: rmulyanegara@swin.edu.au

Abstract

The purpose of this paper is to examine the relationship between 'market orientation' and 'brand orientation' from the customer perspective. Data was collected from a non-profit organisation in Australia using a self-administered questionnaire. This yielded a useable sample of 344. Confirmatory factor analysis was used to test the validity and reliability of the measures, while structural equation modeling was used to test the hypotheses. Findings reveal that 'interfunctional coordination' perform the strongest effects on 'perceived brand orientation' whereas no significant association was found between 'competitor orientation' and 'perceived brand orientation'. The study contributes to the body of literature through an examination of the relationship between 'perceived market orientation' and 'perceived brand orientation' and the development of 'perceived brand orientation' construct to assess the brand orientation level of an organisation from the customer perspective.

Keywords: Market orientation, Brand orientation, Non-profit, Customer perspective

1. Introduction

The impact of market orientation and band orientation on organisational performance has been well recognised in the literature. In the non-profit sector, market orientation was found to be positively associated with fundraising performance (Kara, Spillan, & DeShields, 2004), members' satisfaction (Chan & Chau, 1998), increased attendance (Voss & Voss, 2000), and growth in resources and reputation (Padanyi & Gainer, 2004). Brand orientation, on the other hand, was also found to be positively associated with non-profit organisations' performance in terms of: (i) an organisation's ability to achieve its short-term and long-term objectives; and (ii) its ability to serve stakeholders better than its competitors (Napoli, 2006).

Despite the abundance of research in the respective area of market orientation and brand orientation, there are several gaps of research in which the present study aims to address. First, despite the customer-centred philosophy of market orientation, studies of market orientation have largely regarded it as an employee-perceived phenomenon (Gounaris, Stathakopoulos, & Athanassopoulos, 2003). A review of the literature reveals that most studies in this area have been conducted from the perspective of employees; indeed, only ten studies have examined market orientation from a customer perspective, and only one of these (Voon, 2006) was conducted in a non-commercial setting. The same applies to brand orientation. Because research in this area is still in its infancy, it is not surprising that little attention has been paid to the specific question of brand orientation from a customer perspective. Thus, the first objective of this research is to assess the constructs of 'market orientation' and 'brand orientation' from the *customer perspective*.

The second objective of this research is to examine *the relationship* between the constructs of 'perceived market orientation' and 'perceived brand orientation'. Although few studies (O'Cass & Ngo, 2009; Tuominen, Laukkanen, & Reijonen, 2009) have been done to examine the relationship between the two constructs, previous research in this area focuses on employees as the unit of analysis. The present author argues that customers and employees may have different views in relation to the constructs of 'market orientation' and 'brand orientation' and thus the nature of relationship between the two constructs may differ when examined from the customer perspective.

2. Literature review

2.1 Perceived Market Orientation

Customer-perceived market orientation has been variously referred to as: (i) 'perceived market orientation' (PMO) (Baker, Simpson, & Siguaw, 1999; Corbitt, Thanasankit, & Yi, 2003; Gounaris, et al., 2003); (ii) 'customer-defined market orientation' (CDMO) (Krepapa, Berthon, Webb, & Pitt, 2003; D. Webb, Webster, & Krepapa, 2000); and (iii) 'perceived customer orientation' (Dean, 2007). For the purposes of the present study, the

term 'perceived market orientation' (PMO) is used to refer to customer attitudes regarding the extent to which an organisation engages in market-oriented activities and behaviour.

Although the concept of PMO was not formally proposed until the early 1990s, the philosophy of the concept goes back at least to Drucker's (1954) argument that marketing is not a specialised activity, but rather the whole business seen from customers' perspective. According to this view, customers should be the focus of all of an organisation's objectives, and the proponents of PMO therefore argue that the level of market orientation of any given organisation should always be assessed from the customer's perspective. Thus Deshpande et al. (1993, p.27) have observed that: "… the evaluation of how customer oriented an organisation is should come from its customers rather than merely from the company itself". Similarly, Webb et al. (2000, p.102) asserted that: "… the adoption of [an] employee-defined view of market orientation is one-sided and myopic in that it ignores the vital role of customers in terms of value recognition". Steinman et al. (2000, p.110) concurred in contending that: "… the appropriate level of market orientation is what the customer thinks it should be".

In their initial study of PMO, Deshpande et al. (1993) found a significant relationship between business performance and PMO—which they referred to as 'customer orientation' in this particular study, although they subsequently referred to it as 'market orientation' (Deshpande & Farley, 1996). Steinmann et al. (2000) later used the nine-item market orientation scale of Deshpande et al. (1993) to examine the gap between customers' and suppliers' perceptions of market orientation. The study found that the normative gap between customers' and suppliers' PMO decreased significantly as the length and importance of their mutual relationships increased; moreover, the study also found that the normative gap between customers' and suppliers' PMO was smaller in a collectivist culture (Japan) than in an individualistic culture (United States) (Steinman, et al., 2000). Krepapa et al. (2003) subsequently examined the impact of this perceptual gap on satisfaction. Using an adapted version of Narver and Slater's (1990) scale, the study found that greater gaps between customers' and suppliers' PMO were associated with lower levels of customer satisfaction (Krepapa, et al., 2003). These findings lend further support to the proposition that PMO has a significant influence on organisational performance.

Webb et al. (2000) used Narver and Slater's (1990) market orientation scale to examine the impact of PMO on 'customer satisfaction' and 'service quality'. The study found significant relationships between all three dimensions of market orientation (on the one hand) and both 'customer satisfaction' and 'service quality' (on the other hand); the strongest effect was found to exist between 'competitor orientation' and 'customer satisfaction' (D. Webb, et al., 2000). In a similar vein, Gounaris et al. (2003) found that PMO had a direct positive impact on service quality in terms of customers' perceptions of the 'physical evidence', 'innovativeness of the bank's product', and 'overall reliability of the bank' (the last of which was taken to imply enhanced consumers' trust). Corbitt et al. (2003) confirmed the relationship between PMO and consumer trust in the e-commerce context when they found that a higher level of market orientation was related to a higher level of trust of e-commerce websites.

Voon's (2006) study in the higher-education sector is apparently the only examination of PMO that has been performed in a non-commercial setting. However, the author did not expressly posit the study as a contribution to the literature on non-profit organisations, and thus failed to identify any features of particular interest to research in the non-profit sector; indeed, the term 'non-profit' was not even mentioned in the paper. In this study, Voon (2006) proposed six elements of the so-called 'service-driven market orientation' (SERVMO) construct, which consisted of an adapted version of Narver and Slater's (1990) market orientation components (including 'performance orientation' and 'long-term orientation') together with the addition of the component of 'employee orientation' (as used in the study of Siu and Wilson 1998). Voon (2006) found a significant positive relationship between SERVMO and service quality, which is consistent with earlier findings in the commercial context (Gounaris, et al., 2003; D. Webb, et al., 2000).

2.2 Perceived Brand Orientation

Whereas the PMO construct was developed to measure market orientation from a customer perspective, a similar measure (from the perspective of the customer) has not been developed for brand orientation. Given these circumstances, the present study uses the term 'perceived brand orientation' (PBO) to refer customer attitudes regarding the extent to which an organisation engages in brand-oriented activities and behaviour.

The term 'brand' in the present study is taken to apply to the organisation itself, rather than to the products/services it offers. Within the marketing literature, this falls under the umbrella of 'corporate brand image'. Corporate branding differs from product branding in the importance it places on so-called 'brand values'—that is, the values that are inherent in, or associated with, the corporation (and its products and services) (Leslie de Chernatony, 1999). A strong corporate brand is thus perceived as a guarantee of quality or as a form of insurance against poor performance or financial risk (Balmer & Gray, 2003). Moreover, a strong corporate

brand image not only provides a competitive advantage, but also encourages repeat purchases (Porter & Claycomb 1997) and customer loyalty (Ailwadi & Keller 2004; K. L Keller 2003). Within the non-profit context, an organisation's image provides potential donors with important cues regarding the efficiency of its operations, its degree of familiarity, and its credibility. Thus, if a charity is perceived to possess these attributes, its marketing communication efforts tend to result in greater perceptions of need, which stimulates helping behaviour among its donors (Bendapudi, Singh, & Bendapudi, 1996).

3. Theory and hypotheses

The literature on market orientation offers little insights into the relationship between market orientation and brand orientation from the customer perspective because research in this area has mainly focused on the relationship between market orientation and 'brand valuation' (Cravens & Guilding, 2000) and on that between market orientation and 'brand equity' (Ind & Bjerke, 2007; Yakimova & Beverland, 2005).

Urde (1999, p.118) argued that "to be brand-oriented is market orientation plus". Reid et al. (2005) proposed a conceptual model of the relationships among integrated marketing communication (IMC), market orientation (MO), and brand orientation (BO) and argued that higher levels of market orientation are associated with higher levels of brand orientation. In line of these propositions, O'Cass and Ngo (2009) establish empirical evidence to support the conceptual link between the two constructs. Using the MARKOR scale of Kohli and Jaworski (1990), the researchers found that market orientation is positively related to brand orientation (β=0.66, p<.05) (O'Cass & Ngo, 2009).

Tuominen et al (2009) uses the MKTOR scale of Narver and Slater (1990) to examine the impact of three dimensions of market orientation on brand orientation. The researchers found that 'customer orientation' has the strongest effects on brand orientation (β=0.41, p<.05), followed by 'interfunctional coordination' (β=0.28, p<.05), whereas 'competitor orientation' has a non-significant effect on brand orientation.

Although the relationship between market orientation and brand orientation has been established in the literature, all of the previous studies have focused on branding as perceived by the management of organisations, rather than how the brand was perceived by customers.

In light of these arguments, the present study contends that a positive relationship exists between perceived market orientation (PMO) and perceived brand orientation (PBO). Highly market-oriented organisations place significant importance in developing positive 'brand image' through implementing activities that are relevant to the needs, interests, and expectation of their existing and prospective members. Consequently, members that perceive an organisation as highly market-oriented are also likely to see the organisation as being 'brand oriented'. The following hypothesis is thus proposed:

H1: Perceived market orientation has a positive effect on perceived brand orientation

In line with Tuominen et al (2009), this study adopts the 'component-wise' approach (Han, Kim, & Srivastava, 1998; Lukas & Ferrell, 2000) in which the market orientation construct is disaggregated into three distinct components to examine the significance of each dimension on the dependent variables. The following corollary hypotheses are therefore proposed:

H1a: Perceived customer orientation has a positive effect on perceived brand orientation

H1b: Perceived competitor orientation has a positive effect on perceived brand orientation

H1c: Perceived interfunctional coordination has a positive effect on perceived brand orientation

4. Method

In this research, the sampling frame consists of members of church organisations in Australia. Over the past two decades, churches have been increasingly utilised as a research context in studies of the non-profit sector (Abreu, 2006; Santos & Mathews, 2001; Sargeant, 2005; White & Simas, 2008) and services marketing (Rodrigue, 2002; Sherman & Devlin, 2000; M. S. Webb, Joseph, Schimmel, & Moberg, 1998) due to the unique role of church members in church organisations. The resemblance between the role of 'customers' in commercial organisations and 'church members' in church organisations has also been supported in the literature (Attaway, Boles, & Singley, 1996; Mehta & Mehta, 1995; Saunders, 2000).

1085 questionnaires were distributed in thirteen church organisations that participated in the study. The number of attendees slightly varies between churches with an average of 100 adult attendees in every service. A total of 344 usable questionnaires were received, indicating a response rate of over 31% which is considerably high given the absence of incentive.

All items used to measure the PMO and PBO constructs were closed-ended with 7-point scales of *strongly disagree* to *strongly agree*.

4.1 Perceived market orientation

This study adapted Narver and Slater's (1990) MKTOR scale to measure respondents' perception of an organisation's performance in the respective dimensions of market orientation. There are at least two underlying reasons which necessitated a major modification of the MKTOR scale in the present study. First, the scales need to reflect the non-profit environment under consideration. Secondly, since this research focuses on the examination of market orientation from the customers' (members) perspective, the wording needs to be modified to reflect customers' perceptions. The modification procedure in this study followed closely the recommendations of previous scholars on the application of a market orientation scale in non-profit settings (Gainer & Padanyi, 2005; Padanyi & Gainer, 2004; Wood, Bhuian, & Kiecker, 2000). In the modification procedure of the MKTOR scales, two experts were consulted to ensure that the changes were reasonable and that the scale could accurately reflect what it intended to measure.

4.2 Perceived Brand Orientation

Whereas the MKTOR scale can be adapted to the customer context with relative ease, the adaptation of Non-profit Brand Orientation (NBO) measure (Ewing & Napoli, 2005) in the customer context is a rather complex issue. As asserted by Urde (1999, p.118), brand orientation involves 'an additional degree of sophistication' above market orientation. Hence, an assessment of the importance of branding in an organisation's strategy can only be effectively assessed by top managers. Statements relating to NBO such as 'in our organisations we ensure that managers within the organisation are aware of all of the marketing activities that involve the brand' and 'we create a brand/sub-brand-structure that is well thought out and understood by our staff' may not be applicable to customers as these are not experience-related but rather a strategic issue.

Following the complexities involved in the adaptation of the brand orientation scale, this study refers to the *brand orientation themes* used by Ewing and Napoli (2005) in their development of brand orientation construct. Akin to the scale development process for PMO, the development process for the PBO instrument involves consultation with experts in the area and in-depth interview participants. Although the PBO measure in this study is unidimensional in nature, the items were designed to reflect three brand orientation themes which include uniqueness, reputation, and orchestration (Aaker, 1991; Leslie de Chernatony & Riley, 1998; K. L Keller 2000).

5. Results

5.1 Exploratory Factor Analysis

In this study, factor analysis procedure using SPSS 15.0 was performed with *principal axis factoring* (common factor) as a method of extraction. This method considers the common variance in the data and helps identify underlying dimensions in large number of variables. This research also used Varimax rotation method which minimises the number of variables with high loadings on one factor (Malhotra, Hall, Shaw, & Oppenheim, 2002). The use of rotation helped to achieve simplicity and enhances interpretability of the scales. The number of factors in this study was determined by eigenvalue which reflects the amount of variance associated with a particular factor. For the purpose of this study, only factors with variances greater than 1.0 were retained.

The EFA results indicated that the PMO construct in this research is consistent with Narver and Slater's (1990) dimension of market orientation with three distinct components of 'customer orientation', 'competitor orientation', and 'interfunctional coordination'. The fact that the resulting dimensions were identical across two sample groups lends support to the multidimensionality nature of the PMO construct in this research, although further tests of discriminant validity need to be conducted through the use of Confirmatory Factor Analysis.

Although the PBO scale was originally developed to reflect three brand orientation themes, the EFA extracted one factor out of eight variables. The unidimensional nature of the brand image scale in the present study is consistent with Hankinson's (2001b) studies of brand orientation in the non-profit sector.

5.2 Confirmatory Factor Analysis

An assessment of measurement model fit is considered an essential step prior to the assessment of structural model (Hair, Black, Babin, Anderson, & Tatham, 2006). CFA procedure was implemented to further refine the constructs following EFA procedure and to assess the convergent and discriminant validity of the constructs through an observation of the standardised factor loadings (Table 6.8).

The revision of the measurement model in this research followed closely the incremental modification approach of Segars and Grover (1993) and Cheng (2001). Using this approach, the model was revised by deleting some

indicators with low factor loadings, squared multiple correlations, and those that attempted to load on more than one dimension as reflected by high modification indexes (Cheng, 2001). The deletion of the variables was also done one by one as the elimination of one variable in the model may concurrently affect other parts of the model (Kline, 2005).

The CFA results of PMO construct were very satisfactory after the deletion of four items. An examination of the fit indices indicated that the model fits the data very well. The standardised factor loading coefficients are all above the ideal level of 0.7, thus reflecting convergent validity. The AVE in all PMO constructs lends support to both convergent and discriminant validity as it surpasses the cut-off level of 0.5 and is significantly higher than the variance shared between PMO and PBO.

The CFA results of PBO construct were satisfactory after the deletion of two items. The standardised factor loading coefficients are between 0.47 and 0.86, indicating an acceptable level of convergent validity. An observation of the Average of Variance Extracted (AVE) also indicates discriminant validity as it surpasses the ideal level of 0.5 and is significantly higher than the variance shared between PMO and PBO. The final six items reflect the brand orientation themes of *uniqueness* (VARBR2), *reputation* (VARBR3 & VARBR4), and *orchestration* (VARBR6, VARBR7, VARBR8) used by Ewing and Napoli (2005) in the development procedure of their NBO scale.

5.3 Reliability

This study took into account the Cronbach's Alpha of each construct as displayed in table 1 along with the description of the final items. The coefficient alphas for the respective constructs were calculated using the reliability procedure in SPSS. As can be seen in the table, the reliabilities of all constructs in this research fall within the excellent level (0.7 and above) (Cronbach, 1951).

5.4 Tests of Hypotheses

The structural model in figure 1 was employed to test the first hypothesis. An examination of the fit indices suggested that the model had acceptable fit with the data. Although the Chi-Square was found to be statistically significant (χ^2= 54.587, df=26, p=.00), the fit indices such as NC (2.099), RMSEA (.057), GFI (.968), AGFI (.945), NFI (.954), and CFI (.975) are within the recommended level.

An examination of the standardised regression weights and Critical Ratio indicates that PMO is positively associated with PBO (β = .768, p < .001), thus lending support to H1. Another structural model was employed to test the corollary hypotheses.

The model in figure 2 incorporates three dimensions of PMO as predictor variables to determine which dimension performs the strongest effect on PBO. An examination of the GOF indices suggests that the model had excellent fit with the data. Although the Chi-Square was found to be statistically significant (χ^2= 117.99, df=84, p=.00), other indicators including NC (2.119), RMSEA (0.057), GFI (.934), AGFI (.906), TLI (.947), NFI (.923), and CFI (.957) are within the recommended level.

In terms of predictive power, it was found that 'interfunctional coordination' is the strongest determinant of PBO (β = .496, p < .001), lending support to H1c. 'Customer orientation' is also found to be positively associated with PBO (β = .255, p < .001), lending support to H1a. However, the regression weights reveal that competitor orientation has a non-significant effect on PBO (β = .085, p > .05), thereby failing to support H1b.

6. Discussions

The purpose of the present study was to examine the relationship between 'market orientation' and 'brand orientation' from the customer perspective. Drawing on the existing literature, it was hypothesised that people that perceive an organisation as highly market-oriented are also likely to see the organisation as being 'brand oriented'.

The results of this study show that the more people perceive an organisation as being market-oriented, the more they perceive the organisation as being brand-oriented (unique, reputable, and consistent in delivering their messages). The results provide empirical verification for the conceptual work of Reid, et al (2005) and complement the findings of previous researchers in this area (O'Cass & Ngo, 2009; Tuominen, et al., 2009). In relation to the previous studies, it worth noting that the association between PMO and PBO in this study (β=0.768, p<.001) is stronger than the one found in O'Cass and Ngo (2009) studies (β=0.66, p<.05). The results of the tests on corollary hypotheses are consistent with Tuominen et al (2009), as 'interfunctional coordination' was found to perform the strongest effects on PBO, followed by 'customer orientation', whereas 'competitor orientation' was found to perform no effects on PBO.

The contribution of the present study to the literature is twofold. First, the study empirically examines the effects of the three elements of 'perceived market orientation' on 'perceived brand orientation'. Future researchers can examine the predictive power of PMO and PBO on various indicators of organisational performance (financial performance, resource attraction, members' satisfaction) as it will be interesting to examine which of these customer-perceived constructs performs the strongest effect on performance. Second, the study contributes to the branding literature through the development of 'perceived brand orientation' constructs which measure how brand-oriented an organisation is from the perspective of the customers. Although the PBO scale in the present study was developed for the non-profit sector, the scale can be modified suit the commercial sector. The examination of the relationship between PMO and PBO in the commercial contexts is an attractive subject for future research in this area.

This study has provided useful insights for marketing managers in general and non-profit organisations' managers in particular. First, an organisation that endeavours to build a strong brand should ensure that it has sufficient understanding of customers (customer orientation) and utilises the various resources of the organisation to deliver superior values (interfunctional coordination). It should be noted that managers' perception of the market orientation level of an organisation may not coincide with the customer perception (Krepapa, et al., 2003). Thus, managers should constantly monitor customers' perception of the organisation's performance in these two dimensions of market orientation. Second, managers should pay attention to the three dimensions of 'brand orientation' in creating a strong brand. The unidimensional nature of the PBO construct in the present study reflect that the three themes of brand orientation are inter-dependent in a sense that those who perceive an organisation as unique are also likely to perceive it as being reputable and consistent in delivering its message.

Two main limitations of the study are identified. First, the use of convenience sampling to recruit the respondents possesses some weaknesses. With church attendees as the unit of analysis, the respondents may feel 'obliged' to evaluate their church positively. Although the respondents were informed that the survey is anonymous in nature, they were notified that a summary of the study findings would be reported to the church leaders for evaluation purposes. Hence, respondents' evaluation of the church's image and market orientation may be biased towards giving socially desirable responses. Second, although the church represents an ideal context within which to examine the construct of PBO and PMO due to the active participation of the members, there may be other factors (such as faith and spirituality) which affect respondents' positive evaluation of the church's market orientation and brand orientation. Thus, a replication of the present study in other non-profit contexts is an attractive avenue for future research.

In conclusion, the present study has provided useful insights into the relationship between market orientation and brand orientation from the customer perspective. It is expected that the study will be a catalyst to draw further attention on research in this important topic.

References

Aaker, D. A. (1991). *Managing Brand Equity: Capitalizing on the Value of a Brand Name.* New York: The Free Press.

Abreu, M. (2006). The brand positioning and image of a religious organisation: an empirical analysis. *International Journal of Nonprofit and Voluntary Sector Marketing*, 11, 2, 139.

Ailwadi, K. L., & Keller , K. L. (2004). Understanding retail branding: Conceptual insights and research priorities. *Journal of Retailing*, 80, 331-342.

Attaway, J. S., Boles, J., & Singley, R. B. (1996). Understanding consumers' determinant attributes in church selection. *Journal of Ministry Marketing & Management*, 2, 1, 15-20.

Baker, T., Simpson, P., & Siguaw, J. (1999). The impact of suppliers' perceptions of reseller market orientation on key relationship constructs. *Journal of the Academy of Marketing Science*, 27, 1, 50-57.

Balmer, J. M. T., & Gray, E. R. (2003). Corporate brands: what are they? What of them? *European Journal of Marketing*, 37, 7/8, 972-997.

Bendapudi, N., Singh, S. N., & Bendapudi, V. (1996). Enhancing Helping Behavior: An Integrative Framework for Promotion Planning. *Journal of Marketing*, 60, 3, 33-50.

Chan, R. Y., & Chau, A. (1998). Do marketing-oriented children and youth centres (CYCs) perform better: An exploratory study in Hong Kong. *Journal of Professional Services Marketing*, 16, 1, 15-28.

Cheng, E. (2001). SEM being more effective than multiple regression in parsimonious model testing for management development research. *Journal of Management Development*, 20, 7, 650-667.

Corbitt, B. J., Thanasankit, T., & Yi, H. (2003). Trust and e-commerce: a study of consumer perceptions. *Electronic Commerce Research & Applications*, 2, 3, 203.

Cravens, K. S., & Guilding, C. (2000). Measuring customer focus: an examination of the relationship between market orientation and brand valuation. *Journal of Strategic Marketing*, 8, 1, 27-45.

Cronbach, L. J. (1951). Coefficient Alpha and the internal structure tests. *Psychometrica*, 16, 3, 297.

de Chernatony, L. (1999). Brand Management Through Narrowing the Gap Between Brand Identity and Brand Reputation. *Journal of Marketing Management*, 15, 1-3, 157.

de Chernatony, L., & Riley, F. D. (1998). Modelling the components of the brand. *European Journal of Marketing*, 32, 11/12, 1074.

Dean, A. M. (2007). The Impact of the Customer Orientation of Call Center Employees on Customers' Affective Commitment and Loyalty. *Journal of Service Research*, 10, 2, 161-173.

Deshpande, R., & Farley, J. U. (1996). Understanding market orientation: A prospectively designed Meta-Analysis of Three market orientation scales: Marketing Science Institute.

Deshpande, R., Farley, J. U., & Webster Jr, F. E. (1993). Corporate Culture, Customer Orientation, and Innovativeness in Japanese Firms: A Quadrad Analysis. *Journal of Marketing*, 57, 1, 23-37.

Drucker, P. (1954). *The practice of management*. New York: Harper and Row.

Ewing, M. T., & Napoli, J. (2005). Developing and validating a multidimensional nonprofit brand orientation scale. *Journal of Business Research*, 58, 6, 841-853.

Gainer, B., & Padanyi, P. (2005). The relationship between market-oriented activities and market-oriented culture: implications for the development of market orientation in nonprofit service organizations. *Journal of Business Research*, 58, 6, 854-862.

Gounaris, S. P., Stathakopoulos, V., & Athanassopoulos, A. D. (2003). Antecedents to perceived service quality: an exploratory study in the banking industry. *International Journal of Bank Marketing*, 21, 4, 168.

Hair, J. F., Black, B., Babin, B., Anderson, R. E., & Tatham, R. L. (2006). *Multivariate data analysis*. New Jersey: Prentice Hall.

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.

Ind, N., & Bjerke, R. (2007). The concept of participatory market orientation: An organisation-wide approach to enhancing brand equity. *Journal of Brand Management*, 15, 2, 135-145.

Kara, A., Spillan, J. E., & DeShields, J. O. W. (2004). AN EMPIRICAL INVESTIGATION OF THE LINK BETWEEN MARKET ORIENTATION AND BUSINESS PERFORMANCE IN NONPROFIT SERVICE PROVIDERS. *Journal of Marketing Theory & Practice*, 12, 2, 59-72.

Keller, K. L. (2000). The Brand Report Card. *Harvard Business Review*, 78, 1, 147-156.

Keller, K. L. (2003). Brand synthesis: The multidimensionality of brand knowledge. *Journal of Consumer Research*, 29, 4, 595-600.

Kline, R. B. (2005). *Principles and Practice of Structural Equation Modeling*. New York: Guildford Press.

Kohli, A. K., & Jaworski, B. J. (1990). Market Orientation: The Construct, Research Propositions, and Managerial Implications. *Journal of Marketing*, 54, 2, 1-18.

Krepapa, A., Berthon, P., Webb, D., & Pitt, L. (2003). Mind the gap: An analysis of service provider versus customer perceptions of market orientation and the impact on satisfaction. *European Journal of Marketing*, 37, 1/2, 197-218.

Lukas, B. A., & Ferrell, O. C. (2000). The effect of market orientation on Product Innovation. *Journal of the Academy of Marketing Science*, 28, 2, 239-247.

Malhotra, N. K., Hall, J., Shaw, M., & Oppenheim, P. (2002). *Marketing Research: an applied orientation*. Sydney: Prentice Hall.

Mehta, S. S., & Mehta, G. B. (1995). Marketing of churches: An empirical study of important attributes. *Journal of Professional Services Marketing*, 13, 1, 53.

Napoli, J. (2006). The Impact of Nonprofit Brand Orientation on Organisational Performance. *Journal of Marketing Management*, 22, 7/8, 673-694.

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

O'Cass, A., & Ngo, L. (2009). Achieving customer satisfaction via market orientation, brand orientation, and customer empowerment: Evidence from Australia. Paper presented at the ANZMAC, Melbourne, Australia.

Padanyi, P., & Gainer, B. (2004). Market Orientation in the Nonprofit Sector: Taking Multiple Constituencies into Consideration. *Journal of Marketing Theory & Practice*, 12, 2, 43-58.

Porter , S. S., & Claycomb , C. (1997). The influence of brand recognition on retail store image. *The Journal of Product and Brand Management,* 6, 373-384.

Reid, M., Luxton, S., & Mavondo, F. (2005). THE RELATIONSHIP BETWEEN INTEGRATED MARKETING COMMUNICATION, MARKET ORIENTATION, AND BRAND ORIENTATION. *Journal of Advertising*, 34, 4, 11-23.

Rodrigue, C. S. (2002). Marketing Church Services: Targeting Young Adults. *Services Marketing Quarterly*, 24, 1, 33.

Santos, J., & Mathews, B. P. (2001). Quality in religious services. *International Journal of Nonprofit & Voluntary Sector Marketing*, 6, 3, 278.

Sargeant, A. (2005). Church and parachurch fundraising in the United States: What can we learn? *International Journal of Nonprofit & Voluntary Sector Marketing*, 10, 3, 133-136.

Saunders, P. (2000). Increasing church member satisfaction and retention. *Journal of Ministry Marketing & Management*, 5, 2, 51-66.

Segars, A. H., & Grover, V. (1993). Re-Examining Perceived Ease of Use and Usefulness: A Confirmatory Factor Analysis. *MIS Quarterly*, 17, 4, 517-525.

Sherman, A., & Devlin, J. F. (2000). American and British Clergy Attitudes Towards Marketing Activities: A Comparative Study. *Service Industries Journal*, 20, 4, 47-61.

Steinman, C., Deshpande, R., & Farley, J. U. (2000). Beyond market orientation: When customers and suppliers disagree. *Journal of the Academy of Marketing Science*, 28, 1, 109.

Tuominen, S., Laukkanen, T., & Reijonen, H. (2009). Market Orientation, Brand Orientation and Brand Performance in SMEs: Related Constructs? Paper presented at the ANZMAC, Melbourne, Australia.

Urde, M. (1999). Brand Orientation: A Mindset for Building Brands into Strategic Resources. *Journal of Marketing Management*, 15, 117-133.

Voon, B. H. (2006). Linking a service-driven market orientation to service quality. *Managing Service Quality*, 16, 6.

Voss, G. B., & Voss, Z. G. (2000). Strategic Orientation and Firm Performance in an Artistic Environment. *Journal of Marketing*, 64, 1, 67-83.

Webb, D., Webster, C., & Krepapa, A. (2000). An Exploration of The Meaning and Outcomes of a Customer-Defined Market Orientation. *Journal of Business Research*, 48, 2, 101-112.

Webb, M. S., Joseph, W. B., Schimmel, K., & Moberg, C. (1998). Church marketing: Strategies for retaining and attracting members. *Journal of Professional Services Marketing*, 17, 2, 1.

White, D. W., & Simas, C. F. (2008). An empirical investigation of the link between market orientation and church performance. *International Journal of Nonprofit & Voluntary Sector Marketing*, 13, 2, 153-165.

Wood, V. R., Bhuian, S., & Kiecker, P. (2000). Market Orientation and Organizational Performance in Not-for-Profit Hospitals. *Journal of Business Research*, 48, 3, 213-226.

Yakimova, R., & Beverland, M. (2005). The brand-supportive firm: An exploration of organisational drivers of brand updating. *Journal of Brand Management*, 12, 6, 445-460.

Table 1. Standardised Factor Loadings, t-Value, and Cronbach's Alpha of final items

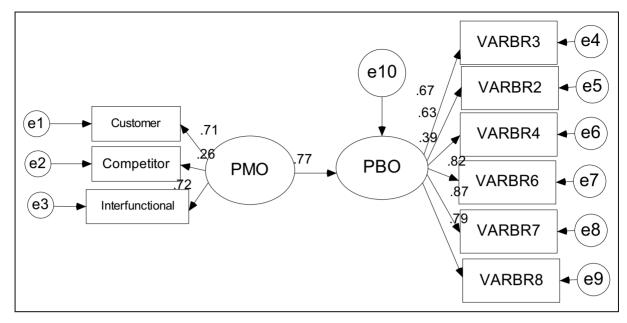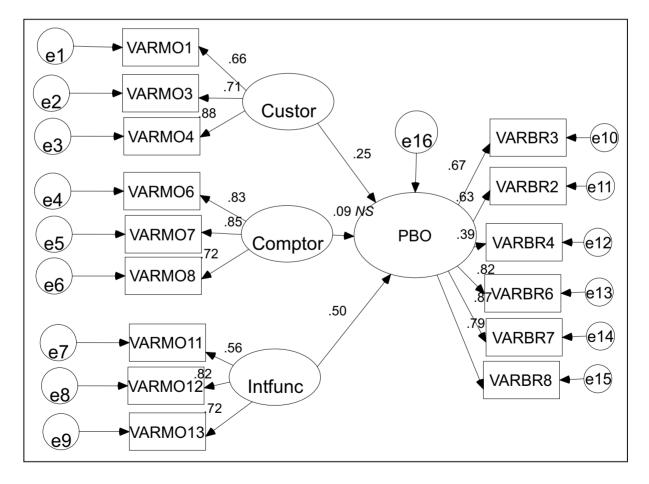| Measurement items (Cronbach's Alpha)	Standardised Factor Loadings	t-Value
Customer orientation (0.89)		
Constant monitoring of members' needs	0.804	21.608
Services designed based on members' needs	0.848	22.932
The leaders constantly seek to understand members' expectations	0.918	25.068
Competitor orientation (0.86)		
The organisation reacts to better other organisations' practice	0.841	20.709
The leaders are aware of other organisations' practice	0.873	21.263
The organisation focuses on particular communities where it can serve better	0.749	19.021
Interfunctional coordination (0.88)		
Encouragement for members to be involved in the organisation	0.753	18.612
The leaders understand how different activities/events can provide great value	0.902	21.714
The different departments within the organisation shares their resources with each other	0.86	20.859
PBO (0.85)		
People come to the organisation because of its reputation	0.471	11.367
The organisation possess unique values which are transparent to the community	0.631	16.227
Well known in the surrounding community	0.613	15.623
Communication sends consistent messages about the organisation to the community	0.855	24.844
The activities/programmes implemented by the organisation has strong appeals to the local community	0.864	25.105
Promotional materials create an image that is well understood by the members	0.807	22.887

Figure 1. Test of main hypothesis

Figure 2. Test of corollary hypotheses