

# Qualitative Insights into Market Orientation in Small Ghanaian Businesses

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## Abstract

Due to their importance to economic development, small businesses are the subject of multidisciplinary streams of business research. This current paper focuses on exploring the market orientation posture of small businesses operating in Ghana. Cast in a qualitative research mode, we utilize face to face interviews to gain insights into the market orientation opinions and postures of small business operators. Deductive analysis of the interview transcripts revealed that small businesses do not have a structured marketing plan. Most of the proprietors interviewed do not understand market orientation and do not see its importance to the success of their businesses. Their main focus is on the customer and the methods adopted are very informal but seem to have a positive effect on market share and customer retention. Following these findings, the paper provides some managerial implications, highlights the inherent limitations of the case study, and outlines some avenues for future studies.

**Keywords:** Market orientation, Qualitative, Small business, Ghanaian

## 1. Introduction

The marketing concept holds that the success of an organization largely depends upon satisfying the needs and wants of the customer better than competitors (Kotler and Armstrong, 1994). Research has shown that firms that successfully implement the marketing concept or are market oriented enjoy superior business performance (Narver and Slater, 1990; Rueket, 1992; Jaworski and Kohli, 1993). However, despite its enhanced managerial importance, small business owners seem to be hostile to market orientation (Stokes and Blackburn, 1999; Blankson and Stokes, 2002). Following decades of theoretical contributions of the market orientation concept, its possible effects and benefits have been agreed upon by marketing scholars. Numerous studies have confirmed the viability and advantages of a market orientation strategy in sectors such as exports (Hinson *et al.*, 2008), manufacturing (Appiah-Adu and Ranchhod, 1998; Kuada & Buatsi, 2005), and pharmaceuticals (Mahmoud *et al.*, 2010).

Most market orientation studies have centered on large scale organizations. The few studies on the subject of market orientation in the small business sector have mostly been undertaken in the developed western countries of Europe and the USA (Keskin, 2006). There are also variations in the ways in which small businesses are defined, that is in the very developed versus developing countries like Ghana. Even with the developed western countries, there is lack of consensus on the appropriateness of the market orientation construct and its research models, tested principally on studies of large organizations; to small businesses. Within the Ghanaian and developing African countries, there appears to be an existing a lack of answers to the following research questions:

- 1) Do small businesses appreciate the concept of market orientation?
- 2) What kind of organizational behaviours account for their being market oriented?
- 3) How do small business owners/managers perceive the importance of market orientation?

Answers to these research questions are particularly relevant to small business practitioners who are now operating in a sector that is currently growing rapidly in Ghana. Small business owners can gain a competitive advantage with appropriate application of the market orientation concept.

This paper is set out as follows: the first part dwells on the introductory aspects of the paper, whilst the second part focused on the context of the study. The third part of the paper dwelt on a review of literature whereas the fourth part was on the research design. Presentations and discussion of findings was the focused of the fifth part of the paper. The sixth and seventh portions were the managerial implications, and conclusions and recommendations respectively.

## 2. Context of the study

Small scale enterprises have been one of the major areas of concern to many policy makers in their attempt to accelerate the rate of growth in low income countries (Kayanula & Quartey, 2000). Within the Ghanaian context, these enterprises have been recognized as the engine through which the growth objectives of the country can be achieved. Small businesses constitute potential sources of employment, poverty reduction and income. Data from the Registrar General's Department indicates that 90% of companies registered are micro, small and medium enterprises (SME). This target group has been identified as the catalyst for the economic growth of the country as they make major contributions to income and employment (Mensah, 2004). It is recognized that approximately 80% of economic growth of the country comes from the small business sector. Some estimates put the contribution of SMEs to total GDP at about 22 per cent, with the largest contribution coming from those in agriculture, trade and transport ([www.oecd.org/dev/aeo](http://www.oecd.org/dev/aeo)).

Due to the growing importance of small businesses in Ghana, there has been a relatively long history of government initiatives to promote and finance their activities. In 1969, the Credit Guarantee Scheme by the Bank of Ghana (B.O.G) was established to assist entrepreneurs in obtaining bank credit. Subsequently in 1970, the Ghana Business Promotion Programme was established with the objective of providing financial and technical assistance to newly established and existing SMEs ([www.oecd.org/dev/aeo](http://www.oecd.org/dev/aeo)). Government concern for this business group was intensified in 1990 following the creation of the National Board for Small-Scale Industries (NBSSI) ([www.oecd.org/dev/aeo](http://www.oecd.org/dev/aeo)).

Typical of small businesses is that they are dominated by one person, with the owner/manager taking all major decisions (Kayanula & Quartey, 2000). The entrepreneur possesses limited formal education, access to and use of new technologies, market information, and access to credit from the banking sector is severely limited. Again, management skills are weak, thus inhibiting the development of a strategic plan for sustainable growth. There is a general consensus in Ghana that this target group experiences extreme working capital volatility and that lack of technical know-how and ability to acquire skills and modern technology impede growth opportunities (Kayanula & Quartey, 2000). Small business owners are usually reluctant to open their businesses to outsiders. Ghanaian small businesses are badly in need of technical services like accounting, management, marketing, strategy development and the establishment of business linkages. Ghanaian small businesses management and support services are perceived to be cost prohibitive and non-value adding. But, as a result of competition, small businesses are likely to face greater threats for survival, so there is the need to exploit and enhance managerial benefits of marketing by operating on market led principles such as market orientation.

## 3. Literature Review

### 3.1 Marketing Concept

The marketing concept recognizes that a company's knowledge and skill in designing products may not always be meeting the needs of customers and it recognizes that even a good sales department cannot sell every product that does not meet consumers' needs (Deshpande, 1999; Zebal, 2003). Therefore, it recognizes the understanding of customer wants as the starting point of an organization's business operations. McNamara (1972, p. 51) put it succinctly as "a philosophy of business management, based upon a companywide acceptance of the need for customer orientation, profit orientation, and recognition of the important role of marketing in communicating the needs of the market to all major corporate departments". In a sense, a company that operates on this business philosophy recognizes that the key to achieving organizational goals consists of determining the needs and wants of target markets and delivering the desired satisfactions more effectively and efficiently than competitors (Barksdale and Darden, 1971; McNamara, 1972; Kotler, 1998). That is under the marketing concept a company should place a major emphasis on the analysis of target market's needs and wants and deliver the desired satisfactions more efficiently and effectively than competitors in order to maximize its current profit (Kotler, 1998; Walker *et al.*, 1992). A company that successfully applies this concept is usually seen to be market oriented. For this reason, authors coined the term "market orientation" to describe the actual implementation of the marketing concept (Kotler, 1977; Shapiro, 1988).

### 3.2 Market Orientation

Shapiro (1988) conceptualized market orientation as an organizational decision-making process starting from information and proceeding to execution. At the heart of this process is a strong commitment by management to share information interdepartmentally and to practice open decision-making between functional and divisional employees. The main thrust of Shapiro's (1988) position is that markets and customers must be understood, information needs to permeate into every corporate function, firms ability to make strategic and tactical decisions is important, there must be an open decision-making process, decisions must be well coordinated, and strength and weaknesses of competitors must be understood. Exactly two years later, Kohli and Jaworski (1990) developed the intelligence perspective of market orientation, after their extensive review of the literature. They argued that market orientation involves three behavioural processes including the generation of market intelligence pertaining to current and future needs of the customer, dissemination of intelligence within the organization and also responsiveness to it. Kohli and Jaworski (1990) believed that a measure of market orientation need only assess the degree to which a company is market-oriented, that is, generate intelligence, disseminate intelligence, and takes action accordingly (see also Jaworski and Kohli, 1993; Wood and Bhuian, 1993).

Similarly, Narver and Slater (1990), in their study entitled "the effect of market orientation on business profitability", defined market orientation "as the organizational culture that most effectively and efficiently creates the necessary behaviours for the creation of superior value for buyers and thus, continuous superior performance for the business". According to them, market orientation consists of the three behavioural components including customer orientation, competitor orientation, and interfunctional coordination. According to this perspective, market orientation also involves having a long term focus and being profit oriented (Narver and Slater, 1990). Relying on Kohli and Jaworski (1990) and Narver and Slater (1990), Ruekert (1992), developed a new approach which he saw market orientation as a business strategy. Market orientation is seen as the degree to which a strategic business unit obtains and uses information regarding its customers, develops a strategy considering the obtained information regarding customers' needs satisfaction, and implements that strategy meeting those specific needs and wants (Ruekert, 1992). This perspective focused on the business unit in an organization rather than the whole organization or individual market as the unit of analysis. Moreover, it emphasized strategy development and implementation in responding to the customer needs and wants.

Deshpande *et al.* (1993) also developed another concept known as customer orientation. They proposed that, in order to develop a long-term profitable venture, a company should put the customers' interest first, while not excluding all the stakeholders such as owners, managers, and employees. They further noted that:

*"we see customer orientation as being a part of an overall, but much more fundamental, corporate culture" (p. 27).*

Thus, given that market orientation is part of an organizational culture (Narver and Slater, 1990; Deshpande *et al.*, 1993), or processes (Kohli and Jaworski, 1990; Jaworski and Kohli, 1993), its development is affected by organizational factors (that is antecedents). In this connection, Kohli and Jaworski (1990) in their conceptual study, postulated a framework of the relationship between market orientation and its antecedents, in which they suggested three categories of organizational factors influencing it. These are senior management, interdepartmental dynamics and organizationwide systems. The main theme of their framework is that management commitment and attitude towards risks, employee involvement as well as their motivation based on market performance, and coordination among functional workers are fundamental for any organization in its becoming market oriented (see also Jaworski and Kohli, 1990; Harris, 2000; Pulendran *et al.*, 2000; Hinson *et al.*, 2008). Other studies have shown that market orientation significantly accounts for the variance in the innovation rate (Attuahene-Gima, 1996), return on investment (Slater and Narver, 1994), growth in market share (Appiah-Adu and Ranchhod, 1998), customer satisfaction, service quality, and employee satisfaction (Agarwal *et al.*, 2003) of firms in different sectors and markets.

### 3.3 Marketing, Market Orientation and Small Businesses

There is a general recognition that the basic principles of marketing are equally valuable and applicable to both large and small businesses (Blankson and Cheng, 2005); however, small businesses cannot do conventional marketing as large ones do (Verhees and Meulenberg, 2004; Blankson and Stokes, 2002; Gilmore *et al.*, 2001; Carson, 1990), as they are influenced significantly by both the external and the internal environment (Avlonitis and Gounaris, 1999). With regards to market orientation, though, researchers have found a match between business performance and the former to date (Blankson and Cheng, 2005); there are questions regarding the application of market orientation constructs developed and tested principally on studies of large organizations to small businesses (Gilmore *et al.*, 2001; Blankson and Stokes, 2002; Keskin, 2006).

Problems such as unclear view of the customer, commitment with the status quo, ignorance of market orientation, lack of competitive differentiation, limited resources, perceived inappropriateness and short-term focus inhibit the ability of small businesses in employing on a market orientation (Harris, 1998). Gilmore *et al.* (2001) stated that due to the characteristics and limitations of the owner-manager, resources, market impact and organizational structure, marketing in small businesses is likely to be haphazard, informal, loose, unstructured, spontaneous and more reactive than proactive. Also in support, McCartan-Quinn and Carson (2003) state that high failure rates of small firms are largely attributed to weaknesses in financial management and marketing. Additionally, small businesses face peculiar problems including: deficiencies arising from their limited resources and range of technological competencies; influence of their owners/managers on the decision-making; dependence on small numbers of customers and suppliers; and focus on the efficiency of current operations, among others (Badger *et al.*, 2001; Mensah, 2004).

Their marketing activities tend to be pragmatic, practical and adopted to suit their unique situation (Carson and Gilmore, 2000) informal and unplanned relying on the intuition and energy of the owner/ manager (Stokes and Blackburn, 1999). Consequently, complex marketing theories, formal marketing approach and normative models of marketing practice may not be appropriate and applicable for them (McCartan-Quinn and Carson 2003; Carson and Gilmore 2000). In a recent study, Blankson *et al.* (2006) examined the marketing practices of small businesses in Michigan, USA. Data, collected in the form of protocols and means-end maps for individual owner-managers, were analyzed by inductive reasoning. The study confirmed the appropriateness of the market orientation framework for the small business sector. Findings included a distinctive “marketing style” (strong emphasis on customer care and employee welfare; motivation; and market intelligence) related to size of the firms surveyed, the personality of the owner-manager, the available resources and the nature of the operating environment. Blankson *et al.* (2006) contended that despite absence of a formal approach to market research and marketing planning, this “style” was found to have a positive effect on margins and market share of the small businesses.

An earlier study by Blankson and Cheng (2005) demonstrated quantitatively that market orientation is deemed appropriate for small businesses. They concluded that:

*... the size of the business, i.e. small or large firm, does not moderate the importance attached to, and the application of the marketing concept (i.e. market orientation), a finding that is contrary to the contention held by Harris (1998) and Stokes (2002).*

However, these findings relate to small businesses operating in the far advanced western economies. Therefore, in view of the fact that there is wide difference between the size of businesses in the advance western countries versus developing countries like Ghana, it will be misleading to import these findings to small business in developing countries. For instance, within the Ghanaian context, the Association of Ghana Industries (AGI) provided the following size classification of businesses:

- Micro enterprises-those employing up to 5 employees
- Small enterprises-employ between 6 and 29 employee; and
- Medium enterprises-employ between 30 and 99 employees; (Mensah, 2004).

Yet, the European Union’s Director General (*DG XXIII*), for example, defines businesses as follows:

- Micro 0-9 employees;
- Small 10-99 employees;
- Medium 100-499 employees; and
- Large 500+ employees; (*cited in* Blankson and Stokes, 2002).

With such a widespread disparity in business size between developed western countries and Ghanaian businesses, it can be asserted that further research is needed to assess the appropriateness of the market orientation framework to small Ghanaian businesses. Thus, the present study applies an adaptation of the extant market orientation framework postulated by Kohli and Jaworski (1990) in a case study of small businesses in Accra, Ghana.

#### **4. Research Design**

##### *4.1 The Case Study Strategy*

A case-study research strategy was adopted to explore the three research questions, using small businesses located in Accra, Ghana. The case-study is one of several ways that research is conducted in the area of social science (Yin, 1994). A case-study strategy was preferred in this instance because there was a focus on a “contemporary phenomenon within some real-life context” (Yin, 1994, p. 1). Eisenhardt (1989) suggested that case-studies are

particularly well suited in areas where existing theory appears inadequate. The literature review demonstrated that there is insufficient theory and understanding of market orientation within the context of small businesses in general and small Ghanaian businesses in particular.

#### 4.2 The Sample

Sampling was via “snowball method”, whereby respondents recommend new potential respondents to participate. We visited the Osu Oxford Street which is predominantly has small businesses to contact prospective respondents for this research. A subpopulation of 20 owners/managers of small businesses on the Osu Oxford Street was selected as the sample for this case-study. A subpopulation of owner/ managers was sampled for one distinct reason; consistent with prior studies, the use of key informant technique suggests that only informants that had control over all activities concerning the research theme should be included (Kumar *et al.*, 1993). In small businesses, owner-managers as the name implies are normally “jack of all trades” and are very conversant with the overall strategies in their organization. Fourteen (14) out of the twenty (20) expected interviews were conducted, six (6) could not avail themselves within the specific time frame. They failed to grant us audience claiming tight business schedules. Thus, the sample and response rate are favourable in comparison with other qualitative studies (see for example Omar, 1997 12- respondents; Doherty, 2000 7- respondents; Sen, 2006 7- respondents). In particular, it is considered very high for a study in a developing country like Ghana (Ofori and Hinson, 2007).

#### 4.3 Data Collection

##### 4.3.1 Research approach

In-depth face to face interviews were found to be suitable, which gave rise for the opportunities to probe interviewees to uncover underlying reasons for their actions. Semi-structured interviews with owner-managers of small businesses were held at the conclusion of the observation process. They were informal, but important and conducted for the purpose of not only verifying the earlier observed marketing practices, but also to gain insight into the study’s research questions. These interviews were conducted with the owners/ managers during their normal work hours. Each interview took approximately 30 minutes to complete. Following the recommendations of Saunders *et al.* (2000), interviewees were briefed on the subject matter prior to interviews, thereby helping to promote validity and reliability through enabling them to gain an understanding of the information being requested. All interviews were captured with audio tape recorder to assist with the analysis data generated.

##### 4.4 Construct Measurement and Data Collection Technique

Given its context specific, we adopted a refined version of the Kohli and Jaworski’s construct developed by Blankson and Stoke (2002) for small businesses. Kohli *et al.* (1993) argue that revisions to market orientation measurement scales to reflect specific stakeholders or context may be useful. Moreover, the Kohli and Jaworski’s (1990) construct has been replicated in extant literature (see among others, Heart and Diamantopoulos, 1993; Pitt *et al.*, 1996; Blankson and Stokes, 2002) and has shown test and re-test validity and reliability in studies of small businesses (see Blankson and Cheng, 2005; Keskin, 2006). The researchers want to state that for the present study in Accra, it was decided to assess the antecedents of market orientation and whether the market orientation concept is adopted in the small business sector. In this regard, no causality was carried out between market orientation and business performance among these small Ghanaian firms but rather the extent to which market orientation was practice.

## 5. Presentation and Discussion of findings

### 5.1 Demography

The profile of the enterprises included in the study ranged from restaurants to a computer accessory shop. From the industry classification standpoint, we covered the food and beverages (Filling Station shop, food seller, Ghost Town Bar and Alcoholic shop, Sun Shine Restaurant, and Dozazo Glorified Provision Store); Information and Communication Technology sector (Atlantic Phones, Osu Computer Accessories and Photoclub; Health (Jinlet Pharmacy); footwear (Lee Shoes and Bag Repairs) and Clothing (Osu Mother Care Shop, Exclusive Mens Wear, Viijee Shoe Shop and Charisma Clothing). The Osu Oxford Street is chosen for its uniqueness in terms of attracting all kinds of customer groupings and retail businesses and serves as a more organized retail hub comparable to the London Oxford Street. It can be said to be the most organized business district in the country. Even though the scope of the study was focused on owner-managers, the supervisors and managers who were interviewed were also found to be competent and had insights into the market orientation of the small businesses. The interviewees were mainly owner- managers of the enterprises; they however engaged the services of supervisors and managers as the enterprise size increased. Out of the fourteen interviewees (14) interviewees, eight (8) were owners, two (2) were managers and four (4) were supervisors.

## 5.2 Antecedent in Developing Market Orientation Culture

### 5.2.1 Employee Involvement

In order to become a market-oriented company, the employees of the enterprises must be involved and in full support of the vision and mission of the company. Almost all the enterprises suggest having staff that are committed to the course of the companies. Commitment is reflected in their communication. They enjoy cordial working relationships. Thirteen interviewees rated the commitment level of their employees to their enterprises as far above that of their competitors. The question was not applicable to the remaining one interviewee since she is the only employee of the business set up; she runs a one-man show business. This is a great step towards the development of market orientation as asserted by Kotler and Keller (2009). One of the enterprises concerned used to have staff problems and had to replace almost all the old staff and now the culture of impolite staff has been eliminated. One manager asserted that: *“The staff is cooperative, especially if it comes with motivation....”* *“Staff problems? At first we did have but now I will say we don’t have, because we now have honest people, so far as we haven’t seen the bad aspect of them.....if there is a problem the C.E.O tries to settle the issue, by making them write a report on what happened the next step is that they go on suspension.”* Commitment and involvement of the employees is therefore seen as a major step to developing a good market orientation culture. If there is commitment, dedication follows immediately.

### 5.2.2 Interdepartmental Dynamics and Organizational Systems

The study also observed some kind of structures exists to solve personnel problems as and when they came up. The structures included staff meetings which were used to solve interdepartmental conflicts. These findings are similar to the findings of Blankson et al., (2006) as far as to communication and relationships among small businesses are concerned. Other businesses claimed to solve staff problems through open communication but comments from various businesses indicate how informal the atmosphere actually was. The study discovered that those smaller enterprises with few employees did not encounter too many personnel problems and if encountered, were normally solved among the employees. Even though majority of the businesses had staff meetings, the frequency of such meeting was very low and very informal. Some comments from the interviewees are as follows: *“Once a year during Christmas and it is very informal.....”* It was not a hard and fast rule. The most frequent of them indicated a bimonthly interval whilst the longest was an annual get-together. Notwithstanding the lack of frequent official staff meetings, because of the family-like organizational climate of most of these enterprises, the extent of team work (esprit de corps) was very high. All the surveyed enterprises believe the extent of team work among employees was better than their competitors. This was attributed to the interpersonal relationship among the staff and the organizational climate created by the owners of the enterprises. This confirms Armstrong (2009) and Dwivedi (2008) assertions of the role of organizational climate in fostering unity and team work among employees. On the existence of reward systems in the surveyed enterprises, some of the interviewees indicated the presence of a form of incentive system for the staff of their enterprises. One supervisor said:

*“.....This year we are expecting salary increment.....they sometimes provide us with breakfast, also ...last year I was the best worker here but the reward being given wasn’t known to other staffs. It is done every two years.”*

It was observed that majority of the businesses employed a bimonthly bonus system while a few only gave yearly bonuses at the end of December every year. The others only gave yearly awards to best workers and did not make public the kind of award given. Some of the enterprises also indicated other forms of motivations in addition to bonuses including benefiting from a holiday for two to a country of their choice; free accommodation; increases in personal salary; and praises. Other businesses simply did not have any kind of reward system. The reason given by the businesses without reward systems was that the staff members are not stable.

The structures were noted not be completely ready for a strong customer orientation. This is because the front-line staffs were found to have less power in creating customer satisfaction through problem solving by the sample organizations interviewed. According to Kotler and Keller (2009), it is advisable to also empower front-line staff because they are the very people that deal with customers every day. Empowering them will ensure the delivery of services and products that are in the interest of customers without necessarily passing through cumbersome procedures and structures (Rangkuti, 2010). Thus, the traditional organizational structure of top management on top, followed by middle management and then front-line people before customers should be changed to customers on top, followed by front-line people and then middle management with top management at the bottom. In this manner, customers gain the right attention and focus.

### 5.2.3 Environmental Scanning and Analysis

Environmental evaluation and analysis is a major antecedent of market orientation. It enables the enterprise to take advantages of opportunities in the environment whilst planning for threats. All the firms do a kind of environmental scanning and analysis. This allows the firms to re-orient their focus and short-term objectives especially with regards to customers. Areas covered include general economic factors, competition in the industry and the entire market, the socio-political environment and the technological environment (David, 2009; Pearce and Robinson, 2009). All the 14 enterprises believed the current situation was a difficult environment for all businesses. It is believed, the socio-economic environment has reduced the confidence of businesses due to the over concentration of reducing budget deficits. Again, controls used to come from government in the past regarding importation but all these have been halted; a comment made by one of the interviewees: *"Business is not good, it's not good like before, and everybody who comes in here complains a lot. They are not happy because there is no money. You know that yourself?"* Businesses seem to be blaming different governments for their unfavourable policies.

### 5.3 Market Orientation

For a market oriented organization, there must be system(s) to monitor rapid changes in the environment against the customer's needs and desires and place their concerns at the top-most level of the organisational structure. This will result in customer oriented, competitor oriented and interfunctional coordination activities such as determining the impact of the changes to the customer's satisfaction, improve product innovation, and implement strategy that could develop superiority of the company in order to compete (Kotler and Keller, 2009). To achieve this, intelligence generation, intelligence dissemination and responsiveness to this intelligence are essential to achieving the firms' objectives (Blankson et al., 2006). Marketing research is essential for small business operating in Ghana. Notwithstanding the important role marketing research plays in a market orientation of small firms, few of the interviewed enterprises make use of marketing research of some sort. Most of the enterprises do not go through the actual rudiments of marketing research processes but they employ ways of identifying changes in customer needs and try to provide. The pharmaceutical firm for instance indicated that they belongs to a kind of professional association who gives them information about new drugs. For instance, for the firms in the ICT sector, they only gather information on new phones and accessories in town and those that people are actually going for. With the phone company they gather information from their friends: *".....most employees who work with the other phone companies are our friends, they talk a lot so sometimes during the conversation we get to know what phone is in town so we go and get it....."*. Thus some sort of competitive orientation is been practiced by these firm involved in this current study.

This market intelligence gathered inform them about the kind of accessories and phones to bring into the market. The other firms centre their entire information gathering on prices of similar goods and services by their competitors. Some do not undertake marketing research whilst others have no idea. The few that do not apply marketing research rely on data gathered by their wholesalers and other institutions as their sources of information for business decision making. They believe those data are more accurate and professional than they could have obtained by themselves. In general marketing research is not a formal well structured issue among small businesses; it is mainly based on intuitions and feedback from customers. Sunshine Restaurant for instance understands what some customers are looking for: *"They sometimes order for dishes to their specification, some of them will call and say they want pizza and tuna and olive....I know what my customers want. A set of customers like my special 'hunters gold drink'....I even know when they will come."* The use of marketing research seems to be different among the different sectors that the enterprises operate. For instance, all the 3 ICT based enterprises indicated the use of marketing research of a sort whilst all the food and beverage enterprise did not do any marketing research whatsoever. As the findings revealed marketing research activities was discovered to be low among the sample small firms and this will directly and indirectly impact on their market orientation levels.

## 6. Managerial Implications

A study of small businesses in Accra has enabled us understand the market orientation practices of small businesses through a qualitative research. Even though market orientation practices are beneficial to small businesses the analyses of the research indicates that it is informally employed and unplanned. It can be inferred from the interviews that employees are committed to creating value for the customer. This study has revealed that small scale businesses acknowledged market orientation as a normal business activity. They seem to possess a great deal of knowledge about market orientation. The study also shows that market orientation has been in practice for long among small businesses in Ghana though in crude or unrefined form. There is also evidence from the study that it is undocumented largely. To most of the interviewees, market orientation entails employing actions, practices and procedures that make customers the central focus of the entire business activities.

The small business are aware of this fact and try as much as possible to solve customer's most important problems, and ensuring that the customers are more successful. The study reveals that small scale enterprises lack management skills to effectively market their products. The owners apply intuition and common sense in their dealings with customers. Majority of the businesses were found not to have any marketing policy, strategy or plan for their firms. It was however observed that the matured enterprises outsource their marketing activities to external agents in the form of sales agents and marketing consulting firms. Small businesses need to appreciate the fact that market orientation is a continuous phenomenon which must continue even if the business becomes a multi-national company. According to Harris (1998) stated that the key factors that prevent small businesses from focusing on market trends and needs, i.e. market orientation include: contentment with the status quo, ignorance of market orientation, limited resources and lack of competitive differentiation.

## 7. Conclusions and Recommendations

The following recommendations are relevant for effective and efficient market orientation culture among Ghanaian small businesses. Since small businesses can be made to be the centre of growth as happening in the developed economies, strong institutional structures should be set up to aid Ghanaian small businesses to use marketing expertise in their businesses. Policy makers and NGOs should consider organizing seasonal courses and training to owners and manager of small businesses on the use of marketing strategies in gaining competitive advantage. In order for small businesses to fully implement marketing strategies and policies, access to business funding should be enhanced. To enhance the already high employee commitment level, reward systems should be fair and formalized. This is a prerequisite for any marketing orientation strategy.

Employee problems resolution in the Ghanaian small businesses should also be formalized. In order to enhance the already existing team work (esprit de corps) among employees of Ghanaian small business, transparency in the operations of the businesses should be enhanced through frequenting meeting of management and staff. In order to attain a purely market orientation of small businesses in Ghana, front-line staff must be empowered to confidently deal with customers in settling most problems raised by customers. An appropriate legal framework should be considered to protect the Ghanaian small ICT businesses from the importation of pirated goods, notably from China and Nigeria. The study also recommends further studies into the extent of readiness of Ghanaian Small businesses to the design and use appropriate market orientation strategies to gain competitive advantage, since marketing is crucial to the survival and development of small businesses. Such work should consider increasing the sampling frame and size to cover all segments of industry and regions of the country. Differences in readiness among geographical regions and industries can then be analyzed using quantitative methods such as analysis of variance (ANOVA) among the factors, can be adopted. Again, the extent to which the identified antecedents of marketing orientation influences the success or otherwise of market orientation strategies and policies needs to be ascertained to inform which of the antecedents needs to be prioritized.

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