

# THE IMPACT OF MARKET ORIENTATION ON ORGANIZATIONAL PERFORMANCE: THE MODERATING ROLE OF INNOVATION IN MEDIUM ENTERPRISES

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## ABSTRACT

*The purpose of this study aims mainly to identify the impact of Market Orientation in its dimensions (Customer orientation, Competitor orientation, Inter-functional coordination, and Supplier orientation) on organization performance in light of the presence of Innovation as a moderating variable in Jordanian Medium Enterprises. The study population consisted of workers in the upper and middle management in Jordanian Medium Enterprises.*

*A proportional stratified random sample consisted of (269) individuals. The descriptive-analytical method was used via a questionnaire developed as a tool to collect data, it consisted of (52) items. Several statistical methods were used, including multiple linear correlation test, Pearson correlation coefficient, the allowed variance and contrast variation coefficient, the self-correlation test using the Durban-Watson correlation coefficient, simple and multi-step and gradient regression analysis tests, as well as hierarchical regression analysis. The study outcomes showed that; there is an effect of Market Orientation on organization performance in Jordanian Medium Enterprises, and there is a difference in the moral impact of the dimensions of Market Orientation on organization performance depending on Innovation differences.*

**Keywords:** Market orientation; Innovation; Organization performance.

## INTRODUCTION

The concept of marketing in general as a concept of faith (Webster, 1994), there is still a big gap between the marketing philosophy known to many researchers and what is being applied in the name of the concept of marketing by many companies and organizations. Mazaira et al. (2003) defend the term "Market Orientation" because this term is not a concern of the marketing department in the organization only, but it is also a concern of all functional departments. In addition, market orientation showed that, it is the responsibility of everyone in the company search for the customer needs and satisfy these needs. The concept of market direction is particularly important in volatile international and domestic markets. As there are expected differences and complexities in many dimensions - social, cultural, political, financial, and technological. The complexity of the response increases with market intelligence capabilities, the availability of creation, and deployment (Balodi, 2014; Genc et al., 2019). The comparison between companies that own a clear and explicit concept of MO and companies that do not have MO, revealed that the companies which have MO own a better and clear understanding of strategies and capabilities, customer needs and desires to confront competitors and exterior forces and respond on a proper way (Knight & Liesch, 2016; Acosta

et al., 2018). Therefore, MO is a respected, infrequent, and competitive advantage that it is additional demand to impersonate or replaceable and dismiss create sustainable competitive advantage (Papadas et al., 2019; Tho, 2019). As for the businesses that have the benefit and capability of MO, these funds have the abilities to conduit the cultural reserve and select culturally reserved promotes the prospects and superior business performance (He and Wei, 2011; Deutscher et al., 2016). The market concentrated intelligence group origin is evidence on enunciated purchaser wants and mostly estimated at increasing the business-customer relationship (Acosta et al., 2018; Chee et al., 2018).

The market orientation towards entrepreneurship, workers in organizations this, MO is a valuable, rare, imperfectly imitable, has no replaceable capability, and can generate sustainable competitive advantages (Papadas et al., 2019). There remains a significant lack and gap in previous researches that have examined the influence of market orientation and innovation in SMEs. Hence, the outcomes of previous researches indicate that there is a strong effect of market orientation on the performance of organizations. Otherwise, the market trend has an impact on the organizations' overall performance. However, moreover, there is a body of evidence and empirical studies that confirm how MOs positively affect the performance of international organizations (Escandon-Barbosa & Hurtado-Ayala, 2016). Thus, MO is favourable and adds to the strategic performance of firms that are subject to internationalization processes (Cadogan, 2012; Escandon-Barbosa & Hurtado-Ayala, 2016). For example, corporations that have high-performance success in the market and those corporations that not performing well consider failure in the market (Bartoli & Blatrix, 2015). Many variables and measurements of performance might be required by some sectors and institutions more than others. As the variables and measurements of organizational performance from quantitative as well as qualitative perspectives, this is achieved through the efforts and work of individuals and departments (Zehir et al., 2016). Therefore, performance is one of the concepts that the controversy revolved around was at conflict between many researchers and theorists. This concept has been used with different definitions in different disciplines (Jenatabadi & Ismail, 2014), management Al-Shourah et al. (2018) indicated that there is no sufficient concept or clarification in defining the concept of performance: while many researchers have demonstrated in practice the existence of an association and relationship. Some researchers showed a positive difference between the orientation of the market organizations and their successful performance (Randeree & Youha, 2009). Performance has been considered a recurring theme in management models. The increasing focus by organizations on the concept of innovation came through due to the crucial role that this factor plays in gaining stable competitive advantage (Liao et al., 2008). The survival and viability of the competitiveness of the institutions depends on innovation, and the companies with a stronger market orientation perform better than their counterparts in the same field. Modifications in goods and market instruments are frequently various and administrations achievement prospects and powers that other administrations do not follow from time to time, describe the organizational performance as the actual outcomes or output of a corporation as measured in comparison with that corporation's intended outputs (Moghimi, 2004). The objective of this study is to analyse the present literature on thoughts the affect organizational performance and to construct a framework that influence be well-meaning for market orientation and innovation. This study goals to identify the influence of market orientation on organization performance in light of the presence of innovation as a moderating variable in Jordanian Medium Enterprises. The current research population that the researcher used (342) companies, that contain (2133) employees.

Lastly, the value of the Cronbach alpha coefficient for the whole research tool was (0.902), and this proves the stability of the study tool.

### **Problem Statement**

The purpose of this research is to concentrate on market trend and to test the effect of innovation on institutional performance separately, despite the well-documented argument about both concepts are coherent and coherently related. Moreover, the majority of support for this research is a set of previous researches in various fields, and the experimental support is still lacking. In addition, the literature on these research areas is not completely clear, that is, some studies that conducted on this influence on the performance of firms in Jordan, most of them in the context of the supply chain (distribution channels). The outcomes taken were encouraging. So, the researcher found that the two structures can be related to each other. Based on the literature analysis and the problem statement and that medium and small companies need attention in accordance with market orientation, this study came through developing research questions as follows:

1. What is the impact of market orientation on the performance of firms in Jordanian medium enterprises?
2. What is the impact of market innovation on the performance of firms in Jordanian medium enterprises?

### **THE FRAMEWORK AND LITERATURE REVIEW**

The extensive literature aimed at which orientation is a needed area and the market orientation literature has distinctive variables of market orientation related to firm-level innovation performance (Li et al., 2008). In addition, the innovation researches have excessive concentration on organizational-level innovation performance; MO has been one of the fundamental concepts to the strategic (Acosta et al., 2018) and marketing researches (Escandon-Barbosa & Hurtado-Ayala, 2016) over the latest decades. MO is a dependant and is strictly assumed as a crucial organizational capacity that promotes international performance (Gruber-Muecke & Hofer, 2015). MO and innovation, comprise their correlation via organizational performance, are well deliberate in mutual marketing literature. However, the relationship of orientation proposes that businesses must advance in constructing relationships through regulators and contractors to produce better organization performance, so innovation suggests that consumer's spirit slightly other and fresh products services and supports a wisdom attitude. Therefore, innovation and orientation obtain more attention in management literature. Similarly, while concern as distinctly, composed concepts are validated to have positive insinuations for organization performance while, innovation dimensions on a philosophy (Berthon et al., 2004). The relative innovation and market orientation was the focus of too many research (Zhou et al., 2005), nevertheless the relation between innovation orientation and relationship orientation appears to must receive more research attention.

### **Innovation**

To understand innovation in the marketing field, the study will discuss the concept of innovation that has different meanings in various business fields (Hunt & Morgan, 1995). Gupta and Malhotra (2013) had defined innovation as a different way of exploiting things, or a distinctive permutation of influences of making thoughts. Innovation in the prevalent sense

is the practical request of new ideas (Millson & Wilemon, 2008), besides, it is essential to discriminate between the conceptions of creativity and innovation as innovation mentions to the crusade that represents the procedure of realizing new ideas and producing new effects. In addition to the substantial enhancement in products and services, innovation is similarly linked to the procedure that includes get-together, giving out and recognizing ideas (Tokognon et al., 2018).

The Organization of Economic Co-operation and Development (OECD) had defined innovation as the application of products or New, significantly improved or new organizational services, processes or marketing methods in business practices in inside or outside business enterprises (OECD, 2005).

All the previous applications elaborated on the products, processes and methods that the organization just newly developed and which have been adapted or adopted by other organizations (Trott, 2008).

### **Market Orientation and Innovation**

Innovative marketing is a wide concept as it means innovation in all aspects of marketing activity, and therefore it is not restricted to a particular field of marketing, such as innovation in the field of product or in the field of advertising only, but rather includes all other marketing areas, as marketing innovation touches all activities associated with directing the product. From the producer to the end consumer (Olughor, 2015). Marketing innovation aims to satisfy consumers better than competitors through skill in identifying and meeting their needs and desires accurately and matching them with the capabilities and capabilities of the company. Discovering the latest needs of consumers and meeting them, the current needs are those that are present in the minds of consumers, where they can express them easily. Through traditional market research methods, these needs can be identified, as for the latent needs, they mean those needs that are not aware of consumers today. So, they are either unable to express it, or unwilling to express it (Atalay et al., 2013).

Besides, it can discover the latent needs of consumers and meet them in order to have a leadership in the market, and we find that the category of innovative products is completely related to the underlying needs, which innovative marketing has a large role in defining, therefore, innovative marketing may create a competitive advantage for the company, and it is intended that the product has an advantage. Unparalleled on competitors' products; That is, the good or service has an advantage that is unique to others, in other words, the source of this feature describes that the product is highly compatible with the needs of consumers in comparison with the products of competitors, by precisely identifying the current needs of consumers and the latent that marketing innovation had a great role in discovering (Lendel & Varmus, 2014).

Reguia (2014) had indicated that innovation in marketing is the innovation that satisfies customer needs and develops a competitive advantage by the means of product differentiation, design, size, ease of use, quality, time and price, cost savings, incremental revenue, in other words, it is the application of a new marketing method that involves major changes. In product design or packaging, product condition, product promotion, or pricing.

Talegeta (2014) distinctive innovative marketing principle as a permutation of important improvements in product design, employment of new evaluating strategies, employment of a completely new retail concept and employment of the concept of promotion in a completely new method.

Ozkaya et al. (2015) also indicated that innovative marketing includes innovation in relation to improving product design, new pricing strategies, and new retail and promotion concepts, meaning innovation in the four elements of the marketing mix (4ps).

It is also worth to mark that changes in marketing activities are described as marketing innovation; because marketing activities are new and different from current marketing activities (Lendel & Varmus, 2014).

The significance of marketing shows a main role in organizational achievement by identifying the needs, requirements and fulfilment of target markets. This market orientation reflects the company's culture by focusing on creating superior competitive value for customers and exploring and identifying trends in target markets to provide greater needs and desires to customers (Akroush & Mahadin, 2019). Many researchers have defined market orientation as a method of the marketing concept (Dobni & Luffman, 2005). Market orientation has been and still is a distinctive process as an enterprise culture that requires customer satisfaction that is placed and focused on in the business operations centre (Roach et al., 2014), and thus these millions produce superior customer value and high performance for the company. Whereas there have been many studies examining the influence of market orientation on innovation, and earlier researchers such as Jaworski and Kohli (2000). MO main strategy to realise innovative high performance (Wahyuni, 2019; Padilha & Gomes, 2016). Additional studies were also led to the market orientation in several places in the world (Lisboa et al., 2013). The market orientation reproduces the activities the company wants to take, which categorises the sources of information that invite companies (Ozkaya et al., 2015).

Wahyuni & Astawa (2020) considered that MO is an important concept for performing excellence. Additionally, they are targeting the market and its data. Therefore, small businesses achieve better manufacturing performance results if they interact with CRM and knowledge management. They also examined the outcomes of market orientation (Wahyuni & Sara, 2019).

Handoyo (2016) concluded that marketing innovation has a major influence on competitive advantage and marketing innovation has a major influence on marketing performance. The MSMEs of embroidery could enhance the improvement of marketing performance by boosting marketing innovation, market orientation, social capital, and competitive advantage. Different performance measures as consequences of marketing performance become visible in the literature review (Ahimbisibwe et al., 2016).

The market orientation concept is the enterprise-wide generation of the market information related to the present and upcoming needs and desires of customers, disseminating information through and in between the departments, and organization-wide response to them (Falasca et al., 2017). Therefore, several researches have revealed a significant direct impact on the influence of the relation between market orientation and innovation performance. There are studies on this topic at the same time and they find the direct impact of market orientation on innovation performance (Baker & Sinkula, 2009). Experiential research has confirmed that, which has positive effects on an organization's economic to non-economic performance. Additionally, Wang (2015) ensured that a MO must have combined with an organization's internal knowledge procedures undertakings to positively organize and accrue market information.

MO sustains a great level of effect on innovation performance, since the viewpoint of resource-based view (RBV) theory; market orientation is a philosophy and managerial capability that can deliver a competitive advantage by innovation (Padilha & Gomes, 2016).

MO businesses incline to strategy and modify their products, services and processes to ensemble the developing discriminations and needs of consumers. Take in consideration of the

above argue, the institute among market orientation and business performance looks that it has been engaged for decided by investigators, and current investigation support for the long-held marketing statement that market orientation results in improved performance (Tang, 2006; Abdel-Al Nuaimi et al., 2020).

### **The Role of Market Orientation and Innovation on Performance**

Market orientation over the culture of organizations reflects the ability to manage abstract cultural values that successfully and resourcefully create the behavior required to produce higher value for buyers and irregular participants and control environmental aspects, and market orientation discovers information about the desired market and may be an important source of new ideas. Moreover, numerous studies have found that market orientation tactics help to develop the performance of export-oriented innovation (Buli, 2017).

In addition, most studies on ex-market orientation have adopted the industry mainly as the unit of innovation analysis and have focused excessively on innovation at the organizational level. Market orientation is closely related to innovation (Wahyuni & Astawa, 2020; Alerasoul & Derogar, 2019). Božic and Ozretic-Došen (2015) also discovered that customer and competitor orientation strongly influence innovation.

### **Organizational Performance**

The concept of organizational performance in this study is built on the organization's performance framework, which consists of two dimensions, involving customer satisfaction and current market. Thus, organizational performance is the most valuable variables in management research, and we can say that it is the most important indicator of organizational performance. The possible accomplishment of a business relies on its organizational performance that implies its ability to successfully apply strategies to achieve organizational goals (Almatrooshi et al., 2016). Several variables shape organizational performance, like business model success, productivity, and outcomes.

Organizational performance is a new concept in research in management and marketing that has received less attention by researchers. However, few researchers who focused on and pointed out the need to study the importance of organizational performance in organizations and its role in improving knowledge creation, creativity, innovation and performance, and how it can help business organizations.

The terminology of organizational performance is very common in academic studies, yet it is not easy to define due to its many meanings. For this reason, there is no universally accepted definition of this concept to the knowledge of the researcher.

Organizational performance has been used widely as the most important standard in estimate organizations; nevertheless, researchers often pay little attention to what performance is and how it is measured (Richard et al., 2009).

In addition, many previous studies have noted that operating performance has many dimensions and is a precedent for financial performance. Therefore, they recommend using metrics that standardize processing and monetary performance like return on equity and revenue per share since the numerator is obtained from monetary performance while the denominator is the capital structure that is not based on operating performance. Richard et al. (2009) supports that there is much evidence that has been directed towards them, which shows the relationship between measures of financial performance and non-financial measures. Examined the correlation between the groups of performance events in the Baldrige Standards

of Excellence in Performance (citation) and three processes of organizational performance (i.e., customer satisfaction, market share and financial performance) compared to competitors (Al-tarawneh & Al-Shourah, 2018).

Therefore, market orientation and innovation lead to superior organizational performance by identifying and meeting customer needs. If we want to achieve success and profit, our focus must first be on customer benefit (Tajeddini & Trueman, 2012).

Market information processing activities can be enhanced by organizational learning. There are several experiments researcher's necessity stunned when trying to measure organizational performance. First, organizational performance is multidimensional which makes it problematic to professionally identify its procedure, level, and scale. Furthermore, organizational performance differs concluded time and it is imprecise which measures differ in which ways. In addition, there are applied issues regarding which processes should be used (whether subjective vs. objective measures or business vs. non-financial measures (Richard et al., 2009).

## THEORETICAL FRAMEWORK

Based on the above arguments, this research examines the impact of market orientation and organization performance in Jordan service companies. In fact, the specific connection among market orientation and innovation on organization performance has been confirmed by Lai et al. (2009); and Taylor et al. (2008). Furthermore, the direct relationship between innovation and organization performance was investigated by such as (Eiadat et al., 2008; Theoharakis & Hooley, 2008).

Therefore, this research examined the impact of market orientations and innovation on organization performance in Jordanian medium enterprises. See Figure1.

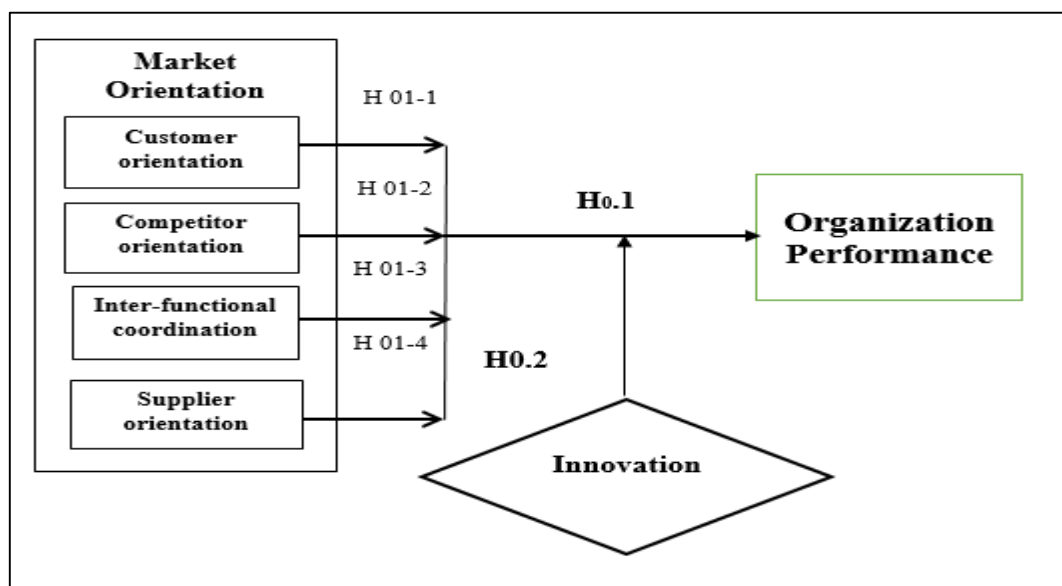


FIGURE 1

## RESEARCH MODEL

## STUDY HYPOTHESES

Giving to the previous literature review, the subsequent hypotheses have been expressed:

*H01: There is no statistically significant effect at the level ( $P \leq 0.05$ ) that Market Orientation (Customer orientation, Competitor orientation, Inter-functional coordination, and Supplier orientation) affects the organization performance in Jordanian Medium Enterprises.*

The following sub-hypotheses arise from this hypothesis:

*H01-1: there is no statistically significant effect at the level ( $P \leq 0.05$ ) that Customer orientation affects the organization performance in Jordanian Medium Enterprises.*

*H01-2: there is no statistically significant effect at the level ( $P \leq 0.05$ ) that Competitor orientation affects the organization performance in Jordanian Medium Enterprises.*

*H01-3: there is no statistically significant effect at the level ( $P \leq 0.05$ ) that Inter-functional coordination affects the organization performance in Jordanian Medium Enterprises.*

*H01-4: there is no statistically significant effect at the level ( $P \leq 0.05$ ) that Supplier orientation affects the organization performance in Jordanian Medium Enterprises.*

*H02: There is no statistically significant effect at ( $\alpha \leq 0.05$ ) level that Innovation had an effect in improving the impact of Market Orientation (Customer orientation, Competitor orientation, Inter-functional coordination, and Supplier orientation) on the organization performance in Jordanian Medium Enterprises.*

## RESEARCH METHODOLOGY

The researcher had adopted the descriptive and analytical approach, with the intention of describing the phenomenon under study, which is represented in the description the effect of Innovation in improving the impact of Market Orientation (Customer orientation, Competitor orientation, Inter-functional coordination, and Supplier orientation) on organization performance in Jordanian Medium Enterprises. The researcher relied on the strategy of collecting data from secondary sources, by referring to books, articles, periodicals, reports, and research.

The researcher applied the questionnaire to gather the primary research data. The researcher designed a questionnaire as a research tool, and collected data from the study sample through He used this tool, and then he analyzed the data using the (SPSS) program; And that through its use of appropriate statistical measures; In order to present the outcomes of the descriptive statistics of the research, and inference to examine the hypotheses, and finally, the results of the extracted study were discussed and appropriate recommendations made.

### The Study Samples

The current research population that the researcher used (342) companies, that contain (2133) employees. Because of the large number of telecommunications companies, the researcher grouped all companies in the Amman Governorate within the study sample, and used the random stratified sample when choosing the study sample, as the selected sample included individuals who work in the three administrative levels - upper, middle and lower - in the companies. And thus the size had reached (327) individuals, through the researcher's



reliance on the sample selection table for the community, which consists of (2133), according to (Sekaran & Bougie, 2016).

### Analysis Unit

The inspection and analysis unit consisted of workers in the upper and middle management levels in the sample companies, in addition to the employees working in the sales and distribution outlets (lower management), their number was (327) individuals. The researcher distributed (327) questionnaires electronically, and that was due to the Corona pandemic, and the ban imposed in the country, which resulted in a decrease in the number of individuals working in each company, and the researcher retrieved (291) questionnaires, of which (269) were valid for statistical analysis.

The researcher excluded (22) questionnaires, and the reason for the exclusion is that these questionnaires are not appropriate for statistical analysis, and the percentage of recovered questionnaires that are appropriate for statistical analysis is 82.3%, and this percentage is considered statistically acceptable (Sekaran & Bougie, 2016).

### Stability Test of the Study Tool

To examine the stability of the research tool used in measuring the variables of the study model, and to regulate the extent of consistency in the responses of the responders to the different paragraphs included in the research tool, the investigator used the Cronbach Alpha Coefficient test, and according to this test, the value of the Cronbach Alpha coefficient have exceeded the value (0.70) which is an indication of the stability of the research tool, and thus its reliability  $\alpha$  for conducting various statistical analyzes, as the maximum value of the Cronbach alpha coefficient is (100%) (Sekaran & Bougie, 2016).

The following are the outcomes of the Cronbach alpha test for the main study variables and its sub-dimensions.

No.	Field	Alpha.
1	Customer orientation	0.853
2	Competitor orientation	0.723
3	Inter-functional coordination	0.895
4	Supplier orientation	0.893
5	Market Orientation	0.864
6	Innovation	0.783
7	organization performance	0.886
8	All paragraphs	0.902

It is evident from the Table 1 that the value of the Cronbach alpha coefficient exceeded the value (0.70) for all the variables and dimensions of the research that shows the stability of the research tool (Sekaran & Bougie, 2016). The detailed values of Cronbach's Alpha were:

Market Orientation appeared at (0.864), and the values for its dimensions ranged between (0.723-0.895). The Cronbach alpha value for organization performance appeared as (0.886). While the Cronbach alpha value for the modified variable "Innovation" appeared at (0.783).

Finally, the value of the Cronbach alpha coefficient for the whole research tool was (0.902), and this proves the stability of the study tool, and thus its reliability and reliability for carrying out various statistical analyzes.

### Autocorrelation Test

This test aims to confirm that there is no presence of correlation among random errors in the regression model. X The phenomenon of self-correlation is verified by performing the Durbin-Watson Test in Table 2, as this test indicates that the data is free from the problem of self-correlation if the calculated Durbin-Watson coefficient value is close to the number 2.

## RESULTS AND DISCUSSION

The following are the results of the self-correlation test of the study hypotheses.

<b>Hypothesis</b>	<b>D-W Calculated Value</b>	<b>Result</b>
H <sub>0</sub>	1.968	No Autocorrelation
H <sub>01-1</sub>	1.876	No Autocorrelation
H <sub>01-2</sub>	1.750	No Autocorrelation
H <sub>01-3</sub>	1.805	No Autocorrelation
H <sub>01-4</sub>	1.935	No Autocorrelation
H <sub>02</sub>	1.926	No Autocorrelation

It is evident from Table 2 that all the calculated Durban-Watson coefficient values are close to the number (2), where the parameter values ranged between (1.750-1.968), and these values indicate that the data are devoid of the phenomenon of self-correlation.

### Test Hypotheses of the Study

These hypotheses' purpose is to classify the impression of market orientation on organization performance in Jordanian middle enterprises, and to study the effect of innovation as a mediating variable. In order to realize this, methods of investigative statistics have been used and signified by linear, multiple, graded and hierarchical regression analysis.

### Hypotheses Testing

#### The first main hypothesis

First null main hypothesis states:

*There is no statistically significant effect at ( $P \leq 0.05$ ) significant level of Market Orientation (Customer orientation, Competitor orientation, Inter-functional coordination, and Supplier orientation) on the organization performance in Jordanian Medium Enterprises.*

The first main hypothesis was subjected to the multiple and stepwise linear regression analysis, while the branching hypotheses were subjected to simple linear regression analysis.

Dependent Variable	Model Summary		ANOVA		Coefficients				
	R	R <sup>2</sup>	F	Sig F*	Independent Variables (Market Orientation)	B	Standard error	Calculated T	Sig t*
Organization performance	0.784	0.615	105.606	0.000	Customer orientation	0.231	0.035	6.640	0.00
					Competitor orientation	0.211	0.037	5.641	0.00
					Inter-functional coordination	0.169	0.042	4.042	0.00
					Supplier orientation	0.195	0.040	4.851	0.00

\*The effect is statistically significant at level ( $p \leq 0.05$ )

Table 3 shows that there is a positive and strong correlation among Market Orientation and Organization performance, related to the value of the correlation coefficient R, which amounted to (0.784), and the value of the coefficient of determination R<sup>2</sup>, which amounted to (0.615), shows that a percentage of (61.5%) of the change in Organization performance resulting from the change in Market Orientation, and that a percentage (38.5%) is due to other factors outside the field of study.

As shown in the table the significance of the model, as the calculated value of F reached (105.606), and the level of significance (Sig F = 0.000), which is less than 0.05, and this indicates the existence of a statistically significant effect of innovative marketing on consumer behavior at the level of significance ( $p \leq 0.05$ ), and at (4) degrees of freedom. As for the transactions table, it presented that the value of the regression coefficient B at the dimension of (Customer orientation) reached (0.231), which indicates that an increase in Customer orientation by one unit cause an increase in Organization performance by (0.231) units, and the table indicated a significant effect. Statistically significant positive at the level of ( $p \leq 0.05$ ) for Customer orientation in Organization performance, where the calculated T value reached (6.640) at the level of significance (Sig T = 0.000).

The regression coefficient value B at the (competitor orientation) dimension is (0.211), which indicates that an increase in the competitor orientation by one unit leads to an increase in Organization performance by (0.211) units. The table indicated the existence of a statistically significant positive significant effect at the level of ( $p \leq 0.05$ ) for competitor orientation in organization performance, where the calculated T value was (5.641) at a significance level (Sig T = 0.000). The regression coefficient value B at the dimension of (Inter-functional coordination) is (0.169), which indicates that an increase in the Inter-functional coordination by one unit leads to an increase in Organization performance by (0.169) units. ( $p \leq 0.05$ ) for Inter-functional coordination in Organization performance, where the calculated T value reached (4.042) at a significance level (Sig T = 0.000). The regression coefficient value B at the dimension of (Supplier orientation) was (0.195), and it indicates that an increase in supplier orientation by one unit leads to an increase in Organization performance by (0.195) units. ( $p \leq 0.05$ ) for supplier orientation in organization performance, where the calculated T value was (4.851) at a significance level (Sig T = 0.000).

In relies on the previous outcomes, the first main null hypothesis is rejected, and the alternative hypothesis is accepted, which states that:

*There is a statistically significant effect at the level of significance ( $P \leq 0.05$ ) of Market Orientation (Customer orientation, Competitor orientation, Inter-functional coordination, and Supplier orientation) on the organization performance in Jordanian Medium Enterprises.*

In order to determine which of the market orientation dimensions have the most influence on consumer behavior, a gradient regression analysis was used, and the results appeared as follows:

Model	Big Data	B	Calculated t value	Sig*	R <sup>2</sup>	Calculated F	Sig*
First Model	Customer orientation	0.488	13.138	0.000	0.393	172.610	0.000
Second Model	Customer orientation	0.332	8.688	0.000	0.517	142.511	0.000
	Competitor orientation	0.309	8.287	0.000			
Third Model	Customer orientation	0.246	6.600	0.000	0.592	127.954	0.000
	Competitor orientation	0.253	7.147	0.000			
	Inter-functional coordination	0.261	6.945	0.000			
Fourth Model	Customer orientation	0.211	5.641	0.000	0.615	105.606	0.000
	Competitor orientation	0.231	6.640	0.000			
	Inter-functional coordination	0.195	4.851	0.000			
First Model	Supplier orientation	0.169	4.042	0.000	0.245	35.638	0.000

\*The effect is statistically significant at level ( $p \leq 0.05$ )

It is evident from Table 4 that the dimension (customer orientation) is the most influential on organization performance, as it came in first place and explained (39.3%) of the change in organization performance. and when adding a dimension (Competitor orientation) in the second model, it increased the rate of interpretation of the change in organization performance by (12.4%) to reach (51.7%). The addition of the (Inter-functional coordination) dimension in the third model resulted in an increase in the rate of interpretation of the change in organization performance by (7.5%) to reach (59.2%). After (Supplier orientation) in the fourth model, the percentage of explaining the change in organization performance increased by (2.3%) to reach (61.5%). It is obvious from the table that the effect of all Market Orientation dimensions was significant at a significance level ( $p \leq 0.05$ ).

### The second main hypothesis

*Second main hypothesis states: There is no statistically significant effect at ( $p \leq 0.05$ ) significant level of Innovation in improving the impact of Market Orientation (Customer orientation, Competitor orientation, Inter-functional coordination, and Supplier orientation) on the organization performance in Jordanian Medium Enterprises.*

To examine this hypothesis, hierarchical regression analysis had been used, and the results were as follows:

Dependent Variable	Independent variables	Coefficients Table (first step)			Coefficients Table (second step)		
		B	Calculated T	Sig t*	B	Calculated T	Sig t*

<b>Organization performance</b>	Customer orientation	0.231	6.640	0.000	0.117	3.865	0.000
	Competitor orientation	0.211	5.641	0.000	0.102	3.149	0.002
	Inter-functional coordination	0.169	4.042	0.000	0.098	2.789	0.006
	Supplier orientation	0.195	4.851	0.000	0.112	3.323	0.001
	Innovation				0.392	3.129	0.000
<b>R<sup>2</sup></b>		0.615			0.740		
<b>Δ R<sup>2</sup></b>		0.615			0.125		
<b>Δ F</b>		105.606			126.039		
<b>Sig Δ F</b>		0.000			0.000		

Table 5 indicates the results of the hierarchical regression based on two models, where the results of the first model based on the first step indicated the presence of a statistically significant effect at the level of significance ( $p \leq 0.05$ ) for the dimensions of (Market Orientation) in (Organization performance), where it was The value of ( $\Delta F = 105.606$ ) and the level of significance ( $\text{Sig } \Delta F = 0.000$ ), which is less than 0.05, and the value of the coefficient of determination  $R^2$ , which amounted to (0.615), indicates that a percentage (61.5%) of the change in Organization performance is the result of the change in the dimensions of Market Orientation Combined.

In the second step, a variable (Innovation) was introduced to the regression model, where the value of the coefficient of determination  $R^2$  increased by (12.5%), which is a statistically function, reaching a value of ( $F = 126.039$ ) and with a level of significance ( $\text{Sig } \Delta F = 0.000$ ), which is less than 0.05 The value of the regression coefficient was ( $B = 0.484$ ) at (Innovation), and the level of significance ( $\text{Sig } t = 0.000$ ), and this confirms the difference in the significant impact of the Market Orientation dimensions on Organization performance according to the different Innovation.

In relies on the previous results, the second main null hypothesis is rejected, and the alternative hypothesis is accepted, which states:

*There is a statistically significant effect at a significant level ( $p \leq 0.05$ ) of Innovation in improving the impact of Market Orientation (Customer orientation, Competitor orientation, Inter-functional coordination, and Supplier orientation) on the organization performance in Jordanian Medium Enterprises.*

## CONTRIBUTIONS

The relationship between market orientation dimensions and organization performance according to the different innovation using the intervariable approach while examining these relationship, conceptualizing and connectedness between their dimensions. We believe that the inclusion of market orientation and organization performance according to the different innovation in this model, as outcomes of market orientation, has provided a reasonable contribution to consumer behaviour research based an emerging market context, Jordan. In this research, the researcher had attempted to examine the relationship among market trends and innovation in a context different from what was considered in most previous studies. Therefore, this study came as an analysis of the organization's performance with the capacity for innovation and the market orientation of medium and small companies.

## LIMITATION AND FUTURE RESEARCH

Although this research has achieved its main goal to present the effect of innovation capacity and market orientation on the performance of the organization. This present research attempts to investigate the effect of market orientation and the influence of innovation on organizational performance. The outcomes of the research revealed that market orientation, innovation and independence have x positive influences on the organizational performance of Jordanian medium enterprises. Firms that have established product research, market and innovation units as well as accepting high-risk projects are now able to bypass participants in introducing new products as a means of enhancing organizational performance. In addition, competitive aggression has no effect on firms in Jordanian medium-sized enterprises, possibly due to the company's dissatisfaction with rendering the competitors inactive (Wahyuni & Astawa, 2020).

Li et al. (2008) concluded that market orientation has a positive influence on the organizational performance of firms whose present study results agree on this problem. Likewise, among the components of innovation, information production and information dissemination influence organizational performance. Companies showing marketing research have been smart in learning about current and future customer needs. Salih determined that market orientation influences the organizational performance of firms and this problem is confirmed by the results of the present study. He relied on the outcomes of the research, among the components of market orientation and innovation are the maximum impact on the organizational performance of companies in Jordanian medium-sized enterprises and the components of market orientation.

In general, the positive and significant influences of market orientation and innovation are based on the importance that firms give to such concepts. Thus, concern for them is the most important factors in achieving customer orientation, the functional and coordination functions of the competitors, the success and improvement of the organization's performance.

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