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THE IMPACT OF MARKET AND BRAND ORIENTATION ON PERFORMANCE: AN EMPIRICAL STUDY

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Abstract

The aim of this study is to investigate the effects of market orientation and brand orientation on firm performance. An integrative approach is used in designing the research model. Market orientation and brand orientation taken as antecedents of firm performance are included in the model as existed in the literature. However, researches on how companies become market-oriented, brand-oriented and how market orientation and brand orientation affect firm performance are still rather limited. Therefore, the aim of this paper is to propose a theoretical model showing what factors contribute to market orientation and brand orientation, as well as the their effect on firm performance for Turkish brands. Variables in the proposed research model were measured by scales already existed in the literature. A questionnaire form is used via both online and face-to-face interviews for gathering data in the survey. Data were collected from the firms which are members of United Brand Association with 144 firms. The universe of the research consists of the marketing manager, the brand manager and / or the corporate communications managers of the companies that are members of the United Brands Association. This paper also demonstrates a value for its sectoral brands-specific findings.

Keywords: Market orientation, brand orientation, brand image, brand performance firm performance, Turkish brands.

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1. Introduction

Increasing competition and constant change in the target markets strategically led business managers to focus on many areas. In addition, it is also necessary for enterprises to use their resources to reach their goals effectively and efficiently in terms of sustainability. Strategically, marketing managers' decisions are becoming more and more important, especially due to growing uncertainty, intensive competition, and difficulty of managing macroeconomic conditions. Adopting and applying strategic orientations, such as market or brand orientation is one of them (Porter 1980). However, it is not self-evident that every firm aims to grow. It can be said a business that increases its market orientation could improve its market performance. Narver, and Slater (1990) expressed this foresight several decades ago and market orientation has become a topic of interest of both academicians and managers for more than 30 years (Kotler, 1984; Kotler, & Andreasen 1987; Levitt 1960; Webster 1988). The attention paid to it by practitioners and academicians in their speeches, books, and scholarly papers suggests that market orientation is one of the core components of modern marketing management and strategy. However, a valid measure of it has not been developed and its influence on business performance has not been assessed yet (Narver, and Slater1990). As a result, managers looking for implementing market orientation have had no specific and exact definition of market orientation and the knowledge of its possible actual impact on business performance. Furthermore, they come up in business targets that also direct behaviour (Reijonen, 2008). Thus, expectations influence attitudes both directly and indirectly. Business managers may use brand or market orientations both of which are regarded as important factors in generating sales growth target and profitability (Wong, and Merrilees, 2008; Kim, 2003)

Markets consist of conditions defined with very different macro and micro variables that affect consumers' demands. Businesses are trying to manage all these variables with market orientation, customer orientation and integrated communication with involving marketing activities. It is the inevitable attitude of business managers to monitor the strategies of competitors in competitive conditions and to develop and implement counter-actions when necessary. Satisfaction of the customers and the provision of the services they need and adding value to the customers is a measure of the market orientation. Customer-focused maintenance in co-operation with all departments of the business is an important variable in market orientation (Narver, & Slater 1990; Beyazıt, & Koçaş 2010). In general, brand orientation is a strategic objective in all medium and long term marketing activities of enterprises. The branding of goods and services which are offered on the market and building it as an important asset in the entity portfolio is the priority of all business employees (Wong, & Merrilees 2007; Wong, & Merrilees 2008; Hirvonen, & Laukkanen 2014).

The marketing activities carried out in the enterprises produce various direct and indirect benefits. These benefits are defined as business performance and are grouped under three headings as financial, non-financial and strategic benefits. The enterprises are possible to achieve the sales level that are targeted and accordingly to increase the profitability of the business, it defines a financial firm performance. Planning the sales activities and achieving the targeted profitability ratios is also given as financial firm performance (Huang, and Chen, 2009). Achieving market share targets as the firm and acquiring new customer segments is a non-financial performance descriptor. Increasing customer satisfaction, increasing customer loyalty and creating a good image of the company is also a competitive

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power (Kurtoğlu, & Sönmez 2016; Low and Lamb 2000). Competitiveness of businesses depends on the success of their strategic marketing activities. Briefly, ensuring sustainable competition and planning effective marketing activities depends on the market orientation and brand orientation by using the firm's strategic performance.

The present study explores the relationship between market orientation, brand orientation an firm performance outputs; financial goals and non-financial goals. Furthermore, this paper reports an empirical study in which we want to test validity measurement of market orientation and analyses are made for their effects on business performance that could also be used for further research. First, we discuss the relationship between market orientation and brand orientation, and how market orientation acts as the strategic weapon in competition that creates value for customer’s satisfaction and inter functional coordination. Then, we set three hypotheses regarding components of market orientation and brand orientation and describe the tests used to establish the construct validity of the measure of firm performance. Next, we discuss the expected relationship between market orientation and firm performance and also the expected relationships between ten control variables and financial and non-financial performance. We specify an independent-effects model and examine relationships between market orientation and brand orientation, and tested firm performance and the other independent variables, comparing each of the observed relationships with the hypotheses., we discuss the limitations of the study and other indicators for future researches after summarizing the findings.

2. Literature Review and Theoretical Framework

2.1. Literature Review

Companies rely both on market orientation and brand orientation strategies in order to gain firm performance in target markets. In situations where there is intense competition, businesses have a vital proposition to produce the performance they are planning in the different areas that they focus on. Business executives are working hard to improve marketing and business performance in this area. They have to identify areas of activity and evaluate them both in determining their strategy and in the decision-making process for the target markets. Focusing on the market, focusing on the brand and improving business performance in these areas can be an example (Narver, & Slater 1990). Market orientation is a decision process on how an operator plans and performs marketing activities that businesses intend to achieve. Is a decision process on how the businesses will achieve their goals by planning and implementing their marketing activities (Kohli, Jaworski, and Kumar, 1990). When reviewing the academic studies in the literature, it is understood that different perspectives are used for the concepts of market orientation, brand orientation and firm performance. Narver, and Slater (1990), Reijonen et al. (2014) have considered customer orientation, competitiveness, and coordination of departments to be one approach in interpreting market orientation. In summary, these studies are interpreted as being market-oriented, customer-oriented, and orientation towards the rivalry and cooperation between the units.

Authors have claimed for a long time that market orientation and brand orientation and firm performance should be linked Narver & Slater 1990; Kohli, Jaworski, and Kumar (1990); Wong & Merrilees 2007; Wong & Merrilees 2008; Baumgarth 2010; Reijonen et al. 2014; Hirvonen & Laukkanen 2014. On the other hand, researchers have empirically verified positive effects on firm performance

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resulting from consistency in marketing strategies (Hu et al. 2012; Hirvonen, & Laukkanen 2014; Ramli, & Iskander, 2014; Reijonen et al. 2014).

Many academic studies suggest that the distinctive power of the brands and the original value of the brands will influence brand performance. Businesses are planning brand orientation marketing activities to ensure sustainable competitiveness. Some of the academic studies in this area are performed by Hu et al. (2012); Huang and Tsai (2013); Wong, ve Merrilees (2007); Wong, ve Merrilees (2008); Hirvonen, & Laukkanen (2014). Moreover, in order to fulfill the main values of the brand and create unique customer values, brand orientation also necessitates the combination of the knowhow and personnel skills at different internal departments in a company (Hirvonen, & Laukkanen 2014, Hu et al. 2012). Finally, brand orientation also requires the shared brand vision of the organizational members (Wong, & Merrilees 2008, Wong, & Merrilees, 2007) and the putting of brand main values and promises into daily practice (Baumgarth, 2010). Researches on internal branding have indicated the importance of establishing a brand culture (Huang, and Tsai 2013). As a result, the establishment of brand orientation is influenced by organizational culture (Hirvonen, & Laukkanen 2014). Using the literature and scales related to this topic, the following hypotheses have been developed for our study.

Market orientation and brand orientation create brand loyalty and thus provides profitability and low price sensitivity where customers are ready to pay higher prices (Wong, & Merrilees 2008). This strategy reduces price sensitivity, decreases customer satisfaction and customer loyalty, consumer-based measures and business-level influencess. According to Eusebio et al. (2006), it was found that consumer-based measures have a leading role in the evaluation of marketing performance in the sample companies used and market orientation affects these consumer-based measures where firms can differ from rivals thanks to strong relationship with all customers.

Table 1. Dimensions of market orientation, brand orientation and firm performance reviewed in the previous literature

Authors	Using Factors	Summary Findings / indicators Results
Narver & Slater (1990)	Business-Specific Factors, Market Orientation, Business Performance	The findings do suggest that after controlling for important market-level and business-level influences, market orientation and performance are strongly related.
Kohli, Jaworski, and Kumar (1990)	Market Orientation	Their objective was to develop a measure of market orientation. MARKOR, measure could initially be used to establish a baseline level of market orientation with an SBU.
Eusebio et al. (2006)	Customer Orientation, Competitor Orientation, Marketing Performance	It was found that consumer-based measures have a leading role in the evaluation of marketing effectiveness in Tourism and Hospitality companies and customer orientation affects the importance of these consumer-based measures.
Wong & Merrilees (2007)	Innovation, Marketing Strategy, Brand Orientation, Brand Performance	The results suggest that brand orientation, marketing strategy can influence brand performance. Additionally, it is brand orienatation that offers extra benefits in terms of partly closing the strategy performance gab.
Wong & Merrilees (2008)	Brand Orientation, Brand Distinctiveness, Financial Performance	The main result is a very strong positive relationship between brand orientation and brand performance. Brand orientation less direct influence on performance via brand distinctiveness.
Baumgarth (2010)	Brand Orientation As a Value, Market Performance, Economic Performance	The findings demonstrate the positive influence of brand orientation on market and economic performance
Sweeney et al. (2011)	Financial Performance, Market Performance, Customer Performance	Results show interaction marketing was the combination of extent of use and rather than extent of use alone, is a better predictor of firm performance.

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Hu et al. (2012)	Brand Familiarity, Brand Preference	While confirming existing findings concerning functional image congruity, brand familiarity does not moderate the role of symbolic image congruity.
Reijonen et al. (2014)	Customer Orientation, Competitor Orientation, Interfuctional Coordination, Brand Orientation	The results indicate that the higher growth intention group the SME belonged to the more market and brand oriented it is. The biggest differences between the SMEs were found with regards to brand orientation.
Hirvonen & Laukkanen (2014)	Brand Orientation, Brand Identity	The results show a positive relationship between brand orintation and brand performance.

2.2. Conceptualization and hypotheses development

In In this research; market orientation is proposed to be related with brand performance and firm performance.

Market Orientation; Market orientation continues to be one of the most important issues in business management for a long time. As mentioned in previous research, competitive conditions have forced firms to increase their market performance largely by means of market orientation (Narver and Slater, 1990). Market orientation includes monitoring changes in demand, the performance of competitors, and changes in the market such as entry of new goods and services. In addition, market orientation includes defining target customer demands and needs and challenging the competitors more effectively and efficiently (Narver and Slater, 1990). From this point of view, market orientation also defines customer orientation, competitor orientation and interdepartmental coordination within the enterprise. All the departments in the company must collaborate in order to ensure efficient use of compiled market information on customers and competitors (Bulut et al., 2009).

To develop a market orientation hypothesis which could be tested for construct validity, we first reviewed the literature on marketing orientation to identify the three main dimensions; customer orientation, competitor orientation and inter functional coordination (Narver and Slater 1990; Beyazıt and Koçaş 2010). We infer from the literature that market orientation, competitor orientation, and inter functional coordination are related with brand orientation and firm performance.

Hypothesis 1: There is a significant relationship between market orientation and brand orientation.

Hypothesis 2: There is a positive relationship between market orientation and firm performance.

Brand Orientation; Market orientation is defined by the authors as the organization wide production of market knowledge considering current and future needs of customers, dissemination of knowledge horizontally and vertically within the organization, and organization wide responsiveness to market knowledge (Chaudhuri and Holbrook, 2001). Brand orientation in businesses is a strategy that is often used to improve brand loyalty and customer satisfaction. In addition, businesses use advantage of the perception of high customer satisfaction and loyalty that they have developed with the brand they own. Wong and Merrilees (2005) argue that branding is accepted by brand oriented firms as an important issue in all business decisions. They define brand orientation as ‘the extent to which the marketing strategy and activities focus on the brands’. A broader definition is offered by Hankinson (2001), who refers to brand orientation as ‘the extent to which the organisation regards itself as a brand. She states that brand orientation indicates the acceptance of the theory and practice of branding.

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The significance of customer satisfaction and brand loyalty has long been recognized in the marketing literature (Howard and Sheth, 1969). In this context, Aaker (1991) has discussed the importance of loyalty in the brand equity process and has noted that brand loyalty leads to marketing advantages such as decreased marketing costs, increased new customers, and greater business advantage. Another opinion accept brand orientation to represent an inside-out approach, according to which brand development should be guided by the vision, mission, and values of an organization (Urde et al., 2013). This contrasts with the market orientation paradigm of placing the customer perspective at the very center of company operations (Kohli and Jaworski, 1990; Narver and Slater, 1990). Brand performance is reflected in statement of organisational strategy and goals. It can be measured through its sales growth, profitability, and market share. It also has been operationalized utilizing stock market returns (Simon and Sullivan, 1993). Also in many academic studies, brand orientation describes the quality of service provided (Parasuraman et al., 1988, Wong and Merrilees, 2007), customer satisfaction (Hirvonen and Laukkanen, 2014), customer loyalty (Wong and Merrilees, 2008) , brand equity and brand awareness (Wong and Merrilees, 2007; Wong and Merrilees, 2008; Hirvonen and Laukkanen, 2014). From this point of view, the enterprises have focused on increasing the concept of brand orientation in marketing communication activities. Using the literature and scales related to this topic, the following hypothesis has been developed for in the study.

Hypothesis 3: Brand orientation is positively related with firm performance.

Firm Performance; The literature suggests that for businesses, the overriding target in market orientation and brand orientation is business success. In their literature review, Kohli and Jaworski (1990) found, as we did, that sales profits are viewed as a component of market orientation; however, in their field data they discovered that profitability is perceived as a consequence of market and brand orientation. We take a compromise position and hold that financial performance, despite being conceptually closely related to market orientation, is appropriately viewed as an aim of business performance (Chen et al., 2009). Thus, we separate both of them and long-term focus from what we see to be the financial and strategic target of market and brand orientation. Hypothesis 2, given above, describes this relationship as mentioned.

Business performance is an important area, it attracts considerable amount of attention in marketing literature (Cavusgil and Zou, 1994; Morgan et al., 2002; O'Cass and Weerawerdena, 2010; Ogunmokun and Ng, 1999; Styles, 1998; Wong and Merrilees, 2005;2007). Firm performance in the marketing literature has been rooted in the concept of financial such as sales target or profit margin (Styles, 1998). Profit is said to be maximized when marginal revenue is bigger than marginal cost. As a result, one of the motivations of the firm performance objectives is concerned with the measure of profit such as return on investment and profit to sales ratios. Another motivation has focused on the sales orientation measures such as growth sales target and developed market share. In addition, firm performance literature also shows that firms can have goals focused on competitor (Day and Wensley, 1988). Those recommendation are generally referred to strategic objective given in Hypothesis 3.

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3. Research Method

The purpose of this study is to reveal the effects of brand and market orientation on firm performance of Turkish brands. The secondary purpose of the study is to investigate the relationship between market orientation and brand orientation.

3.1. Sample and Data Collection

The universe of the research consists of the marketing manager, the brand manager and / or the corporate communications managers of the companies that are members of the United Brand Association. The United Brand Association is a society in which large brands are organized and majority of its members are textile retailers. The number of member of United Brand Association is 144 firms. 129 survey has been received from firms and sample frame has been approved as 129 survey. Thus, all of the sample frame has been reached.

Online survey and face-to-face survey were used as data collection tools in the research. All necessary disclosures were made to the respondents during the implementation of the questionnaire. In order to enable respondents to respond in a sincere and accurate manner, no question that could uncover the identity of respondents was included. Also, the answers of those who responded to the survey were briefly checked. After performing this check, to correct the answers an immediate feedback was given to the respondents who provided incomplete or inconsistent replies.

3.2. Analyses

All measures were adapted from the existing literature in the field.

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*Market orientati*on: Market orientation was measured using fifteen items adapted from Nerver & Slater (1990); Beyazıt & Koçaş (2010 An example item is "Our competitive advantage depends on the strategy of meeting customer needs.".

Brand orientation: Market orientation was measured using six items adapted from Wong & Merrilees (2007); Wong & Merrilees (2008); Hirvonen & Laukkanen (2014). An example item is “All our marketing activities have a branding goal.”.

Firm Performance: Firm performance was measured by ten items adapted from Chen, Tsou & Huang (2009). An example item is “In the last few years we have reached our market share targets as a company.”

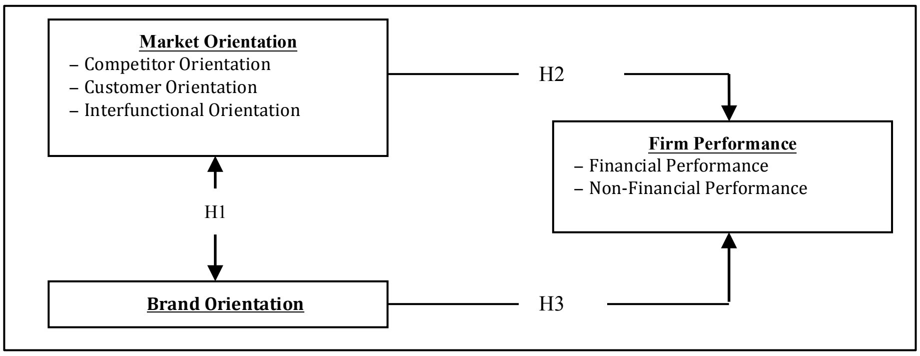

Figure 1. Research Model, adapted from Kohli and Jaworski (1990), Narver and Slater (1990), Matsuno et al. (2002) and Kim (2003)

A questionnaire form was prepeared by authors in accordance with the aims of the study. The questionnaire used in the research consists of 36 questions and two parts. Of these questions, 31 are five-likert types, 4 are multiple-choice and 1 is open-ended. A five-point Likert scale with opposite end denoting totally disagree (1) and totally agree (5) was used throughout the questionnaire for recording responses.

A reliability analysis was performed for all the scales included in the questionnaire. Cronbach's Alpha analysis is a model used to measure the internal consistency of variables of a scale (George and Mallery, 2001). According to the result of reliability analysis, Cronbach's Alpha value of Market Oriantation scale is 0.875; The Brand Oriantation scale's Cronbach's Alpha value is 0.773 and the Firm Performance scale's Cronbach's alpha value is 0.917. Nunnally (1970) reveals that yielded values are acceptable and that the scales are reliable.

4. Findings

First of all in this study, respondents firms’ general characteristics has been examined. According to participant firms’ demographical characteristics these are determined as the total number of employees in enterprises is "300 persons and above" with 72,1%. The number of employees working in the marketing departments of the participating companies was found to be "1-10 persons" at the rate of 63.6%. It has been revealed that 75 companies participating in the research have their own brand department within their company. The number of employees working in the brand departments of these 75 companies are "1-3 persons" with 26,4%, "4-6 persons" with 10,1% and "7 persons and above" with

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21,7% respectively. Finally, an industriy specific analysis reveals that majority of the participant companies are operating in "Textile Sector" and "Retail Sector". Second, we have showed the mean and standart deviation values of variables of all scales.

Considering the answers of respondents rating the “market orientation” expressions, it can be observed that the most agreed variables are “Our basic target is customer satisfaction.”, “We have thought that it is important to continue being customer-oriented.” ve “Our strategies mainly create value to our customers.”. The variables “Salesperson informed regularly about competitors’ strategies.”, “We riposte quickly threatining competitors’ activities to us.” and “Our managers are keeping in contanct with our current and propective clients in our all departments.” are the least rated items on “market orientation”. Based on these results it can be inferrded that businesses can create customer satisfaction by better understanding the needs and desires of their customers and offering them more added more value. These activities enable them to focus more on the market they are operating in. In order to achieve this, it may be helpful for the top management to make a quick decision, if the sales representatives who are on the field get both the feedback from the customers and the information from the competitors correctly. Based on the mean values, it can be seen that means of the expressions are above the mean valuesConsidering the answers of managers rating the "brand orientation" expressions, it can be seen that the most agreed variables are “Our brand is an important asset for us.”, “Branding is essential to our company strategy.” while “Priority of our all employees have been brand our products.” is the least agreed variable. Based on these results, it can be inferred that a deep understanding of their brands and accurately conveying it to all people working in their businesses will potentially help businesses create a competitive advantage over their competitors in the market. When the answers of respondents, rating the "Firm Performance" expressions, are examined, it can be observed that the most frequently rated variables are "We have an important competitive advantage.", "We have a well-perceived image" and "Our company's sales are increasing.". It means that having a good company image and competitive advantage lead consumers to prefer these firms and increase their operating profitability when compared to their competitors in the market.

In the study, factor anaylsis was performed on the market orientation measures. As a result of this analysis, “competitor orientation”, “customer orientation” and “interfunctional coordination” factors appeared in parallel with the literature. While competitor orientation factor includes “MO1, MO2, MO3 and MO4” variables, customer orientation factor includes “MO5, MO6, MO7, MO8, MO9 and MO10”. “MO11, MO12, MO13, MO14 and MO15” variables consist of interfunctional coordinations factor. The competitor orientation factor was mostly affected by the variable “We riposte quickly threatening competitors’ activities to us”. However the customer orientation factor was least affected by the variable “Our basic target is customer satisfaction”. The variable that affected the interfunctional coordination factor mostly was the variable “We are moving in concert with our all departmants to provide for customers in the target market.”. The variable that affected the interfunctional coordination factor least was the variable “We share regularly positive/negative customer’s experience with us in our all of departmants”. (See Table 2)

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Table 02. Mean and Standart Deviation Values of Variables of All Scales

Question Number	Items	Mean	Standard Deviation
Market Orientation (MO)			
MO1	Salesperson inform to us regularly about competitors' strategies.	3,550	1,185
MO2	We riposte quickly threatening competitors' activities to us.	3,658	1,003
MO3	Top management has been argued regularly the strategies of competitors.	4,023	0,905
MO4	Our target customers are located in where we have competitor advantage in our market.	4,116	0,957
MO5	Our basic target is customer satisfaction.	4,682	0,695
MO6	We have thought that it is important to continue being customer-oriented.	4,635	0,717
MO7	Our competition advantage depend on satisfying customer needs strategy.	4,341	0,701
MO8	Our strategies mainly create value to our customers.	4,387	0,753
MO9	We measure regularly customer satisfaction.	3,984	1,124
MO10	We care our post purchase service a lot.	4,387	0,868
MO11	Our managers are keeping in contact with our current and protective clients in our all of departments.	3,891	0,986
MO12	We share regularly positive/negative customer's experience with us in our all of departments	4,217	0,865
MO13	We are moving in concert with our all departments to provide for customers in the target market.	4,186	0,836
MO14	All of our employees focused on to enrich to our customers.	4,138	0,971
MO15	All of our departments share sources	3,976	1,011
TOTAL		***4,144***	
Brand Orientation (BO)			
BO1	Branding is essential to our company strategy.	4,744	0,590
BO2	Branding flows through in all our marketing activities.	4,410	0,906
BO3	Branding is essential to our firm future.	4,720	0,612
BO4	Long term brand planning is critical top our future success.	4,697	0,632
BO5	Our brand is an important asset for us.	4,860	0,409
BO6	Priority of our all employees have been brand our products.	4,023	1,011
TOTAL		***4,575***	
Financial Performance (FP)			
FP1	Our company's sales are increasing.	4,364	0,728
FP2	The profitability of our company is increasing.	4,093	0,963
FP3	We have reached our sales targets.	4,069	0,840
FP4	We have reached our profit targets.	3,899	0,942
FP5	We have reached our market our market share targets.	3,689	0,982
FP6	We have improved the loyalty of our existing customers to us.	4,124	0,819
FP7	We have gained significant new customers.	3,938	0,817
FP8	We have an important competitive advantage.	4,217	0,809
FP9	We have a well-perceived image.	4,343	0,727
FP10	We have a good reputation.	4,403	0,690
TOTAL		***4,176***	

Table 2 shows the mean and standard deviation values of the variables. According to the "market orientation" factor, the two highest means are "Our basic target is customer satisfaction." (4,682) and "We have thought that it is important to continue customer-oriented." (4,635). The variable with the lowest mean in the market orientation factor is "Salesperson informs us regularly about competitors' strategies." (3,550). In the "Brand Orientation" factor, variable with the highest mean is "Our brand is an important asset for us." (4,860); the lowest mean is "Priority of our employees have been brand our products."

(4,023). Finally, when we examined the "Firm Performance" factor, we found that variables with the highest mean were “We have a good reputation” (4,403), and “Our company’s sales are increasing.” (4,364) while the variable "We have reached our market our market share targets.” (3,689) had the lowest mean.

Firstly, the market orientation scale was subjected to factor analysis. According to the factor analysis, the Kaiser-Mayer-Olkin 0,929 and Bartlett Test significant level was 0,000, so that the sample was both adequate and sufficient for the factor analysis. According to factor analyses, 15 variables were singled out into 3 factor groups. These are “competitor orientation”, “customer orientation” and “inter functional coordination”. According to the result of their reliability analysis, Cronbach's Alpha value of Competitor Orientation factor is 0,702; Customer Orientation factor’s Cronbach’s Alpha value is 0,820 and ınter functional Coordination factor’s reliability analyses value is 0.827.

Correlation and regression analysis were used to test relevant hypotheses as per the study purpose. First, correlation analysis was performed to determine the relationships between the variables of the model. Table 3 shows the results of the correlation analysis. According to the table, it has been found that statistically significant relations exist between all the variables as the significance level of up value was below 0,05 in the correlation analysis. The relationship between market orientation and brand orientation has been found to be at 0,598 level which indicates that the relationship is moderate and positive. Similarly, it has been concluded from the results that the relationship between market orientation and firm performance is moderate and positive. However, the relationship between brand orientation and firm performance has been found to be at the 0,408 level which indicates the presence of a weak but positive relationship between these variables (Durmuş et al. 2011, p.145). In conclusion, the H_1 hypothesis has been accepted as its significance level is below 0.05.

Table 03. Results of the Standard Deviations, Means, and Correlations

	MEAN	**SD**	**1**	**2**	**3**
1.Market Orientation	3,595	0,489	**1**		
2.Brand Orientation	4,576	0,494	**0,598**	**1**	
3.Firm Performance	4,123	0,634	**0,654**	**0,408**	**1**

A regression analysis was applied seperately to the mentioned factors in order to determine how the market orientation and brand orientation affect the firm performance. The results of the regression analysis are summarized in the following tables.

For Model 1, it has been found that F value is 28,559 and sig. value is 0,000. According to the findings, competitor orientation, customer orientation and interfunctional coordination explain 40,7 % of firm performance.

For Model 2, it has been found that F value is 25,413 and sig. value is 0,000. According to the findings, brand orientation explains 16,7 % of firm performance.

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Table 04. Regression Analyses Result and Result of Effect of Market Orientation and Brand Orientation on Firm Performance

		Unstandardized Coefficients	Standardized Coefficients	T Value	Sig.	F and R Square Value
Model (Hypothesis)		**B**	**Beta**			
Model 1(H_2)	(Constant)	1,045		3,007	0,003	**F**= 27,638 **R^2**= 0,399
	Competitor Orientation		*0,226**	2,702	0,008	
	Customer Orientation		*0,300**	3,041	0,003	
	Inter functional Coordination		*0,221**	2,323	0,022	
Model 2(H_3)	(Constant)	1,727		3,614	0	**F**= 25,413 **R^2**= 0,167
	Brand Orientation		*0,408**	5,041	0	

Model 1 (H_2) Dependent Variable: Firm Performance
Model 2 (H_3) Dependent Variable: Firm Performance *p<0,05

According to the results of regression analysis, the estimation models are as follows.

Firm Performance= 1,045 + 0,300 (Customer Orientation) + 0,226 (Competitor Orientation) + 0,221 (Interfunctional Coordination)

Firm Performance= 1,727 + 0,408 (Brand Orientation)

According to the regression analysis results, firm performance was mostly effected by customer orientation and the least effecting variable was inter functional coordination in market orientation scale.

Based on the analysis results; H_1, H_2, and H_3 hypotheses have been accepted as their significance levels are below 0.05.

5. Conclusion and Discussions

The purpose of this study is to find out the effects of brand and market orientation on firm performance of the United Brands Associations member firms. The secondary purpose of the study is to investigate the relationship between market orientation and brand orientation of these enterprises. When we have examined the relationship of the factors included in the research, it has been revealed that there is a positive relationship between market orientation, brand orientation and firm performance. Thus we can conclude that no matter in which market they are in, firms may develop different strategies against threats, and may also benefit from the opportunities in the market thanks to the information gathered from internal and external environment. This can also influence the branding of companies in a positive way. Similarly, firms' brand orientated activities may have a positive effect on their firm performance, leading to a greater preference for them over their competitors

Regression analysis was used to determine how much the factors included in the market orientation scale affected firm performance. As a result of the analysis it has been found that the factors affecting the firm performance the most and the least were "customer oriantation", "competitor oriantation" and "interfunctional coordination" respectively. It can be infered from the finding that companies can increase their firm performance by focusing on customer satisfaction as their main target. If they produce products and services in line with their customers' needs and desires, they can add value to their customers. Thus, by following the strategy firms can increase their firm performance over their competitors. Finally, it was found that the firms participated in the study increased their performance when they focused on the market. The key to enhance the market performance is to be aware of the demands and needs of the customers in market, to create customer satisfaction by offering goods and services in line with these demands and needs and thus yielding a possitive effect in the market for profitability and image of the company. Similarly, gathering regular and correct information on rival strategies in the market may help top management develop appropriate marketing strategies. Also in this study, it was found that market orientation is related with firm performance which is consistent with previous research. This paper demonstrates a value for its brands-specific findings. For the Turkish brands which are members of United Brand Association, brand orientation has been found to be an important factor providing profitability and low price sensitivity. Furthermore, it causes customer satisfaction, and makes sharing of inter departmental sources. With the revealed findings, a matrix of priorities can be developed with descriptive variables emerging at the desired values that related market orientation, brand orientation and firm performance. This matrix can be strategically used to identify investment preferences, new areas to be addressed, opportunities, strengths and weaknesses, and competitive advantage to focus on.

The survey is conducted among the members of United Brand Association. The findings can be generalized only for that sample firms used in the survey. These findings provide brand managers and marketing managers with useful insights. Another limitation is the restriction of antecedents of firm performance taken as market orientation in the case of this study. Moreover, measurement of firm performance can be extended by use of firm-specific performance factors like financial, non-financial, and strategic performance of the firms in further research.

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