

The Psychological Importance of Market Orientation in the Public Sector Enterprise from the viewpoint of an Emerging Economy

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Abstract

The marketing orientation of public sector enterprises can be defined as a customer-centred approach which helps to design their products. Marketing orientation aims to understand the consumers' view of their immediate needs and takes care of their primary to significant needs and concerns or personal references within particular product categories which also helps to improve their business in the market. This study focuses on evaluating the different factors that are associated with the marketing orientation strategies in the public sector enterprises of an emerging economy, India to understand the basic concept of marketing orientation. In this study, there is a detailed discussion about the relationship between marketing orientation, organisational commitment and the performance of the organisation. Besides that, different positive and negative factors of marketing orientation in India have been evaluated in this study to understand the importance of market orientation strategies in the public sectors of the country. Apart from that, this study has included several strategies to improve the marketing orientation of the public sectors in India to improve the different business positions of the country in the market. Secondary qualitative data has been collected by the researcher from authentic and reliable resources to conduct this study in an effective way.

Keywords: *marketing orientation, public sectors, public enterprise, organisational performance, organisational growth, business strategies, organisational commitment,*

1. INTRODUCTION

The marketing discipline has evolved with several changes over time as the focus shifted from managing an organisation to consumer engagement, different service perspectives of different public sector organisations of India and other multiple factors that have changed the business models of the organisation. Traditionally, marketing has been marginal to the provision of core public service of the country, and only the usage of particular techniques in the business models is consistent in the marketing orientation of India. India is a democratic country and the business models in this country provide several fundamental tenets of marketing concepts that are relevant to both profit and non-profit organisations of India. Thus, the researcher of this study has evaluated several aspects of marketing orientation in the public sector enterprises of India to understand the basic business models of the public organisations of the country. Apart from that, in this research, there is a detailed discussion about the factors associated with marketing orientation and its importance in the businesses of this country in a detailed manner to provide a truthful and effective research study for the readers.

1.2 Rationale of the study

In this digital era, business models are emerging with different strategies and with the help of advanced technologies the marketing strategies and marketing models of every organisation is improving over time. Every public sector business organisation is adopting different market strategies such as segmentation, marketing mix, market position and many others and implementing the business models helping these organisations to improve their business position in the business market of India. Apart from that, the advancement of technologies

provides more accessibility to these organisations of the country to connect with their customers to understand their concerns and needs which positively helps them to improve their productivity. However, it is projected in a report that, the revenue of the e-commerce market in India will reach 70.57 billion U.S. dollars in 2023 (Statista, 2023). Thus, this study has a positive importance as it provides several important pieces of information about the marketing orientation of the private organisations of the country.

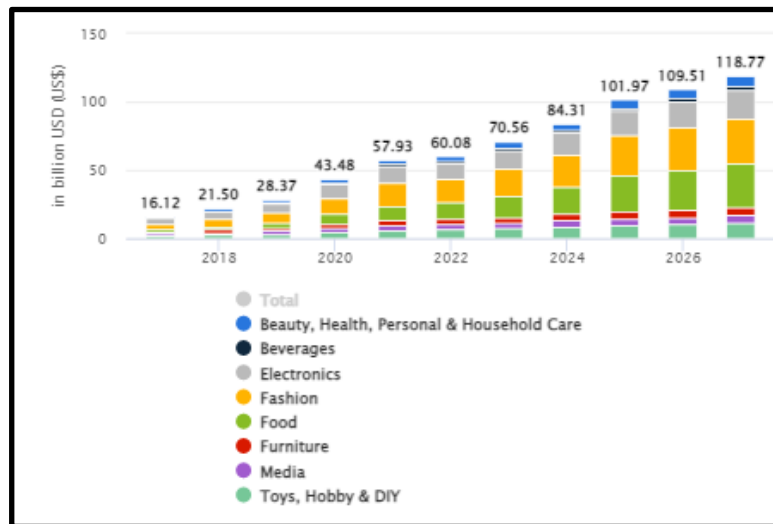


Figure 3.1: Revenue of the e-commerce market in India (2018-2026)

(Source: Statista, 2023)

1.3 Limitations of the study

Due to lack of time the researcher of this study, failed to conduct a more effective research paper about the phenomenon of the study. Thus, lack of time is one major issue of this research paper which has limited its effectiveness of this research paper. On the other hand, lack of money remains another major problem of this research study as due to lack of finance the researcher was unable to collect data from payable resources. Thus, the researcher was unable to collect much truthful and reliable information about this research study from several payable resources due to a lack of finance.

2. METHODOLOGY

2.1 Research philosophy

Research philosophy provides different strategies to conduct the research paper in an effective way and provides systemic ways in which the research will be conducted. These research methods are conceptualised depending on the researcher's thought which provides several effective methods on which the research will be conducted. The interpretivism research philosophy is based on the assumption of the researcher by the experience of reality about the research topic where the experience of reality is subjective. Besides that, this philosophy provides several ways to conduct the research study in an effective way by understanding the social structure of the research topic to evaluate various important information about the research topic in the research study. Thus, the *interpretivism philosophy* has been followed in this study to conduct an effective research study by evaluating the social structure of the phenomenon of the study.

2.2 Research approach

The research approach provides multiple strategies and procedures in which the research will be conducted in an appropriate and effective way. The research approach provides several steps to conduct the study from broad assumption to detailed discussing methods by collecting data, analysing the gathered data and interpreting that information to improve its effectiveness of the study. It also helps involve studying the methods that are used in the research study and helps to understand the theories and principles behind them in order to establish an effective approach that matches the objectives of this study. The *inductive approach* is a method that helps the

researcher to draw a conclusion about the research study by interpreting the data by going through specific information to general information. Thus, the inductive approach is best suited for this study and it has been followed in this study to conduct an effective and insightful research study.

2.3 Research Design

Research design includes different research tools and techniques to conduct the research paper in an appropriate way. Research design is basically a blueprint of the research methodologies that are used in the research paper to conduct the research paper in an effective way. Besides that, this research method also provides several ways to identify the research problem of this study that may rise over time and also provide ways to reduce the effectiveness of the research problem. There are several other types of research designs among them exploratory research design helps the researcher to investigate the research problems in a detailed manner to evaluate an effective research study. In this study, the *exploratory design* has been adopted which has been followed throughout the study to conduct the research paper by including and discussing the research issues of this study.

2.4 Inclusion and exclusion criteria

Inclusion and exclusion criteria of research methodology help to filter the gathered data about the phenomenon of the study depending on its effectiveness which helps to conduct a truthful and proper research study. Through the inclusion criteria, in this study, all the necessary information has been gathered from authentic, reliable and relevant resources such as newspaper articles, journals, authentic web sources and many others. Besides that, through the inclusion criteria, all the information is collected from authentic resources that are published between 2018 to 2023. On the other hand, through the exclusion criteria, the researcher has excluded all the information that is from doctoral papers, conference papers and advertisement websites to conduct an effective and truthful research study.

2.5 Data collection and data analysis

Data collection is a process of collecting and measuring information about the phenomenon of a study to establish a systematic fashion that helps to answer the questions that are associated with the research problems of the study. There are several other data collection methods among them *Secondary data collection* can be defined as a collection of data that has been gathered by other users than the actual user of the study which means collecting data from previously conducted articles on the same phenomenon of the study (Ruggiano and Perry, 2019). In this study, the secondary data collection method has been followed to conduct an effective and appropriate research paper about the phenomenon of this study.

On the other hand, data analysis can be defined as the process of systematically applying logical techniques to describe and illustrate the research problem of the study and to evaluate and interpret the gathered data about the phenomenon of the study. *Thematic analysis* is a method for analysing qualitative data by constructing different themes to intercept the gathered data through this theme which helps to establish a better understanding of the phenomenon of the study. Thus, thematic analysis has been followed in this study to establish a better understanding of the research topic by evaluating the gathered data in different themes. Apart from that, all the ethical principles have been followed by the researcher of this study while conducting the research paper to conduct and provide an effective and truthful research paper for the readers.

3. RESULTS AND RECOMMENDATION

3.1 Concept of market orientation in public sector enterprises of India

Market orientation in public sector enterprises refers to the strategic and systematic approach where public sector enterprises focus on meeting the preference and requirements of customers in the market. Market orientation deals with a different process of product and service development which is required in the organisation to enhance customer satisfaction. This approach involves customer behaviour understanding, trend analysis of the market, and continuously adapting to changing customer needs and preferences. Market orientation in public sector enterprises involves a wide range of activities which includes market research, taking customer feedback and competitor analysis which are important for enhancing the organisational performance. In India, market orientation in public sector enterprises is significantly important as these

enterprises play a vital role in the development of the country's economy. Public sector enterprises in any developing economy are involved in a range of industries, including energy, infrastructure, and manufacturing. Adopting a market-oriented approach, these enterprises can improve their organisational efficiency, increase customer satisfaction, and contribute to the country's economic growth. Market orientation in any organisation deals with the customer-centric approach and it is concerned with the customer's requirement which helps the organisation to make different organisational strategies. These strategies help the organisation to meet their organisational goal and also contribute to the economic development of the country.

3.2 Factors influencing market orientation in public sector enterprises

Market orientation in public sector enterprises is significantly important from the viewpoint of developing economies and several factors influence market orientation in public sector enterprises. ***Organisational culture and leadership*** are important factors that influence the market orientation process in public sector enterprises in India. A well-established and supportive culture and leadership management strategies are helpful for the organisation to adopt the customer-centric approach which is very crucial in the competitive business market. ***Customer demand and preferences*** are also influential for the market orientation process in public sector enterprises. Analysing customer data, public sector organisations can identify customers' requirements and preferences which is important to developing products and services. ***Competitor analysis*** is also an important factor to influence the market orientation process. A public sector enterprise can understand what competitors are offering in a particular segment which will help the organisation to develop new products to meet their needs. ***Government policies and regulations*** also can be influential for the market orientation process in public sector enterprises. Sometimes government regulations increase market competition which leads public sector enterprises towards market orientation approaches.

The Government of India has introduced more than 7000 business reforms including Goods and service tax to boost public sector enterprises (Indbiz.gov.in, 2020). Implementation of these policies influences organisations to perform market orientation approaches to meet their consumer's requirements in the competitive business market. The ***economic condition*** in any country is also an important influential factor in the market orientation process of public sector enterprises. The level of economic growth, inflation and interest rates are the key economic factors that influence the market orientation in public sector enterprises. Public sector enterprises sometimes need to modify their products and services based on changes in economic conditions which help them to remain competitive and meet customer needs. India is an emerging economy where these economic factors are the most influential in market orientation in public-sector enterprises.

3.3 Relationship between market orientation, organisational commitment and performance

Market orientation is an important approach in public sector enterprises and it is significantly interlinked with organisational performance and commitment. Market orientation is an approach that deals with product and service development to remain competitive in the business market. A proper market orientation process helps public sector enterprises to meet their customer's requirements which can be effective to improve organisational commitment and performance. A well-maintained and strategically correct market orientation approach increases customer satisfaction which affects the organisational performance and commitment among the public sector enterprises in any emerging economy. Strong market orientation can lead to an increase in the employee's commitment to the organisation which is an essential part of any public sector enterprise to remain competitive in the business market. Consumer preference and demands can be impractical in some cases but the understanding of customer demand and preference can affect organisational decision making which can also be the cause of improved organisational commitment and performance in the public sector enterprise. Overall, a strong market orientation and organisational commitment can work together to drive improved performance in public sector enterprises. Introducing market orientation approaches to a public sector enterprise can improve their operational efficiency and customer satisfaction which is important to enhance organisational performance and commitment along with the economic development in an emerging economy such as India.

3.4 Impotence of market orientation in public sector enterprises in India

The market orientation approach is a systematic and strategic approach that helps to enhance organisational performance and customer satisfaction in the competitive business environment. Market orientation is becoming increasingly important for public sector enterprises in India due to many reasons. Meeting customer needs is an important objective of the market orientation approach (Bamfo and Kraa, 2019). Through a proper market orientation process an organisation can tailor their product and services to meet the specific need of its customers which is important to improve customer satisfaction and loyalty. The market orientation approach also helps to give a competitive advantage to the organisation. Through the market orientation approach a public sector enterprise can perform competitor analysis which helps them to develop new products as per the market requirement. This approach can help the organisation to remain competitive in the business market which is essential in any developing economy.

A well-structured market orientation can be helpful to bring technological and strategic innovation to public sector enterprises. This strategic approach can be helpful to understand the latest trends and development in the respective industries and by analysing these, the organisation can innovate new products and services in the competitive business market. On the other hand, the excessive focus on addressing the customer's needs can reduce the scope of innovation in the business which is not a good sign for public sector enterprises. Market orientation in public sector enterprises plays a crucial role in economic development. Adopting a market-oriented approach, public sector enterprises can contribute to the overall economic growth of the country by creating jobs and increasing exports.

3.5 Strategies to enhance market orientation in public sector enterprises

The market orientation approach has a huge role in the private sector and it has also a huge role in the public sector enterprises in India. Public sector enterprises can enhance their market orientation through different strategies and some of them include conducting market research, improving customer service, developing marketing plans, fostering cultural innovation, collaborating with private sectors and monitoring performance. In order to enhance market orientation public sector enterprises have to conduct detailed market research to understand the requirements of customers and they also have to develop different effective marketing plans to provide valuable products and services to the customers. Public sector organisations also need to implement cultural innovations into the business process to get a competitive advantage in the competitive business market (Na *et al.* 2019). The public sector organisations in India also can make collaboration with private and non-governmental institutes to gain knowledge about the market which can be helpful for them to meet the customer requirement along with business development. Public sector enterprises also need to monitor their performance from time to time to understand the key challenges of the organisation and this performance monitoring process can help to develop new strategies to remain competitive in the respective business market. Therefore, by adopting these strategies, public sector enterprises can enhance their market orientation and achieve sustainable growth and success in the competitive market which is important for emerging economies such as India.

Market orientation in public sector enterprises is a significantly important part of any organisation that helps to meet customer satisfaction and loyalty towards the organisation. The marketing orientation process deals with behavioural understanding and trend analysis in a competitive market which is important for the organisational business performance. The market orientation approach in the public sector enterprise in an emerging economy involves a wide range of activities such as market research, collecting customer feedback and competitor analysis which are crucial for enhancing the organisational performance. The market orientation approach in any organisation is an important part which is influenced by different potential factors. These factors influence the market orientation approach in the competitive business market that helps the organisation to meet their customer's requirement.

Organisational culture and leadership is the most influential factor in the market orientation approach which helps the public sector enterprises' customer-centric approach and meet the organisational goals more effectively. Customer demand and requirement is also an important influential factor for public sector enterprises. An organisation can improve its market orientation approach by analysing customer data and current market trends. Government policies and regulations can also be an influential factor in the market orientation process. Policies and different business regulations also can increase competition in the market which is an

influential factor in the market orientation process. The economic condition of the country also plays a significant role in the market orientation process. Public sector enterprises sometimes need to modify their products and services based on the economic condition which helps them to remain competitive in the market and meet customer needs.

Market orientation is an important approach of any organisation that helps to meet organisational commitment and performance. This marketing approach deals with product and service development to remain competitive in the business market. Improved products and services through a market orientation approach can help to increase profitability which is an important factor in organisational performance and commitment. The market orientation approach is important in marketing and it increases its significance among the public sector enterprises of India (Lekmat *et al.* 2018). This marketing approach gives a competitive advantage to the public sector organisations and brings innovation in the product and services which is significantly important for the business development of the organisation. Marketing orientation is important for the business in different aspects but it also has some drawbacks.

Due to the aggressive customer-centric approach public sector enterprises sometimes fails to bring innovative ideas in their product and services which is not a good sign for the business. In order to increase market orientation, public sector enterprises in India have to perform different strategies which include conducting market research, improving customer service, developing marketing plans, fostering cultural innovation, collaborating with private sectors and monitoring performance. Adopting these strategies into the business, a public sector enterprise can enhance its market orientation approach which helps them to reach sustainable growth and success in the competitive market along with the economic development of India.

3.6 Recommendations

Market orientation is an important approach to serving consumers with their requirements and preferences. It is also an important tool to enhance business performance in the competitive market. Here are some recommendations to enhance market orientation in the competitive business market.

- Public sector enterprises have to perform dedicated market and competitor analysis to understand the market condition.
- Organisations need to focus on organisational culture and leadership to enhance market orientation.
- Business enterprises need to take customer feedback which they have to analyse properly and also need to develop the product and services accordingly.
- The public sector enterprises in India have to perform in-depth performance monitoring which will help them to improve their market orientation approach in the competitive business market.

4. CONCLUSION

Market orientation is a critical factor for the success of public sector enterprises in India. Market orientation is a process in any organisation that deals with customer-centric operations which helps them to full fill the customers' requirements along with the organisational objectives. Through proper in-depth market research, effective communication and adopting innovative strategies public sector enterprises of India can remain competitive in the business market. The market orientation approach also helps organisations deliver high-quality products and services to customers. Therefore, it can be concluded that public sector enterprises need to prioritize market orientation to meet the evolving needs of their consumers and reach their mission along with serving the public interest.

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