

**THE INFLUENCE OF MARKET ORIENTATION ON THE CHOICE OF A
SHIPPING LINE BY FRUIT EXPORTERS OF REFRIGERATED CARGO IN
KENYA**

BY

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DECLARATION

This research project is my original work and has not been presented or published for the award of any degree in this or any other university

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This research project has been submitted for examination with my approval as a University Supervisor

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DEDICATION

This research project is dedicated to my family. My husband Dr. Maina Thairu for his constructive feedback throughout the entire project. He has been a great source of motivation and inspiration throughout the entire course. My children, Maina Thairu and Wanjiku Thairu for allowing me to sacrifice my time with them for a good course. To the Shipping Industry where i worked for nine years after earning my bachelor's degree.

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ABSTRACT

The broad objectives of this study was to assess the influence of market orientation on the choice of a shipping line by fruit exporters of refrigerated cargo in Kenya. Three specific objectives were pursued, to establish the kind of activities that market oriented shipping firms engage in, to investigate the extent to which market orientation is practiced by shipping firms in Kenya, to identify market orientation activities that fruit exporters of refrigerated cargo value most amongst shipping firms. The population of the study comprised all fruit exporters of refrigerated cargo as listed on the Fresh Produce Association of Kenya Website. A descriptive cross-sectional survey was used. This study used both primary and secondary data. The primary data were obtained with the aid of a questionnaire, while the secondary data were obtained from renowned authors in the field of marketing. Data were analyzed using descriptive statistics. Degree of market orientation was assessed using Narver and Slater's (1990) construct, adapted to the shipping industry. The major findings of the study are as follows: market orientation significantly influences fruit exporters of refrigerated cargo in Kenya on the choice of shipping line. Secondly, these three independent variables (customer orientation, competitor orientation, and inter functional coordination) greatly influence fruit exporters of refrigerated on choice of shipping line. Market orientation was depicted by more emphasis on inter functional co-ordination than both customer orientation and competitor orientation. The research was not without limitations. The descriptive cross sectional research design could not measure changes in organizational culture and performance over time, use of single key-informant approach, the study was limited to a single industry put constraints on generalizing of the results. Based on the limitations of the study, it was recommended that future studies should adopt longitudinal research design to assess changes in organizational culture and performance over time. Further, to capture representative view of organization, future studies need to use multiple informant approach.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In today's turbulent and competitive environments, customers are a scarce "resource". To survive and prosper, business firms need to attend to and attract a sufficient number of customers who are willing to purchase their products and services at a price which at least covers the costs involved. Usually, firms also need to pay attention to competitors because competitors' goods and services are likely to influence customers' preferences and choices (Dickson, 1992). Market orientation provides an organization with a better understanding of its customers, competitors and product which then leads to enhanced customer satisfaction and performance. Market orientation is a valuable source of competitive advantage. It is a new approach to run the entire business with customers, not the product, the company, or the technical process, as the focus of managerial attention.

This research study is founded on the relationship marketing theory which states that relationship marketing is customer-oriented (Evans & Laskin, 1994). That is, one must first understand the customer, and that marketing activities are based on customer preferences in order to meet customers' satisfaction (Huang & Fang, 2006). To achieve long-term business relationships with existing and future customers, business firms must implement strategies or methods such as relational selling behavior strategies. If the capability of forming closer relationships with customers is valuable, unique, difficult to imitate and replace, the company could gain a competitive advantage (Wernerfelt, 1984).

The shipping industry plays a very crucial role in the Kenyan economy. As the world's business environment changes it is vital that businesses, including the shipping firms, adapt to these changes in order to survive and achieve their corporate objectives. A market orientation in the shipping industry must place the shipper at the center of the shipping line's actions, in other words, the company must be close to the shipper, making him the fundamental point of the marketing concept. According to Kotler (2003), firms that operate according to the marketing concept create profits through customer satisfaction. The marketing concept as a business philosophy is where superior business performance is considered to be the outcome of being more effective in anticipating and satisfying customer needs better than competitors (Kohli & Jaworski, 1990).

1.1.1 Concept of Market Orientation

Market orientation is the organizational culture that places the highest priority on the profitable creation and maintenance of superior value while considering the interest of other key stakeholders (Slater & Narver 1995). Researchers have conceptualized market orientation from two perspectives (Homburg & Pflesser 2000). One is the behavioral perspective (Kohli & Jaworski 1990) and the other is the cultural perspective (Narver & Slater 1990; Deshpande, Farley & Webster 1993).

Kohli & Jaworski (1990) define market orientation as generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments, and organization wide responsiveness to it. Market intelligence is not only the information from customers about their needs and preference based on customer research but exogenous market factors like competition, regulation that affect customer needs and preferences as well as future needs of customers (Kohli & Jaworski, 1990). On the other hand, Narver & Slater (1990) assert market orientation is the organization culture that most effectively and efficiently creates the necessary behavior for the creation of superior value for buyers.

Shipping firms like any other business venture exist to make profit. In order to make this they have to continuously create value for their customers. The changes in the industry and macro environment offer opportunities and threats for the shipping firms. Therefore, in this rapidly changing business environment today, shipping firms have to continuously generate intelligence about future customer needs and wants, disseminate this information to all departments and respond to changes promptly. In short, they have to be market oriented, so this will result to satisfied loyal customer, repeat business and consequently positive business performance. This study therefore seeks to investigate the influence of market orientation on the choice of a shipping firm by fruit exporters of refrigerated cargo in Kenya.

1.1.2 Customer Choice and Satisfaction

In marketing literature, the concept of customer satisfaction is the main outcome of marketing practices and occupies an important position in both theory and practice (Churchill & Surprenant, 1982). Satisfaction is an overall customer attitude or behavior towards a service provider, or an emotional reaction towards the difference between what customers expect and what they receive, regarding the fulfillment of some desire, need or goal (Hoyer, & MacInnis, 2001). A single unsatisfied customer can send away more business from your organization than ten highly satisfied customers. The more you focus on customer satisfaction and retention, the more long-term business you will get.

Customer satisfaction should be the primary objective of an organization to enhance customer loyalty, but a business that focuses exclusively on customer satisfaction runs the risk of becoming an undifferentiated brand, whose customers believe only that it meets the minimum performance criteria for the category. Long-term customer retention in competitive markets requires the supplier to go beyond mere basic satisfaction and to look for ways of establishing ties of loyalty that will help ward off competitor attack (Clarke, 2001). Customers may change service providers because of price, or because the rival is offering new opportunities, or simply because they want some variation. It is worth to focus on customer satisfaction strategies no matter how large or small your organization is. The importance of customer satisfaction cannot be dismissed because happy customers are like free advertising.

According to Sivadas & Baker-Prewitt (2000), satisfaction also influences the likelihood of recommending a service as well as repurchase. Also, customers are likely to recommend a service provider when they are satisfied with the services and when they have a favorable relative attitude towards that service provider. Building customer loyalty is not a choice any longer with businesses. It is in fact the only way of building sustainable competitive advantage. Fornell (1992), found that high customer satisfaction will result in increased loyalty for the firm and that customers will be less prone to overtures from competition. Customer relations constitute an important asset that should be monitored just like physical assets. Measuring customer satisfaction provides a comprehensive insight to the customer pre and post purchase behavior.

1.1.3 Refrigerated Cargo

Refrigeration is a process of removal of heat from a space where it is unwanted and transferring the same to the surrounding environment where it makes little or no difference. Products such as flowers and pharmaceuticals, traditionally transferred by air, are now shipped by sea due to the advantages given by new technologies on maritime transportation. Therefore, the transport of refrigerated cargo is currently one of the most promising markets of the overall shipping industry. Refrigerated cargoes include both frozen and chilled goods; the chilled include fresh fruits and vegetables. Generally, frozen goods do not suffer if over-cooled, whereas chilled goods can be damaged by low temperatures, either by freezing or by chilling injury to fresh produce.

Refrigerated cargoes are invariably perishable to a greater or lesser degree, and their safe carriage depends on maintaining suitable storage conditions during transportation. The responsibility for specifying carriage instructions is that of the owner of the goods. Only the shipper knows the full nature of the goods, their prior history and their requirements. This responsibility is passed to the carrier, but in this case the shipper should agree the acceptability of the specified conditions prior to shipment. In either case, the exact nature of the cargo needs to be known since carriage requirements may vary dependent on type, variety, maturity, origin and growing season conditions.

1.1.4 Shipping Industry in Kenya

Maritime transport plays a significant role in the social and economic development of Kenya. It is the most economical mode of transport especially for bulky goods. This mode of transport enhances the competitiveness of Kenya's exports in the international markets and helps attract foreign direct investment to the country. Over the last decade, Mombasa has steadily seen total cargo volumes grow by an annual average of 11.6% compared to a global average of 7.1%. In terms of performance, Mombasa fares relatively well compared to other ports in eastern and southern Africa. However, its container crane productivity, at ten containers per hour, is far behind Dar es Salaam (20) and Durban (15).

Kenya is also looking to develop a new mega port project in the north of the country at Lamu. This new facility will include a 10-berth container terminal, three bulk cargo terminals and an oil terminal. The site will also be home to a new international airport. The port will serve as the

maritime entry point to the Lamu Port-Southern Sudan-Ethiopia Transport (LAPSSET) Corridor, which will include rail, road, oil pipeline and fiber-optic cable connections with South Sudan and Ethiopia. The Kenyan shipping industry comprises of shipping liners which function as the main global carriers such as Maersk Line, Mediterranean Shipping Company, among others. Other players include; the agencies that act as a contact between shipper and shipping agent, and clearing and forwarding agents, who assist in clearing cargo and in logistical delivery.

1.2 Research Problem

To compete and survive in this highly competitive global business era, firms have to pay more attention to the needs of their customers by constantly innovating every aspect of their business (Dauda, 2010). This recognition has made the concept of market orientation to receive increasing attention from both researchers and practitioners, as a tool for firms to survive and grow. Firms that are market oriented firms are skilled at learning about the articulated and unarticulated needs of their customers, and at satisfying those needs in a way that is superior to how competitors satisfy those needs (Kohli & Jaworski, 1990).

One industry where Market orientation is paramount is the ocean freight shipping service industry where total cargo volumes have grown by an annual average of 11.6% compared to a global average of 7.1%. Exporters of refrigerated cargo depend on the shipping firm to manage a bundle of service activities. To realize effective customer satisfaction, the transport industry must constantly gather more information on how to improve their services by providing communication channels for the customers to convey their complaints easily. Critics argue that customer satisfaction is not enough anymore, and that customer loyalty is the key (Lewis, 2013), yet without the right attitude of service, the customer will not feel valued nor welcomed.

However, while some past studies have verified a strong correlation between market orientation and firm performance (Narver & Slater, 1990), the results of other studies on how market orientation influences firm performance are not so conclusive suggesting that market orientation does not directly influence firm performance but rather impacts performance via other mediating variables (Pelham, 1997). Furthermore, some studies found positive and significant relationships (Desphande & Farley, 1993) whilst other studies reported non- significant relationships (Greenley, 1995), and even other studies found that market orientation was only related to firm performance

for certain subjective measures (Rose & Shoham, 2002) and other studies even suggested that market orientation had a negative impact on performance (Cadogan & Cui, 2004). In addition, it has also been noted that the perceived correlation between Market orientation and business performance may vary between industries as Kirca et al. (2005) posit that unlike in manufacturing, services involves a higher degree of customization which may result in higher costs and thus generate reduced profits, implying that findings of a given industry may not apply to another. As such, the evidence of a significant relationship between market orientation and firm performance is still far from conclusive.

Locally, various scholars have reviewed the concept of market orientation in different contexts. Nganga (2004), did a study on relationship amongst market orientation, service quality, firm innovation and fitness enterprises' performance in Kenya. This study states, it is imperative that fitness managers determine what constitutes market orientation, innovation and service quality within their cultural context for optimizing service and satisfaction to fitness customers. Another study by Joel et al., (2012), focuses on market orientation within the manufacturing sector in Kenya. While Wanza (2001), looked at relationship practices among commercial banks in Kenya. A more recent study was conducted by Njeru (2014), on the perceived effects of the three components of market orientation on the performance of tour firms in Kenya. As noted earlier, business firms cannot assume that market orientation findings in one firm or culture context work well in other countries with different business cultures (Aziz & Yassin, 2010). Thus, there is a need to investigate the concept of market orientation amongst shipping companies in Kenya. This study will be guided by the following research questions: What kind of activities do market oriented shipping companies engage in and whether they influence fruits exporters of refrigerated cargo in Kenya?

1.3 Objectives of the Study

The objectives of this study are:

- i. To establish the kind of activities that market oriented shipping firms engage in
- ii. To investigate the extent to which market orientation is practiced by shipping firms in Kenya
- iii. To identify market orientation activities that fruit exporters of refrigerated cargo value most amongst shipping firms

1.4 Value of the Study

The findings of this study will be of great significance to various stakeholders. First, this study will help shipping firms seeking to offer superior customer value and achieve sustainable competitive advantage design correct marketing plans and formulating market orientation strategies that will enhance and entrench their market share.

The study will also add value to the research in the area of market orientation. Scholars will find it important as it will increase the body of knowledge in this area. It is hoped that the knowledge gained from the study could serve as a basis for planning and a point of reference for further studies in the field of market orientation.

Policy formulation by government and regulatory authorities may also benefit from the findings revealed by this study. Shipping being a strategic economic fulcrum, government will be interested in seeing how market orientation is arrived at and the result of market orientation process in this sector.

1.5 Summary

This chapter summarizes the background information pertaining to the study and clearly describes the concept of market orientation, customer choice and satisfaction, refrigerated cargo and an overview of the shipping industry sector in Kenya. Statement of the problem is there to state the need of the research and more specifically indicating the major concern of the study variables. Furthermore, the study will be valuable to various organizations more so to the shipping firms and government as it will guide in formulation of favorable policies that will enhance performance of shipping firms. The next chapter presents the theoretical foundation of the study, the marketing concept and customer choice behavior, a critical review of both theoretical and empirical literature.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter covers the review of studies undertaken in this area with special reference on Market orientation. The chapter also reviews theories and empirical studies undertaken on the subject for the purposes of comparison with the current study.

2.2 Theoretical Foundation

A theoretical framework is a collection of interrelated ideas based on theories. It is reasoned set of prepositions, which are derived from and supported by data or evidence. It accounts for or explains phenomena. It attempts to clarify why things are the way they are on theories (Kombo & Tromp, 2006).

2.2.1 Hirschman's Exit-Voice Theory

Hirschman's exit-voice theory (Hirschman, 1970), Fornell & Wernerfelt (1988) argue that some of the weakly dissatisfied customers are of prime importance to the firm. While strongly dissatisfied customers choose the exit option where they leave the firm, the weakly dissatisfied customers tend to stay loyal to the firm and rather employ the voice option, which implies overt complaints as an attempt to change the firm's practices or offerings. Halstead & Page (1992) opine that sensible handling of customer complaints may ensure that weakly dissatisfied customers remain loyal, and thereby serve as an exit barrier.

This theory is appropriate for this study because when customers become dissatisfied with product or service offerings. They can exit and begin to buy from competition, or they can exercise their voice, keep buying but complain. Where there is competition, most customers simply exit. It is much easier. There is little cost for them in switching. However, voice is more complicated since customers have to make telephone calls, write letters, organize committees, hire lawyers, and call their congressmen. Few are willing to go through all of that bother if they can simply walk across the street and begin buying from another supplier. We suppose that many of the complainers are loyal customers. They choose to complain instead of changing shop because their loyalty has increased the costs perceived in changing shop.

2.2.2 Relationship Marketing Theory

The term “relationship marketing” was first introduced by Berry (1983) in a services marketing context. Managing relationships however, is nothing new in business. Many entrepreneurs do business by building and managing relationships without using the term relationship marketing. Relationship marketing, defined as marketing activities that attract, develop, maintain, and enhance customer relationships (Berry, 1983; Gronroos, 1994), has changed the focus of a marketing orientation from attracting short-term, discrete transactional customers to retaining long-lasting, intimate customer relationships.

The theory is appropriate for this study because the market place today is very dynamic, vibrant and competitive. The customers are smarter, more informed and have an access to many channels and choices which they take little time to exercise. Customer can easily defect to competitors who promise better offerings at lower prices (Bhardwaj, 2007). The key success factor to survive in mature markets relies on sustaining long-term relationships with stakeholders (De madariaga & Valor, 2007). The challenge all marketers face today is in finding ways of increasing customer loyalty and retention. Transforming indifferent customers into loyal ones and establishing a long term relationship with customers is critical for organizational success. (Bhardwaj, 2007).

2.3 The Marketing Concept and Market Orientation

Marketing literature has indicated that the adoption of a marketing concept is the foundation of successful performance. The marketing concept is a distinct business philosophy that puts the customer in the center of the firm’s thinking about strategy and operation (Hooley et al., 1990). It is essentially a business philosophy (Kohli & Jaworski, 1990) and holds that marketing is the principal function of the firm because the key to achieving organizational goals consists of being more effective than competitors in integrating marketing activities toward determining and satisfying the needs and wants of target markets (Kotler, 2009).

According to Kohli & Jaworski (1990), market orientation refers to three core aspects, namely, the generation of market intelligence, the dissemination of this intelligence and the organization-wide responsiveness to it. The definition by Narver & Slater (1990) complements this, with three behavioral components (customer orientation, competitor orientation, inter functional coordination) and two decision criteria (long-term focus, profit objective). In the same vein,

Ruekert (1992) defines market orientation as the degree to which the business unit obtains and uses information from customers, develops a strategy which will meet customer needs and implements that strategy by being responsive to customers' needs and wants. Market orientation helps organizations in developing a customer driven work culture and in providing customers with the products and services they need and desire.

On the other hand, Deshpande, Farley & Webster (1993) see market orientation as being synonymous with customer orientation, market orientation is the situation in which customer's interests are the first and foremost priority for the organization being distinguishable from competitor orientation. Liyun, Keyi, Xiaoshu & Fangfang (2008) considers market orientation as a process which helps construct relationships and communicate knowledge with customers in order to improve customer satisfaction, customer loyalty and increase the value of the organization. Shapiro (1988), conceptualized market orientation as the organizational decision making process which consists of commitment from top management to have information shared between functional decisions involved in decision making. It is equally important to note that market orientation is not a competency and obligation of only a particular department, but all within the organization must contribute to building a fully market oriented organization. There is a need for coordination among all the departments within the organization.

The market orientation concept to be used in this study followed the direction provided by Kohli & Jaworski (1990) and consists of market intelligence generation, market intelligence dissemination, and responsiveness. The reason being that information is collected both internally and externally, then disseminated through the organization and then used to develop superior products and services to customers.

2.3.1 Intelligence Generation

Li & Calantone (1998), points out that those firms more adept at generating market knowledge will be able to achieve better performance because they will have better access to information about consumer preferences. Yet market oriented firms go beyond the mere collection of market related information. Firms with a market orientation also actively share this information across departments. The result is to create greater customer value and satisfaction, a prerequisite for success (Kerin, Hartley & Rudelius, 2011). Narver & Slater (2000) propose that market

intelligence generation should focus on the current and latent needs of customers. Information that can be used to understand this can come from multiple places such as media, sales data etc. Maintaining a close customer relationship, speaking with the customers and listening to the challenges they are facing and the solutions they are looking for is an important part of this.

2.3.2 Intelligence Dissemination

Market intelligence dissemination is the process and extent of market information exchange within a given organization (Kohli *et al.*, 1993). Kohli *et al.*, (1993), notes that attention should be given both to the horizontal dissemination of intelligence, meaning across department boundaries, as well as vertical dissemination of intelligence. It has been shown that having good inter-departmental relationships has a significant effect on the quality of intelligence dissemination (Kohli & Jaworski, 1990). Various means can be used to disseminate intelligence throughout an organization, including periodic newsletters, periodic (but formal) meetings or discussions, and informal "storytelling" (Kohli & Jaworski 1990). Intelligence dissemination is also vital for well-functioning of organizations. To become market oriented, organizations need to encourage the sharing of information in virtually all departments in the organization (Johnson 1986).

2.3.3 Intelligence Responsiveness

Responsiveness is action taken in response to intelligence that is generated and disseminated. Action on the basis of market intelligence, concerns the speed and coordination in implementing marketing programs (Kohli & Jaworski, 1990). Those authors observed that an organization accomplishes nothing if it does not respond to information. Kohli & Jaworski (1990) stated that an organization must communicate, disseminate, and oftentimes "sell" market intelligence to relevant departments and individuals in the organization in order to be market oriented. Being able to utilize the gathered intelligence and put it into practice is important and it has been shown that better performing companies are faster at reacting to customer requirements (Gray, 2010).

2.4 Market Orientation and Customer Satisfaction

Customer satisfaction occurs when perception of product performance matches expectations that are at, or above, the minimum desired performance level. According to Coney et al (2001), satisfaction reduces the level of decision-making the next time the problem is recognized. For instance, a satisfactory purchase is rewarding and encourages one to repeat the same behavior in the future. Satisfied customers are likely to engage in positive word-of-mouth communication about the brand. A market oriented organization should do everything possible in order to satisfy its customers. This is because there is a link between market orientation and customer satisfaction. Kohli & Jaworski (1990) supports this link by arguing that market orientation leads to satisfied customers who spread the good word to other potential customers and who keep coming back to the organization. Kotler (1998), also asserts that market orientation is likely to lead to greater customer satisfaction and repeat purchase. A highly satisfied customer stays loyal longer, buys more as the company introduces new products and upgrades existing products, talks favorably about the company and its products, pays less attention to competing product brands and is less sensitive to price, offers products ideas to the company, and costs less to serve (Kotler, 2002). Also, Doyle (1995), posits that customers who are satisfied with the value being provided repurchase the product and this result in better economic performance, market share and profitability for an organization.

2.5 Consumer Choice Behavior

Consumer behavior is the study of the processes involved when individual or groups select, purchase, use, or dispose of the product, service, ideas or experiences to satisfy needs and desires (Solomon, 1998). The expand view of consumer embrace much more than the study of why and what consumer buy, but also focuses on how the marketer influence consumers and how consumers use the products and services. The customer base of a company consists of three groups of consumers: stayers (those who had never switched from a previous brand), satisfied switchers (those who switched for reasons other than dissatisfaction), and dissatisfied switchers (those who switched because they were dissatisfied from their previous brand) (Ganesh et al., 2000). Understanding the attitudes of these three different groups of customers plays an important role when implementing effective and feasible retention and loyalty strategies.

2.6 Empirical Studies on Market Orientation

Rose & Shoham (2002), investigated 124 Israeli exporters from nine industries. By employing Jaworski & Kohli's (1993), market orientation construct they examined the export performance (e.g., sales, change in sales, profits and change in profits) consequences of a market orientation (intelligence generation, intelligence dissemination and responsiveness) and the potential mediating impact of the competitive, technology, and foreign market environments. Their study found that a positive change in sales and profits was all significantly related to a market orientation.

Akyol & Akehurst (2003), also studied the relationship between market orientation and performance variations in export ventures. They examined 103 Turkish clothing exporting firms by employing Cadogan *et al.*'s (1999) measures (export market intelligence generation, export market intelligence dissemination and export market responsiveness). The result of their study suggests that a relationship between market orientation and performance does exist, and in the case of the Turkish clothing exporters, an improvement in the market orientation level is a significant contributor to enhanced performance.

The essence of market orientation is for a firm to be both responsive and proactive (Narver *et al.*, 2004). Conclusively, progressive firms should focus on developing a culture that embraces awareness and learning about customers and competitors.

2.7 Summary

This chapter has presented the theoretical foundation of the study by reviewing both Hirschman's exit-voice theory and relationship marketing theory which constituted the theoretical underpinning of the study. This chapter has also presented the marketing concept and market orientation, market orientation and customer satisfaction, consumer choice behavior, theoretical and empirical literature of the previous studies. The next chapter presents the research methodology.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents a blueprint of the methodology that will be used by the researcher to conduct the study. It specifically presents research design, target population and sample, data collection and data analysis.

3.2 Research Design

This study used a cross sectional approach. That is, it was undertaken at a particular point in time. The descriptive cross-sectional design is considered to be robust for effects of relationship studies and suitable for studies that aim to analyze a phenomenon, situation, problem attitude or issue by considering a cross-section of the population at one point in time (Mugenda, 2003).

3.3 Population of the Study

According to Ogula, (2005), a population refers to any group of institutions, people or objects that have common characteristics. The study population consists of (39) fruits exporters of refrigerated cargo. This list was obtained from the Fresh Produce Association of Kenya Website. A complete list has been provided as appendix 111. The researcher will use the census method given the small size of the sample.

3.4 Data Collection

This study used both primary and secondary data. Primary data was collected using a structured questionnaire developed in previous market orientation studies (Narver & Slater, 1990). The use of questionnaires for primary data collection has been supported by many scholars among them; Mugenda (2003). A questionnaire is easier to administer, less costly, and ensures greater depth of response, according to Mugenda (2003). A “drop-and-pick later” method was used to administer the questionnaire to each of the fruits export companies.

The selection of a scale to measure market orientation for research purposes was influenced by the theoretical orientation of the research. The MARKOR (Kohli, Jaworski, & Kumar 1993) scale is a suitable choice for research into the organizational aspects of market orientation, whereas the MKTOR (Narver & Slater, 1990) scale is suitable for examining the customer focus exclusively (Gauzente, 1999). The market orientation instrument employed in the study is based on the one

developed by Narver & Slater (1990), since the questionnaire were targeting fruit exporters of refrigerated cargo within the shipping industry. Modifications on the questionnaire were made taking into account specific characteristics within the shipping industry.

3.5 Data Analysis

After the questionnaire was administered, the questionnaires were coded and the data input in statistical packages for social sciences (SPSS) analysis. The Data was then analyzed to generate descriptive statistics such as percentages, mean, standard deviations and variances.

3.6 Summary

This chapter has described the research methodology adopted in the current study. Specifically, this chapter has explained the research design, population of the study, data collection instruments and the statistical tools used for data analysis. The next chapter presents data analysis, findings and interpretation of the results.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION OF THE RESULTS

4.1 Introduction

This chapter discusses the research analysis, findings and interpretation. The study aimed at investigating the influence of market orientation on the choice of a shipping line by fruit exporters of refrigerated cargo in Kenya. The data was coded and analyzed through SPSS and using descriptive statistics which was used to give the frequencies of responses. Mean and standard deviation were also used.

4.2 Response Rate

The study specifically focused on 39 fruit exporters of refrigerated cargo in Kenya. Out of the targeted 39 exporters, 32 responded to the questionnaires. The response rate for this study was 82% of the target population according to Mugenda and Mugenda (1999), a response rate of 70% and over is excellent. On the other hand extremely low response rates can limit the applicability of findings or otherwise weaken the statistical significance of the results. The response rate was boosted by the fact that the researcher was able to get up to date contact details from the Fresh Produce Exporters Association of Kenya website.

4.3 Respondent Characteristics

Descriptive statistics were used to analyze the respondent characteristics. Respondent's bio-data comprised gender, position, level of education and length of service in the export fruit industry. The relevant responses are presented in the following subsections.

4.3.1 Respondent's Gender

Table 4.1 show that 75% of the respondents were males and 25% were females. This gave a clear indication that the fruit export of refrigerated cargo industry is dominated by the male gender.

Table 4.1: Respondent's Gender

Respondents gender	Mean	Std. Deviation
Male	24	75
Female	8	25
Total	32	100

Source: Primary Data, 2015

4.3.2 Position of the Respondent

Table 4.2 show that 40.6 % were directors, 34.4 % were export assistants, and 25.0 % were export managers. The fact that all respondents were from export department is because they were the target population for the study hence well versed with the topic of study.

Table 4.2 Position of the Respondent

Position of the respondent	Frequency	Percentages
Director	13	40.6
Export Assistant	11	34.4
Export Mangers	8	25.0
Total	32	100

Source: Primary Data, 2015

4.3.3 Respondent's Highest Level of Education

Table 4.3 reveal that the respondents had a relatively high level of qualification with 68.8 % holding bachelor's degree and 25.0 % holding a diploma. This implies that the respondents had the capability to communicate and give informed responses to this study since they were academically qualified for the job.

Table 4.3: Respondent's Highest Level of Education

Highest level of Education	Frequency	Percentage
Bachelors	22	68.8
Diploma	8	25.0
Masters	2	6.3
Total	32	100

Source: Primary Data, 2015

4.3.4 Individual Respondent Length of Service

Table 4.4 reveal that approximately 71.9 % of the respondents had been with the current firm for at least 6 years and above this shows that the respondents had enough information about the companies where they were working. The respondent's length of service can be associated with experience and knowledge acquired over time which can lead to superior firm performance.

Table 4.4 Individuals Respondent Length of Service

Individuals Respondent length of Service	Frequency	Percentage
Less than 5 years	9	28.1
6 -10 years	12	37.5
11 – 15 years	5	15.6
16 - 20years	3	9.4
Above 20 years	3	9.4
Total	32	100

Source: Primary Data, 2015

4.4 Respondent Firm Characteristics

The key firm factors of interest for the study were the age of the firm measured in terms of the number of years the firm has been in operation in Kenya; size of the firm measured by the volume of 20 foot reefer containers the firm exports on a monthly basis and the number of shipping firms the export companies uses for its export needs

4.4.1 Number of Years the Firm has been in Operation

Table 4.5 show that approximately 84.0 % of the export firms have been in operation in Kenya for less than 15 years and 15.5% have being in operation for over 16 years. The results imply that most of the export firms surveyed are relatively young but there is growth in terms of number of export firms set up. We have more people willing to invest in this sector this could be because of increased efforts by the government through funding of youth and women to facilitate growth of local investments

Table 4.5: Number of Years the Firm has been in Operation

Number of Years the Firm has been in Operation	Frequency	Percentage
Less than 5 years	11	34.0
6 -10 years	8	25.0
11 – 15 years	8	25.0
Above 16 years	5	15.6
Total	32	100

Source: Primary Data, 2015

4.4.2 Twenty Foot Equivalent Units of Cargo Handled Per Month

The objective of this section was to establish the volume of business controlled by the individual firms in the survey by asking how many twenty foot equivalent units they handled in a month. Table 4.6 show that approximately 59.4 % of the export firms' export between 1 – 20 reefer containers by sea on a monthly basis and 40.6 % export above 20 reefer containers by sea on a monthly basis.

Table 4.6: Twenty Foot Equivalent Units of Cargo Handled Per Month

Twenty Foot Equivalent Units of Cargo Handled Per Month	Frequency	Percentage
1 – 10 monthly	12	37.5
11 - 20 monthly	7	21.9
21 – 30 monthly	9	28.1
Above 30 monthly	4	12.5
Total	32	100

Source: Primary Data, 2015

4.4.3 Number of Shipping Firms Used by the Fruit Export Firm

Table 4.7 show that approximately 68.8 % of the fruit export firms prefer choosing between one to three shipping lines. Consumer research suggests that as number of options and information available increases, people tend to consider fewer choices and process a smaller fraction of their overall information (Huaser and Wernefelt, 1990). This implies that the shipping industry is very competitive; since out of the 39 fruit exporters of refrigerated cargo. 68% of the fruit exporters of refrigerated cargo make a choice between one to three shipping firms, suggesting that the shipping industry is highly competitive

Table 4.7 Number of Shipping Firms Used by the Fruit Export Firm

Number of Shipping Firms	Mean	Percentage
One shipping firm	4	12.5
1-3 shipping firms	18	56.3
Above 3 shipping firms	10	31.3
Total	32	100

Source: Primary Data, 2015

4.5 Market Orientation Activities Adopted by Shipping Firms

The first objective of this study was to establish the nature of market orientation activities that shipping firms engage in. Respondents were asked to rate the extent to which their firms apply a number of Market orientation strategies. A five point Likert scale was used to interpret the respondent's extent. The lowest rating on the scale was 1 which symbolized 'strongly disagree' on the other hand, the highest rating on the scale was 5 which symbolized 'strongly agree' Within the continuum are 2 for Disagree, 3 for indifferent and 4 agree.

Table 4.8 indicate that the market orientation activities largely adopted by shipping firms were knowledge and expertise needed to meet customer needs as well as ease of using web based tools as indicated by a mean score of 4.16. Other activities that had also been widely adopted by shipping firms were honoring promises made to customers and anticipating future needs as indicated by a means score of 4.06 and 4.03 respectively. Competitive pricing and equipment availability were the least utilized market orientation strategies in the shipping industry as indicated by a mean of 3.13 and 3.22. This is an indication that the shipping firms should give more attention to these challenges as expressed by the fruit exporters of refrigerated cargo.

Table 4.8: Market Orientation Activities Adopted by Shipping Firms

Market Orientation Activities Adopted by Shipping Firms	N	Mean	Std. Deviation
1. Ease of using web based tools	32	4.16	.628
2. Knowledge and expertise needed to meet customer needs	32	4.16	.574
3. Honoring promises made to customer	32	4.06	.619
4. Anticipating future needs	32	4.03	.782
5. Consistent transit time	32	3.97	.647
6. Update on transported goods	32	3.97	.782
7. Courteous and professional staff	32	3.94	.801
8. Corrective action when service failure occurs	32	3.87	.751
9. Timeliness and getting back when needed	32	3.75	.803
10. Complete and accurate quotations	32	3.69	.535
11. Equipment availability	32	3.22	1.008
12. Competitive pricing	32	3.13	.976

Source: Primary Data, 2015

4.6 Assessment of Market Orientation

The study set out to establish the degree of market orientation amongst shipping firms in Kenya.

4.6.1 Customer Orientation

The researcher used the scale developed by Narver and Slater (1990). The items for customer orientation address the extent to which a firm is committed to understand the needs and requirements of its current and future customers.

The respondents had been asked to indicate the extent to which shipping firms focused on customer orientation. Different sets of questions anchored on a five point likert-type scale ranging from 1=not at all to 5= to a very large extent were used. Table 4.9 reveal the mean scores for the five statements used to measure customer orientation. The overall mean score of 3.3125 shows that the shipping firms surveyed provide after sale services and meet exporter needs better than competition as indicated by a high mean score of 3.5 and 3.4 respectively. However, most exporters felt that the shipping firms' services were overpriced shown by a low mean of 3.125 and a high standard deviation .83280

Table 4.9: Respondents Scores on Customer Orientation

Customer Orientation Statements	N	Mean	Std. Deviation
1. The shipping firm provides after sales services	32	3.5000	.87988
2. Shipping firm meets our needs better than competition	32	3.4375	.61892
3. Meeting our needs is the most important objective for shipping firm	32	3.3125	.85901
4. The shipping firm provides after sales services	32	3.1875	.73780
5. The shipping firm provides services that are value for money	32	3.1250	.83280
Average score		3.3125	.785682

Source: Primary Data, 2015

4.6.2 Competitor Orientation

To be market-oriented, firms must consider their performance relative to their competitors by evaluating short and long-term strengths, weaknesses, capabilities and strategies of both their key current and potential competitors (Alhakimi and Baharun, 2009). To determine the level of competitor orientation, the respondents were asked to indicate the extent to which their firm focused on their competitor activities and strategies. Their responses are summarized in Table 4.10 The results in Table 4.10 yield an overall mean score of 3.289075. Shipping firm providing unique services and sharing within the firms' functional areas regarding the competitors' strategies had

highest mean score (mean score=3.37 and 3.31 respectively).. The lowest score was on low response by shipping firms on competitors' strategies that threaten us which had a mean score of 3.21.

Table 4.10: Respondents Scores on Competitor Orientation

Competitor Orientation Statements	N	Mean	Std. Deviation
1 The shipping firm provides unique services compared to others	32	3.3750	.87067
2 Our staff members regularly share information within the shipping firm concerning competitors' strategies	32	3.3125	.96512
3 The top management team regularly interact with us to identify how they better meet our needs	32	3.2500	.87988
4 Shipping firm quickly responds to competitors' actions that threaten them	32	3.2188	.83219
Average scores		3.2891	.67892

Source: Primary Data, 2015

4.6.3 Inter-Functional Coordination

The study further sought to establish the level of coordination of staff members and the utilization of firm resources throughout the firm in creating superior value for the target customers.

Table 4.11 suggest that the respondents, on average indicated high agreement with aspects of inter-functional coordination with an overall mean score of 3.4141. Staff working within the shipping firms are eager to offer assistance had the highest mean score 3.5313. This implies that the staff working for the shipping firms have been trained in customer relationship issues, appreciate the value of customers and are very eager to attend to customers. However, the lowest score was noted on the low levels of interaction between the different departments with a mean score of 3.2813 and a high standard deviation of .91431. This suggests that shipping firms need to smoothen communications amongst different department so as to give superior services to customers.

Table 4.11: Respondents Scores on Inter-Functional Coordination

Inter-Functional Coordination Statement	N	Mean	Standard deviation
All staff working with the shipping firm are eager to offer assistance	32	3.5313	.98323
We freely communicate with the shipping firm about our successful and unsuccessful customer experiences	32	3.4688	.87931
The different departments within the shipping firm work hand in hand to jointly solve customer problems	32	3.3750	.87067
The shipping firm different departments are integrated in ways that meet our needs as exporters	32	3.2813	.92403
Average scores	32	3.4141	.91431

Source: Primary data, 2015

4.7 Summary of Market Orientation

Table 4.12 show that that the overall mean score of market orientation was 3.339, Sd= .79297). Inter functional co-ordination had the highest overall mean score of 3.4141 followed by customer orientation with an overall mean score of 3.3125. The lowest overall means score was recorded by competitor orientation (mean score= 3.2891.

The extent of an organization's market orientation was assessed by employing Narver and Slater's (1990) procedures Shipping Firms had varying levels of performance across the three components of market orientation. For each market orientation component, the measure was derived by taking the mean value of each item listed under the component. Customer orientation was exhibited by shipping firms providing after sale services and meeting exporter needs better than competition as indicated by a mean score of 3.5 and 3.4 respectively.

Whereas under competitor orientation, results indicate that shipping firms were acutely aware of what competition. This will explain the average mean score of 3.2891. This knowledge must have been used as a guide by shipping firms in determining: their ability to compete directly for these customers based on their competencies and their ability to withstand the anticipated response from rivals.

Table 4.12 Summary of Market Orientation

Market Orientation Dimensions	Mean	Standard deviation
1 Customer Orientation	3.3125	.78568
2 Competitor Orientation	3.2891	.67892
3 Inter functional co-ordination	3.4141	.91431
Average score	3.339	.79297

Source: Primary data, 2015

4.7 Market Orientation Activities that Exporters of Refrigerated Cargo Value Most

This section was about Market Orientation strategies which exporters of refrigerated cargo value most. The results are shown in the table 4.13 below. The respondents indicated that the market orientation activities that they value most are availability on status of transported goods and corrective action taken in case of a service failure

Table 4.13: Respondents Scores on Market orientation Activities that Exporters Value Most

Market Orientation Activities	Mean	Standard deviation
1 Information availability on status of transported goods	4.9375	.24593
2 Corrective action taken when a service failure occurs	4.9375	.24593
3 Equipment availability	4.8750	.42121
4 Prices of services offered	4.8438	.44789
5 Transit time	4.8438	.44789
6 Courtesy from staff	4.8438	.36890

Source: Primary data, 2015

4.8 Summary

The chapter presented the results of the key study variables. The study applied descriptive cross sectional design on a population of 39 fruit exporters of refrigerated cargo. The study employed the use of questionnaires to collect primary data. Descriptive statistics was used mainly to summarize the data this included use of percentages and frequencies. Degree of market orientation was assessed using Narver and Slater's (1990) construct adapted to the shipping industry. The results revealed market orientation significantly influences fruit exporters of refrigerated cargo in Kenya on the choice of shipping line. The market orientation activities largely adopted by shipping firms were knowledge and expertise needed to meet customer needs as well as ease of using web based tools. Secondly, these three independent variables (customer orientation, competitor orientation, and inter functional coordination) greatly influence fruit exporters of refrigerated on choice of shipping line however market orientation was depicted by more emphasis on inter functional co-ordination than both customer orientation and competitor orientation.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The purpose of this study was to examine the influence of market orientation on the choice of a Shipping line by fruit exporters of refrigerated cargo in Kenya. This chapter provides a summary of the major findings of the study, conclusions and recommendations drawn from the findings .It also highlights the limitations of the study and outlines proposed areas of future research. The first objective sought to establish the kind of activities that market oriented shipping firms engage in, the second was to investigate the extent to which market orientation is practiced by shipping firms in Kenya. The third objective sought to identify market orientation activities that fruit exporters of refrigerated cargo value most amongst shipping firms

5.2. Discussion of the Findings

This section presents discussion of findings of the study. The discussion is guided by the objectives of the study.

The study established that the population of the study comprised export firms that were members of Fresh Produce Association of Kenya. Approximately, 84.0 % of the export firms have been in operation in Kenya for less than 15 years and 15.5% have being in operation for over 16 years. The results imply that most of the export firms surveyed are relatively young but there is increase in terms of number of export firms set up. We have an increase in the number of people willing to invest in this sector, this could be because of increased efforts by the government to support local entrepreneurs by offering affordable financing (GoK, 2005).

This study established that shipping firms must practice market orientation. Gray (1998) found that every business in highly competitive environments can only succeed as long as its customers are satisfied and loyal enough to not just keep coming back but also recommend the firm to others. From this study, 68.8 % of the fruit exporters surveyed choose between one to a maximum of three shipping firms from which they choose from before exporting cargo. It would be an advantage to the shipping firm to be among the top three choices amongst fruit exporters of refrigerated cargo when exporting cargo. This is in line with Proctor's (2000) argument that failure to take cognizance

of the influence of customers and competitors can have disastrous consequences on business performance

The results of this study extend our understanding of what activities market oriented firms engage in. Customers of a company with a high degree of market orientation experience great value for money and excellent service that is gladly delivered by skilled and professional employees of that company. In this study, market orientation activities largely adopted by shipping firms were; staff had knowledge and expertise needed to meet customer needs, ease of using web based tools as indicated by a high mean score of 4.16. This concept matches with Narver and Slater (1994) suggestion that employees should spend considerable time with their customers so as to continuously create superior value for customers.

The results of this study established that Market orientation was depicted by more emphasis on inter functional co-ordination than both customer orientation and competitor orientation. Market orientation and its components are not necessarily equally relevant for firms with different strategies and in different environments. The shipping industry is highly dependent on interpersonal interactions as it is in service delivery, because fruit exporters in Nairobi are very oriented toward human relationships in a high level service. It is possible that service with a lower level of interpersonal interaction might have different results, or that cultures with less expectation of extensive human interaction might differ.

This study established that market orientation activities that exporters value most are availability on status of transported goods and corrective action taken in case of a service failure. Market orientation has a positive and significant effect in this study. This is consistent with the findings of Chang and Chen (1998), who pointed out that market oriented firms use market information to constantly narrow the gap between what the customer wants and what the firm thinks it wants therefore bringing about greater congruence between the firm and its customers. The greater the congruence or understanding between customers and the firm, the better the firm is able to deliver high quality services.

The results of this study established that market orientation is relevant in every market environment. We thus take issue with Miles and Snow (1978), for example, who imply that a

market orientation is simply uneconomic. The appropriate question is not market orientation per se, but rather what a business perceives to be its optimal degree of market orientation within its current and expected market environment.

Shipping firms must focus market orientation on customers. Even though shipping firms have a number of stakeholders including the government, shareholders, suppliers, employees' and the public at large. The central element of market orientation is a customer focus (Kohli and Jaworski, 1990). A market orientation is valuable, rare, and difficult to imitate, the necessary conditions for a sustainable competitive advantage (Porter, 1985). A market orientation stipulates that customers are the most important constituent, and that efforts should be extended to satisfy their needs.

The findings suggested that market orientation lead to a firm's ability to continually satisfy his customers in the face of changing market conditions and thus increase firm performance. Market orientation is understood as an organization's culture (Deshpande and Webster, 1989) and not merely a set of processes and activities directed at creating and satisfying customers through continuous needs assessment. They further argue that the key to successful business firm arises from determining the needs and wants of customers and satisfying these needs more effectively than the competition.

5.3 Conclusion

The purpose of this study was to examine the influence of market orientation on the choice of a shipping firm by fruits exporters of refrigerated cargo. Overall, the findings of this study indicate that market orientation is important for shipping firms to achieve superior performance outcomes. The findings give marketing scholars and practitioners a basis beyond mere intuition for recommending the superiority of a market orientation.

The findings show that a market-oriented culture appears especially important in, among other things, a turbulent market environment. Business firms operating under high degrees of environmental dynamism may not survive in the market place and will certainly not be able to achieve superior performance without a level of market orientation. ,

Market orientation is a business culture in which all employees are committed to the continuous creation of superior values for customers. Thus, customer satisfaction ratings and customer loyalty figures are appropriate outcome measures for companies that are trying to enhance their market orientation. A substantial market orientation must be the foundation for a business's competitive advantage strategy.

Management must understand every decision in the organization must begin with the customer; anticipating how customers will respond and the extent to which this will give any competitive advantage. The entire organization should follow through to insist on providing superior quality and service on the customer's own terms, and be tuned to changes in customer requirements. The common ground between all truly excellent service firms is that they know it "all starts with the customer" and they look first to the customer to define quality and value (Brown, 2003).

5.4 Recommendations

Companies should strengthen their influence to high level of market orientation because market orientation leads to customer and employee satisfaction, higher financial performance and gaining of a competitive advantage. Having the competitive advantage has a marked influence on the position of the organization on the given market and its existence.

We should continuously seem customers' satisfaction because in case of dissatisfaction of customers it will be a negative advertisement for the company and customers of the company and therefore profitability of the company will decrease. If the quality of services of a company is high according to the customers' demand, they can feel high degree of commitment, therefore their satisfaction and loyalty to company will increase, if companies have more loyal customers it can be a powerful weapon against their customers that it will finally lead to profitability

There are some critics studies pointing out that more level of market orientation could be negatively for the profit. Extensive focus on customer could be negative for the company profits because it is very difficult for many companies to satisfy all customers. Many customers with their specific needs and ideas can rather be a threat than opportunity for the organization. It is therefore necessary to make segmentation of market and focus on a certain segments.

5.5 Limitations of the Study

This study employed a cross-sectional research design where data was collected at a single point in time. That means that the data do not reflect the continual process that occurs in the implementation of market orientation. A longitudinal study would give a much better assessment of how organizations become market oriented over time,

Another limitation of our research is the use of single informants in each firm. Further research should investigate using data from multiple informants, as has been done by Kohli, Jaworski, and Kumar (1993) in the behavioral research stream on market orientation

Thirdly, the study was limited to a single industry; exporters of fruits that were listed on the FPEAK website. Therefore, findings of the study cannot be generalized beyond the defined population.

5.6 Suggestions for Further Research

The limitations of the study can be addressed by future studies but, beyond that, there are more exciting research possibilities based on findings of the study. First, it would be interesting to test the influence of market orientation on the choice of a shipping firms amongst importers in Kenya.

All studies that examined the definition of market orientation generally agree with the main elements of market orientation such as customer orientation, competitor orientation and inter functional coordination. Customers and competitors represent the most important external stakeholders, The scope of the study may also be extended to cover the views of other key stakeholders in the shipping industry such as regulators, suppliers, employees. Studies could also be conducted with exporters of a different commodity that does not require refrigeration in order to validate or invalidate the findings of this study.

Future studies should examine whether there are some market environments' in which businesses on average will move toward a high degree of market orientation and other in which, on average, they will stop at a much lower degree of market orientation? If so, what are the characteristics of the respective environments'?

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APPENDICES

Appendix I: Letter of Introduction

Dear Respondent,

I am a student at the University of Nairobi undertaking a Master of Science in marketing course. In partial fulfillment of the course requirement, I am conducting a survey on how market orientation practices by shipping firm influence exporters of refrigerated cargo on the choice of a shipping line. With this regard, I request you to spare a few minutes to fill in the questionnaires as diligently as possible.

The information in this questionnaire will be strictly confidential and will not be used for any other purpose than for this research. Your assistance in facilitating the same will be highly appreciated. Thank you in advance for your co-operation.

Yours sincerely,

Anne Njonjo.

Appendix ii: Questionnaire

SECTION A: BACKGROUND INFORMATION

Respondent details:

1. Position you hold within the company.....

2. Gender

a) Male b) Female

3. Please indicate with a (√) your highest level of education?

a) O level [] b) A level [] Certificate []

c) Diploma [] d) Bachelor's Degree []

e) Master's Degree [] f) other, please specify _____

4. Years of Service in the organization?

a) Less than 5 year (b) 5 -15 years

(c) 15- 25 years (d) above 25 years

5. Please indicate the number of years your company has been exporting fruits in refrigerated containers

(a) Less than 5 years (b) 5- 10 years

(c) 5-10 years (d) Over 10 years

6. Please indicate the number of 20 ft' reefer containers that your company exports on a monthly basis

a) 1 - 10 monthly (b) 11- 20 monthly

(c) 21- 30 monthly (d) above 30 monthly

7. How many shipping firms do you use for your export needs?

(a) one

(b) 1 – 5

(c) Over 5 shipping firms

SECTION B: MARKET ORIENTATION ACTIVITIES BY SHIPPING FIRM

Here are some statements as regards the market orientation activities by shipping firms. On a scale of 5- 1 where 5 = strongly agree, 4= agree, 3 = neutral, 2 = disagree, 1 = strongly disagree. Please indicate your level of agreement with each statements by

Market orientation activities by shipping firm	5	4	3	2	1
Consistent transit time					
Courteous and professional staff					
Information on status of transported goods					
Timeliness and getting back to you when needed					
Corrective action when a service failure occurs					
Honoring promises made to customer					
Knowledge and expertise needed to meet customer needs					
Availability of desired equipment					
Clear, complete and accurate information and quotations					
Competitive pricing in relation to other shipping firms					
Sales person keeps you advised on latest technology available					
Ease of using web based tools					
Offering new products and services for exporters					
Anticipating future needs					

SECTION C: MARKET ORIENTATION

Below are a number of statements regarding the extent of market orientation in organizations. Please indicate how your company rates on each statement

(1)Customer orientation

Description	Not at all	Small extent	Moderate	Large extent	Very large extent
Shipping firm conducts regular customer surveys to gauge our level of satisfaction and commitment					
The shipping firm satisfies our needs better than competition					
Meeting our export needs is the most important objective for shipping firm					
The shipping firm provide services that are value for money					
The shipping firm provides after sale services					

(ii) Competitor Orientation

Description	Not at all	Small extent	Moderate	Large extent	Very large extent
We regularly share Information with the shipping firm concerning what other shipping firms are offering.					
The shipping firm is quick to respond to strategies used by other competing shipping firms					
The shipping firm offers unique services compared to the others					
Managers from the different department in the shipping firm regularly interact with us to identify how they can better meet our needs.					

(iii) Inter-Functional Co-ordination

Description	Not at all	Small extent	Moderate	Large extent	Very large extent
We freely communicate information about our successful and unsuccessful customer experiences with the shipping firm					
The shipping firm different departments are Integrated in ways that meet our needs as exporters					
All staff working with the shipping firm are eager to offer assistance to customers					
The different departments within the shipping firm work hand in hand to jointly solve customer problems					

SECTION D: MARKET ORIENTATION ACTIVITIES THAT EXPORTERS VALUE MOST

Here are some statements with regards to level of importance you attach to the factors below before exporting fruits in refrigerated containers. On a scale of 5- 1 where 5 = very important, 4= important, 3 = neutral, 2 = little importance, 1 = unimportant. Please indicate your level of agreement with each statements.

Description	5	4	3	2	1
Courtesy from staff					
Prices of the services offered					
Availability of information on the status of transported goods					
Equipment availability					
Transit time					
Corrective action taken when a service failure occurs					

Thank you for your time

Appendix III: Key Exporters of Fruits and their Location

	NAME OF COMPANY	LOCATION
1.	Frigoken	Nairobi
2	Indu Farm Epz Ltd.	Nairobi
3.	Kandia fresh	Nairobi
4.	Kenya Horticultural Exporters	Nairobi
5.	Makindu growers and packers	Nairobi
6.	Mboga tuu	Nairobi
7.	Sacco fresh	Nairobi
8.	Sian Exports (k) ltd	Nairobi
9.	Vegp	Nairobi
10	Wamu Investments ltd	Nairobi
11	Interveg exports ltd	Nairobi
12	Fresh Approach ltd	Nairobi
13	Agventure ltd	Nairobi
14.	Keitt exporters ltd	Nairobi
15	Emke commodities	Nairobi
16	Kakuzi ltd	Thika
17	AAA Growers ltd	Nairobi
18	Value pak foods ltd	Nairobi
19	Afya fresh	Nairobi
20	Freshpak Horticultures ltd	Nairobi
21	Reap Horticultural Exporters	Nairobi
22	Evergreen Crops ltd	Nairobi
23	Benvar Estates Ltd	Nairobi
24	Wilham (K) Ltd	Nairobi
25	Haraf Farm ltd	Nairobi

26	Rubi Ranch Fresh Exports ltd	Nairobi
27	Keitt Fresh Ltd	Nairobi
28	Raayan Exporters Ltd	Nairobi
29	SunMango ltd	Nairobi
30	From Eden Ltd	Nairobi
31	Athi Farm exportes	Nairobi
32	EverFresh Produce ltd	Nairobi
33	Kenya Fresh Produce Exporters	Nairobi
34	Fresh and Juice ltd	Nairobi
35	Shree Ganesh Fruits and Vegetables	Nairobi
36	East African Growers	Nairobi
37	Spring green Ltd	Nairobi
38	Pino Agencies	Nairobi
39	Freshken Agroducers	Nairobi