



**THE RELATIONSHIP BETWEEN MARKET ORIENTATION AND ORGANIZATIONAL
PERFORMANCE AMONG MICRO BUSINESSES IN THE FOOD INDUSTRY AT
DESA ILMU SAMARAHAN**

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ABSTRACT

The research on the relationship between market orientation and organizational performance has become a crucial topic among the researchers in previous years. Unfortunately, there is still little of research conducted on this topic in the food industry in Sarawak and there are differences of opinion from the previous research. This research addresses the relationship between Market Orientation and Organizational Performance among Micro Businesses in the food industry at Desa Ilmu Samarahan. According to the literature review developed four hypotheses that can be tested in the research. The descriptive research design has undertaken and 60 respondents were in the sample. After distributed the questionnaire, there were 54 questionnaires were returned and completed. The data analyzed by using SPSS software version 16.0. The results show that all variables are positively correlated and able to measure the Organizational Performance. While, Social Benefit Orientation has the highest influence on Organizational Performance. The recommendation from respondents was discussed based on their answer at section C in questionnaires. Most of them suggested they have to focus more toward customer orientation.

The conclusion and recommendation of the study are made based on the data analysis and the ideas that can help the researchers, Marketers or micro businesses to develop the strategies to enhance the performance in future.

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CHAPTER 1

INTRODUCTION

1.1 Background of the Study

This chapter introduces the topic that is covered by the research. The purpose of this chapter is to describe the research and its contents. It starts with the background, identification of the problem, the reason why this topic was undertaken, the objectives of the study, scope of the study, concluded with the significant and limitation of the study.

Nowadays, each or every organizational need to pay more consideration in order to be more competitive and make more profit through satisfying the customer's needs and wants. Besides, it is to maintain the profitable relationship with the customers as there would be harder to survival within the industry if they do not have to consider the customers' needs and wants. Furthermore, the customers now are more knowledgeable and rational to compare their past experience. They always have a higher expectation level of the satisfaction from the organization by fulfilling their needs and wants with the new products or services. Therefore, the organization should give some commitment in order to satisfy the customer's needs and wants. They can implement their business strategies and policies by identifying what are the customer expectation from the organization.

The concept of market orientation becomes a crucial strategy for the organization to stay competitive in the current modest and uncertain business environment (Goldman & Grinstein, 2010). The market-oriented organization has performed better than the organization that is less of market-oriented. They focused on the adapting their products and service that can fulfill the customer's needs and the expectation from customers. The organization following the market orientation to go along with the open system which allows them to have an active interaction with the external environment.