



# The Effect of Market Orientation, Innovation and Customer Loyalty on Firm's Performance (Case Study: Islamic Clothing Manufacturing Company)

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## ABSTRACT

The main aim of the present research is to investigate the market orientation, innovation and loyalty of the costumers with performance of Manto manufacture as Islamic clothing; in order to obtain this aim; all of the personnel of different units of this manufacture are formed as research statistical population for data collection. In the present research, all members of community have been investigated. The main variables of the research are including: market orientation, innovation performance, innovation degree, and customer loyalty and operation performance. In this research, for collecting the data relevant to the under studied variable, a standardized questionnaire in the international researches was used and for studying the relationship between the research variables and hypothesis test, the path analysis model have been used. To analyze the research data and hypothesis test indicate that in this Islamic clothing manufacture increase in innovation degree was due to increase in market orientation and this subject will lead to the better innovation performance in the company; result of innovative performance growth of the company is including the increase in costumers' loyalty that finally it will lead to increase in operation performance.

**KEYWORDS:** market orientation, innovation, customer loyalty, operation performance, Islamic clothing.

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## INTRODUCTION

Today, understanding and anticipation of customer is needed for enterprise to gain competitive advantage and market classification. Customer is declared as the key factor in strengthening the organization and orientation of all purposes. Strategies and resources around the axis are to attract and retain the customers. Given the daily intense competition in the market to respond to the needs of customers with the purpose to satisfy and to create loyalty within them is more important and manufacturer of Islamic clothing must emphasize to retain their current customer and to create a long-term and profitable relationship with them. The main point of retaining customer is that it must continuously provide superior value to customer satisfaction. Today in business it is noteworthy that the customer satisfaction is not enough and should not only rely on customer satisfaction, but in addition to satisfaction, it should also consider customer loyalty. Therefore, customer loyalty is key business success of the organizations this means that with increase of customer loyalty it can be expected that there is increase in market share and enterprise profitability. Two important issues that have an impact on the customer satisfaction and loyalty is the company's attention to marketing and innovation in products and services provided to customers. This issue shows that a winning formula has more innovation along with widespread marketing. Innovation is not only for creating new and better products but to develop better systems and new concepts of business. Innovation is to create, adopt and implement new ideas, products and services [26]. Marketers play a vital role in development of innovations; estimate their potential capacity and identifying the combination or their features and programs to offer new products and confirming it [20]. In recent decades, fundamental changes has occurred in the market due to the progress and development in technology and information technology and communications [21], has persuade the Islamic clothing companies to think about guidelines to increase their maintained competitive power. One of the critical elements of success in the world of competition and retaining company's survival is the ability in successful marketing of products and services [33]. Marketing can be useful to direct objectives, strategies and programs of companies and to provide accessibility and better performance and greater share of the market [44]. Businesses to gain benefit over their competitors and attract and retain customers have no choice but to enhance their marketing capabilities [19]. In other words, we can say that intensive competitive environment lasting condition in each market is innovation and it requires acceptance of the principles of competition and has led to the importance of market orientation instead of product orientation. This issue today is considered especially garment manufacturers that are used by Muslim consumers especially Manto consumers, because this type of clothes has the maximum market share in Islamic countries such as Iran, since they must compete with other producers at domestic and foreign level to stay in the market. Daily, the number of Muslim women in different countries is

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also added who welcomes this type of clothing. Thus, market orientation is a prerequisite successful operation of business hence, garment manufacturers of Islamic clothing can with regard to market orientation and innovation provide a better value to consumers and thereby promoting the customer loyalty which enables the companies to achieve competitive advantage compared to other companies and thus to obtain better performance than the rivals. Map of the world Muslim population has been compiled as a result of extensive research in America shows that world Muslim population has reached to one billion and 570 people and in other words, nearly one in every four person in the world is a Muslim. Two billion and 250 million people of the world population are Christians and Muslim number is rapidly reaching close to Christians. This issue increases the importance of conducting the research which promotes the vision of active companies in the field to eliminate the needs of this group. Therefore, the main research question is whether market orientation, innovation and customer loyalty influences on operation performance in a Manto manufacturing company.

## **Theoretical background**

### **What is market orientation?**

Market orientation can be thought about to be related in the 50's when Peter Drucker (1954) introduced customers as a major factor of conservation organizations. In later years, Drucker's statement was supported by other researchers and slowly research was done in the field of market and marketing [42]. Philosophy of market orientation is based on the principle that to achieve organizational goals must pay attention to the market needs and demands and to provide better and more efficiency for customer satisfaction than other competitors [11]. Therefore, based on this philosophy the organization adjust its product types based on consumer demands and customers and in this manner satisfy the demands and needs of the customers and gains profits[36]. The central value in market orientation is that prepares the organization in dealing with new business situations and can obtain the necessary information from the market and prepare itself to meet the market needs [22]. This type of culture of market orientation as a competitive advantage is in discussion for organization when it is not duplicated, rare and valuable.

### **Comprehensive model of market orientation**

Lado & et al., (1998) have provided a broader definition of market orientation and stated that market orientation is a concept that as well encompasses competitive strategy in all fundamental areas and organization level must also include various elements of the market. These elements either market forces includes final customer, intermediary customer (distributor), competitors and environmental factors. According to this definition, market orientation is stated as a strategy used to achieve sustainable competitive advantage. To create and maintain competitive advantage, companies manufacturing Islamic clothing other than analyzing customer must also analysis the competitor, environment and markets. Therefore, market orientation is composed of nine levels:

**Analysis of final customers:** The final customer determines the winner of competitive strategy. Some researchers showed that customer-oriented companies are more successful because their only limited sources are life cycle, competition and clients.

**Analysis of intermediary customers (distributors):** The first foreign customer makes a company. They make it possible the access to products and services for final customers and meet the demands and also evaluate the demand through promotional activities, transfer of cognitive images of companies, cognitive product images and profitability effect of companies.

**Competitor analysis:** Are the organizations that prevent from creating satisfaction by organizing in market? They are important modulators of company performance. Because of this reason competitors are considered as the most influenced factor in competitive strategies.

**Analysis of market environment:** An external phenomenon exists that can affect the organizational effectiveness. As organizations been an open system which cannot support itself. Therefore, environment is one of the main factors in selecting strategies.

**Strategic activities:** Strategic activities leads companies to the markets competition and macro-environment will result in inter-functional coordination based on intelligence of market. These measures seek to meet market needs and also company needs, therefore companies measures is distinguished by their prediction, responding to them and to meet the expectations in profitable sector. Company's strategic activities include the following:

- Strategic activities for final customers
- Strategic activities for intermediary customers (distributors)
- Strategic activities for competitors
- Strategic activities for market environment

**Inter-functional coordination:** Inter-functional coordination ensures from the participation of organization units in the creation of value for sector where the organization target and rapid response to demands. Inter-functional coordination is an important element because it facilitates the transfer of experience and organizational learning. As well as main prerequisite has distinguished for organization orientation towards customer and market and considered as a means for communicating market expectations with the organizational unit design, production organizational unit and organizational unit for delivering products or services. It is argued that the inter-functional coordination will follow production, publication and information used [24].

### **Production performance**

In today's competitive world, manufacturers need to produce innovative products and innovative methods to determine performance measure [5]. In measurement of production performance, usually manufacturers compare themselves with other manufacturing factories in the industry and with parameter such as customer satisfaction, product quality, and quick delivery of orders, productivity, production flexibility and variety in production line. Selection of a range of performance scale appropriate with a company should be done with regard to company's strategic goals and the competitive world [16]. For example, if the technical leadership and product innovation be the basis of competitiveness of manufacturing companies, performance should also be evaluated in this field in comparison to competitors, and if the differentiation advantage in service is a base of competitive advantage, than monitoring and controlling the desired level of quality can be the performance scale [1]. On the other hand, production performance include product quality, flexibility and on time delivery. Therefore, companies manufacturing Manto should pay special attention to their production performance.

### **Relationship between market orientation and performance**

In recent years, interest to investigate market orientation and their relationship with business performance of companies are still seen. Business magazines are full of articles which support the acceptance of concept of market orientation through companies [36]. Many studies indicate a direct relationship between market orientation and firm's performance [6, 18, 28, 29,30,34,41 and 45]. Thus, in this research the researcher intends to examine the following hypothesis in Manto manufacturing companies.

H1: market orientation is positively associated with firm's production performance.

### **Innovation**

Innovation or invention is to make practical the ideas and new ideas achieved through creativity. Innovation is the process of getting creative ideas into products, services and new methods of operation. Change is creating anything which differs from the past. But innovation is the adoption of new ideas for organization [15]. Thus, innovation is a kind of change but any change cannot be called innovation.

### **Innovation Degree**

As long as the concept of market orientation considered the result of information about the present and future needs of the customers, competitors flow and environmental factors control, market orientation provides market intelligence and it is an important source of information for new products and services. One of the researchers reports that the quality communication with customers provides valuable information to create new products [7]. Also another researcher reports a significant positive correlation between multi-dimensional criteria of innovation and organizational performance in the service industries [38 and 11] reports a positive correlation between the degree of innovation and economic performance in Japanese companies. A number of researchers in the field of market orientation state in an article that it is the possibility that company's strategic direction at least lead to higher performance because innovation be bought to the market [12]. Although being market-oriented may lead to overall benefit for company's marketing activities ability to bring new products to market may be criticism. Also, market orientation is an important determinant of innovation. According to scientists of management success of innovation depends on company's market orientation, particularly about the trends in customer having relation with the needs and demands of customers and ability for appropriate respond to them for successful innovation is necessary[43 and 46]. In addition, market environment based on product innovation is more competitive than other services. Therefore in this part relationship between market orientation, innovation and operation performance is strong [27].

### **Innovation performance**

In many examples, new products results from inter-marketing coordination and other business sectors such as research and development sector. Also, control and monitoring on competitors and close relationship with the distributors are key factors to create new concept for new products. As these issues are reflected in the aspect of market orientation related to final customer and environmental analysis it can expect a direct relation to market trends and new product performance [31 and 39]. The non-symbolic analysis factors determining the success of new product some of the researcher have distinguished activities related to market orientation as one of the four important factors that identify the success and failure of new products [27]. Successful company's manufacturers of Islamic clothing offer better products that meet customer demands and needs. They also have strong marketing knowledge and skills to create and deliver new products to market. As a researcher summarizes through his research results states that 'Strong market orientation for success and reduce the time cycle is critical'. Degree of innovation, performance innovation and firm's performance are all connected. Some researchers have investigated that whether the rate of innovation a company considers does it determines the level of success of new product [8 and 7]. Academic findings show that the degree of innovation of companies is related to the performance of their new product [11, 27 and 35]. As a result, companies manufacturing Islamic clothing especially Manto which offers more innovations have more possibility of success. Recent research shows that increasing level of innovation is associated with higher performance.

### **Relationship between market orientation and innovation**

As mentioned above, innovation consists of two dimensions of innovation performance and degree of innovation where both have influence on the market orientation. In many studies Market orientation and innovation report significance relationship (2, 32, 43 and 46). Therefore, the researchers tend to examine the following hypothesis:

H2: market orientation is positively associated with innovation performance.

H3: market orientation is positively associated with degree of innovation.

#### **Relationship between innovation and performance**

If innovation is known as a process to create new thinking and its transformation to action and usefulness in organization this application appears as innovation in process and product. Managers can design new work environment in a way which stimulate innovation and constant flow of new ideas presented. They can also act so that new ideas emerging in business process are modified and implemented [43]. The relationship between innovation and performance was investigated in many researches [3, 11, 17 and 27]. Therefore, companies producing Islamic clothing especially Manto can through market orientation and innovation provide superior value for Muslim consumers and lead to customer loyalty that this issue enables the company to achieve a competitive advantage compared to other companies and have better performance than the competitors.

H4: Innovation performance is positively associated with firm's production performance.

#### **Loyalty**

In the today hyper competitive market environment, with regard to the globalization, rapid market entry of new products and many products and services maturity condition, attaining a higher level of customer loyalty has emerged as the most important managerial concern [27]. Customer loyalty is an important goal for strategic marketing planning and offers an important basis for developing a sustainable competitive advantage [4, 14 and 23].

#### **Relationship between market orientation and loyalty**

According to literature review high degree of market orientation can leads to customer loyalty, which in the long run contributes to better business performance. The high degree of market orientation has caused customer loyalty with a better long-term economic performance [27]. On the other hand, it is expected that customer loyalty is a positive effect on business economic performance whereas market oriented companies have many satisfied customers and therefore has a high rate of repeated purchase [45, 13, 18, 25 and 40]. In this study, the researcher intends to examine the following hypothesis:

H5: market orientation is positively associated with customer loyalty.

#### **Relationship of loyalty and performance**

In a world, where power is towards consumer, the concept of marketing shows that the growth and survival of any organization is subjected to satisfying the needs of customers quicker and better than competitors. Market orientation as an application of this concept due to this reason the organization has paid attention to customer because of the anticipation of demand on production and increased competition among manufacturers the customer can chose and lack of attention to customer causes the destruction of any business, therefore having loyal customers is a way to have better performance and Manto manufacturers must also pay special attention to this issue.

In many researches the effect of loyalty on the relationship between market orientation and performance were studied [9,10,27 and 40]The result presented in some of these articles confirm states that market orientation not only has a positive effect and strong on business performance but also an indirect effect due to moderating role of customer loyalty [10].

H6: Customer loyalty is positively associated with firm's production performance.

In this study, the performance role of innovation and loyalty as moderating variables in relationship between market orientation and performance and as well as role of innovation performance as the moderating variable in relationship between degree of innovation and performance will be examined. The moderating variable is said modulator when it arrives as direct connection it should be destroyed (full effect of adjustments) or reduce it significantly (partial effect of adjustments) [27]. Thus, the following hypothesis about the companies will be studied:

H7: the impact of market orientation on firm's production performance is at least partially mediated through innovation performance.

H8: the impact of market orientation on firm's production performance is at least partially mediated through customer loyalty.

H9: the impact of innovation degree on firm's production performance is at least partially mediated through innovation performance.

### **RESEARCH METHODOLOGY**

The research methodology is an application because the expected result of it can be in the process of upgrading the performance of companies manufacturing Islamic clothing and methods of dealing with market in any business were employed. This study is a non-experimental research and from type of correlation. In non-experimental research, study is done on the relationship between variables which are not manipulated and consist of causal-comparative study or retro-event study and also correlation study. The study of correlation studies the relation between two or more variables and the researcher by using this method can consider the relationship between several variables simultaneously with a variable. Therefore, research methodology is a correlation type and from where the survey data related to the period of time is the type of cross section research is considered.

#### **Data collection measures**

Standard questionnaire in international studies taken from Medyo and Lado research (2003) is used in this study for data collection in the field of market orientation, customer loyalty, innovation degree, and innovation performance. Initially

this questionnaire were translated from English to Farsi and then an editor has revised it in Persian language and after confirming the content validity reaction through experts in the field has been used to collect data for research. In this research according to table 1 production performance was measured by six items.

Table1) operation performance items

Operation performance items comparing to the best competitor of this firm	
1	Product cost price
2	Product quality
3	Inventory turnover(circulation of construction product)
4	Flexibility in changing product volume (production line capability in producing different volumes)
5	Flexibility in changing product diversity(production line capability in producing different products)
6	Production cycle(length of product producing)

**Validity and reliability**

Validity means measurement that can measure the features of desired size. To set the questionnaire, research literature and national and international standard questionnaire which are derived from scientific research articles are used. Due to this reason, the questionnaire has appropriate validity because it is recognized by a group of researchers and experts at national and international level. Reliability is related to stability means a measuring instrument which shows the internal consistency and compatibility concept to measure. Stability means to achieve same answers and internal consistency of measuring tools means that respondents must consider the same meaning for each component. In the present study, to assess the questionnaire reliability, Cronbach’s alpha coefficient of reliability in internal consistency 0.889 method is used. Note that minimum coefficient of reliability is 0.7 in research questionnaire, thus it can be concluded that the questionnaire used in this research is of high reliability. Also for each variables Cronbach’s alpha is calculated which are listed in table 2.

Table 2: Cronbach's alpha coefficient to separate variable under study

Variable	Cronbach’s alpha
Market orientation	0.790
Innovation degree	0.811
Innovation performance	0.779
Loyalty	0.798
Production performance	0.886

**Statistic population of research**

In this research, personnel of production units, administrative, financial, marketing, quality control, warehouse and designing a company manufacturing Manto in Yazd, the population statistics are made up of 64 individuals. In the present study all members of the society are studied. In other words, researcher instead of sampling has achieved through census.

Table 3: describes the demographic characteristics

	Frequency	%
Gender	Male	22
	Female	78
Marital status	Singe	42
	Married	58
Age	Less than 20	64
	21-30	18
	31-40	14
	41-50	3
Educational level	51 years above	1
	Diploma	41
	Bachelor degree	50
	Master degree	8
Experience	PhD	1
	Less than 5	58
	5-10	30
	11-15	9
Department	16 years above	3
	Operation /Production	50
	Accounting/ Finance	9
	Human resource	18
	Procurement and purchasing	14
	Marketing/ Business	9

As table 3 shows the analysis of data obtained from the questionnaire. Responses show that 50 respondents which are about 78 percent were females and 14 respondents which are about 22 percent of them are males. 37 respondents that are 58 percent are married individuals and 27 number of respondent that is about 42 percent of them are single individuals. Also, about 64 percent of the respondents are under 20 years of age. The majority of respondents have bachelor's degree and the one with Ph.D. degrees is the lower volume of population. The majority of respondents that is about 58 percent of them consists of people with less than 5 years of work experience and been the lowest volume of population, about 3 percent are individuals with work experience 16 years above. In addition, 50 percent respondents are individuals working in operation/production unit. The number of people in accounting/finance unit and marketing/business has answered the questions which were same and the remaining people are working in human resource and procurement/purchasing units.

#### Data Analysis

In this study, descriptive analyses were used to test research hypothesis in the route analysis due to the use of moderating variables. Path analysis applications of multiple regression variables in relation with distinguish development of causal models. The aim of research is to obtain quantitative estimates of causal relationship between a set of variables. Relationship between variables flow in a path and considered as distinctive path. The concept in path analysis is explained through path graph which appears in the possible causal links between variables.

To prepare the path chart the names of the variables are written and from each variable an arrow is drawn to another variable which believes to have effect on it. The first step in path analysis is to determine a pre-experimental structural model that all variables of interest of researchers are considered. In this process, initially a causal hierarchy stated where some variables may be due to other possible variables but it cannot be effective. In other words, the ranking of variables is in a way that the variable ranking high are located in this hierarchy maybe due to the lower-order variable but it is unlikely that lower variables is due to the higher variables.

### RESULTS

The result of data analysis for the first hypothesis shows that the ratio between market orientation and firm's production performance is 0.19 and significant level is equal to 0.401, therefore, hypothesis 1 is not confirmed (significance level should be below 0.05), so in this study statistic population market orientation does not have a direct effect on performance and can look for intermediate variable. The result of data analysis for H2 shows that the ratio between market orientation and innovation performance is 0.22 and P value of 0.108, it can be said that there is a direct correlation between these two variables. That is, high degree of market orientation causes the increase of innovation performance. Data analysis about third hypothesis shows that the ratio between market orientation and degree of innovation is equal to 0.34 and P value of 0.037, and then there is a direct correlation between these two variables, it means high degree of market orientation increases the degree of innovation. The result of data analysis for H4 shows that the innovation performance does not affect directly on production performance ( $P=0.212$ ), therefore the fourth hypothesis is rejected. It should be noted that innovation performance can through intermediary variable of customer loyalty has an influence on performance because eventually based on data obtained from statistic population; the innovation performance causes to increase customer satisfaction and their loyalty to the manufacturer of Manto. The ratio between market orientation and customer loyalty is equal to 0.36 and P value of 0.029, it can be said that there is a direct correlation between these two variables and high degree of market orientation increases customer loyalty. Hence, it can be concluded that the fifth hypothesis is confirmed by the research. The result of data analysis shows that increase in customer loyalty causes increase in firm's performance. Hence, the sixth hypothesis is confirmed by the research.

According to the data analysis the correlation between innovation performance and customer loyalty ( $P=0.00$ ) and relationship between loyalty and production performance in the manufacturing company of Manto ( $P=0.000$ ) are confirmed. In this model, CFI=1 (comparative fitness index) show that the fitness of model is appropriate, the value of RMSEA=0 (PCLOSE=0.511) shows that the square root estimation of variance approximation error is very small and has a good fitness of model. Therefore, we can say that increase innovation performance through customer loyalty intermediate variable (indirectly) has an impact on firm's performance.

A positive relationship between market orientation and innovation performance is confirmed ( $P=0.027$ ) and the relationship is not confirmed between innovation performance and firm's operation performance ( $P=0.224$ ). Hence, the seventh hypothesis is rejected. Means that market orientation indirectly through an intermediate variable of innovation performance does not have effect on firm's performance. And also the result of data analysis shows that the correlation between market orientation and customer loyalty ( $P=0.012$ ) and also correlation between loyalty and firm's production performance is confirmed ( $P=0.00$ ). In this model, CFI=1 show that the fitness of model is appropriate, RMSEA=0 (PCLOSE=0.699) shows that the square root estimation of variance approximation error is very small and has a good fitness of model. Therefore, the eighth hypothesis is confirmed, it means that increasing market orientation through customer loyalty intermediate variable (indirectly) has an impact on firm's performance.

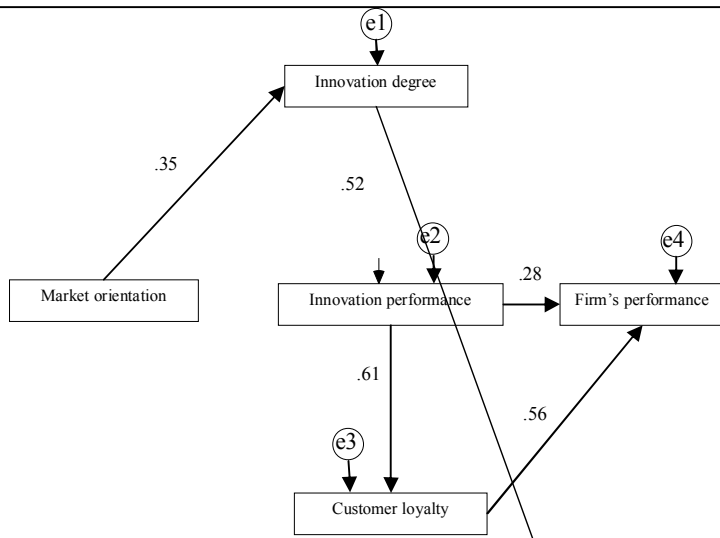
For the ninth hypothesis of this study data analysis shows that a positive correlation between degree of innovation and innovation performance is confirmed ( $P=0.00$ ), and the correlation is not confirmed between innovation performance and firm's performance ( $P=0.00$ ). In this model, CFI=1 show that the fitness of model is appropriate, RMSEA=0 (PCLOSE=0.712) shows that the square root estimation of variance approximation error is very small and has a good fitness

of model. Hence, the ninth hypothesis is confirmed, meaning that degree of innovation indirectly through an intermediate variable of innovation performance have effect on firm's operation performance.

### **DISCUSSION**

Finally, with regard to the mentioned content and study of the relationship between variables it can be stated that market orientation with degree of innovation, degree of innovation with innovation performance and innovation performance with firm's performance and innovation performance due to loyalty has a relation with operation performance. Therefore, the final model can be presented as follows and study the suitability of the indicators.

Figure 1: Final research model





In this model all relationship are confirmed and suitable indicators of the model such as CFI=1 and TLI=1.03 and PCLOSE=0.7 and RMSEA=0 shows good fit of model is suitable.

This model shows that based on company's employees viewpoint increasing market orientation increases the degree of innovation and this issue upgrades the company's innovation performance. The result of increasing innovation performance of company is better firm's performance and also customer loyalty. It should be considered that if the variables of degree of innovation and innovation performance are not considered the relationship between market orientation and firm's performance of group manufacturing Manto can be stated based on the model related to the eighth assumption that this model shows growth of market orientation directly increases customer loyalty and ultimately performance.

Based on final model and data analysis of the research for company's manufacturing Manto can be concluded that employee of company believe that to enhance the performance level should initially effort to be done to maintain and increase company's customer loyalty level and innovation performance and open ways for the growth of market orientation which causes an increase in degree of innovation in the company and ultimately expect higher innovation performance.

## Conclusion

In the present study, the relationship of market orientation with innovation performance has been confirmed. Therefore, it is suggested to pay more attention to manager of companies manufacturing Islamic clothing such as Manto that to achieve excellence indicators in innovation performance such as sales growth, market share, sales volume and profitability to promote market orientation using indicators defining organizations market orientation such as end-customer analysis, suppliers analysis, competitor analysis, environmental factor analysis, as well as inter-functional coordination and strategic activities of organization. In the present study, the relationship of market orientation with degree of innovation has been confirmed. Therefore, it is suggested to manager of companies manufacturing Islamic clothing such as Manto that to promote rate of new product introduction than competitors, number of new product line and changes in production line or product itself as indicators of degree of innovation in organization at the top of strategic and operational plans and also an effort to increase the market organization of organization should keep track to gain competitive advantage in the market. In the present study, the relationship of market orientation with loyalty has been confirmed. Therefore, it is suggested to manager of companies manufacturing Islamic clothing such as Manto that to achieve loyal customers the level of market orientation is improved in the organization to take steps in order to retain the current customers according to the literature of marketing management is less expensive than attracting new customers. In present study, the indirect effect of market orientation (adjusted by customer loyalty) is approved with relative evaluation of firm's performance indicators. Therefore, it is recommended to managers of companies manufacturing Islamic clothing such as Manto that if they want to improve the company's performance indicator through being market oriented should conduct useful activities to increase the number of loyal customers. Note that in the present study the relationship of customer loyalty with operation performance has been confirmed. Therefore, it is suggested to manager of 3231 manufacturing Islamic clothing such as Manto that to emphasize on strategies to increase the loyalty of existing customers and way to maintain and customer growth in organization and any defects leading to the loss of these customers should be avoided. Because attracting loyal customer satisfaction would act as a powerful weapon against the competitors. Finally, it is proposed that the managers of this company manufacturing Manto by using the results of this study as a research and practical applications can rely on high level of market orientation and innovation of organization enable them to retain their loyal customers. As a result implementing of this strategy will improve the firm's performance of the company in manufacturing Islamic clothing. Also, research performance with these indicators and criteria in a set of companies manufacturing Islamic clothing in the country and or comparative research with similar indicators in between various competitors in this industry as an interesting research topic can provide an effective results in promoting the vision of managers and policy makers.

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