

Market Orientation's Impact on Customer Consent due to Total Quality Management Attitude

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ABSTRACT

Nowadays, science development and immense organizational transformation, it seems an urgent needs to implement sciences in business fields. Total quality management has been suggested as an appropriate method of managing business and organizations. For permanent presence in development and competence, attempt and manipulate innovative management methods that among all Total quality Management is the most applicable one. Numeral researches have been executed due to market Orientation's impact on customer satisfaction and business performance that lead to excessive inclination in collimation of companies to market, regardless of integrators of company and their product. This approach show that indirect impact of market Orientation and presence of total quality management performance is rather than direct impact on consumer satisfaction in financial foundation. Based on these results, more market orientation performances, unlike other researches in this field, have no impact on consumer satisfaction. Those, market orientation performances will lead to consumer satisfaction improvement only by presence of total quality management system.

KEYWORDS: Market Orientation, Total Quality Management, Business performance.

1. INTRODUCTION

Today's complete customer satisfaction is the main goal of many organizations. The organization is top in such a sense of satisfaction and loyalty of its customers to maintain the profitability of companies is very crucial. Therefore companies must constantly seek ways to create a good competition to attract and retain their customers in the customer satisfaction in the measurement and evaluation, including those that are expected to pay more attention to it (Asadollahi et al., 2011). Today, Quality is a widely known word and is of great concern by consumers. Since consumers came move about quality than before and appreciate those products that have the most impact on their satisfaction. Therefore, Organizations adapt their organizational construction based on customer demands. As we know, success of companies and Institutes is upon on elaborative recognition of customers and constants and other influential factors today (Nayebzadeh Shahnaz, 2013). On one hand, constants seek for occupying move customers for them and in this took, they do not indulge Andy attempt. Besides, any change on market terms and governing rules such as technologic variations, rules and so on can influence on the successful process of institutes in the market and recognition and prediction of these factors and proposing an appropriate solution to overcome them will have a key role on success of institute in the target market. In market orientation, the main function is fulfillment of customer satisfaction and all the performances should be align to fulfillment of customer demands.

2. LITERATURE REVIEW

By onset of 3rd millennium, many of statements in radical organizations find another definition. The word, customer, is not an exception in this variation, because this term do not merely embody a commence bargain. Information is easily available to customers, hence, companies and organization should pursue completion of customer demands and satisfaction and this is the main core of market orientation, that this matter has move emergence in the rival banking industry.

Four main statements have been proposed for market orientation:

1. Market orientation is implement of market resulted data throughout the organization about current demands and future of customers, development, and transformation of these data and aptitude throughout organization and making response to them in all the levels of organization (Kohli and Jawreski, 1990).
2. Market Orientation consists of three behavioral parts: customer based, constant orientation and integration and exchange of information among units plus two kind of decision- making, concentration on long term target and profitability (Narver, and Slater, 1990).
3. Market Orientation include a collection of beliefs and opinions that take customers into consideration to provide company' long – term profitability. Though it means taking other beneficiaries into consideration.

4. Market orientation is about prominent proficiencies in understand and Fulfilling customer satisfaction and demands (Narver, and Slater, 1998).

Moreover, Total Quality Management (TQM), is process concentrated on customer, Quality – oriented, and based on fact and relied on teams that organization head executive by constant elevation of processes governed to achieve the strategic goals (Mojoodi Amin, Sadat Najafizadeh Nadereh, Ghasemi Paria ,2013). Total quality management in addition to above – mentioned aspects introduces innovative thoughts to the organization, amongst acknowledge the demands and expectations of customer (customer- oriented), constant elevation of processes, Team work, eradication of problems and avoidance of their rise (Ljungstrom and Klefsjo, 2002). Total quality management emphasized on constant improvement of process and aimed to eliminate frequencies and flaws by elimination of main roots. Wilkinson describes total quality management in three simple statements that each indicator three constituent letters of TQM:

Total = inclusion of whole organization and cooperation.

Quality = actual fulfillment of customers demands and expectations.

Management = providing appropriate condition to implement total quality (Temtime and Solomon, 2002).

3. RESEARCH BACKGROUND

Variety of researches has been done to examine the relation between market orientation, extensive quality management, customer satisfaction and organizational performance.

1. Singh and smith (2004) examine the relation between extensive quality management and innovation. Model has been used in this research is as follows:

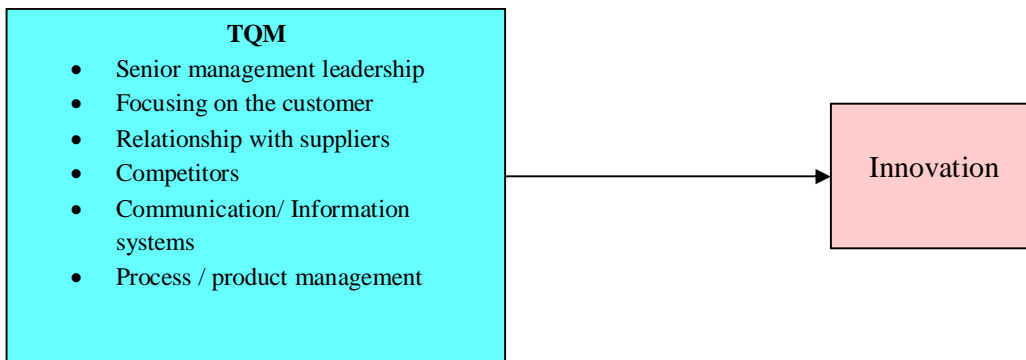


Figure1. Singh and smith's research model (2004)

The results show that extensive quality management causes increase of innovation through organization. Organizations need innovation for durability in the market and gain profitability (Zende Alireza Bafandeh, Mokhtari Zahra, Norouzi Davoud, Aali Samad , 2012). Extensive quality management elements like effective leadership, appropriate connection among employees, are in touch with perpetrators, Informational Company to implement innovation.

2. Hoang et al (2006) also examined the connection between extensive quality and innovation. They concluded either that extensive quality management causes enhanced innovation in organization. They argued that some element of total (extensive) quality management including guidance and management of people, operation management, strategic management and even organization have a positive impact on innovation.

3. Demirbag et al (2006) have analyzed influence of market orientation and total quality management upon organizational performance of small and mid- size companies. The results indicate that while market orientation has a positive impact on total quality management, it has no direct impact on organizational performance. He also observed a positive connection among total quality and organizational performance. He announced that impact of market orientation on organizational performance is due to interceding influence of total quality management.

4. Mele (2007) has been analyzed the existing connection among marketing and total quality management in the process of making value. The applied model here has been shown as follows:

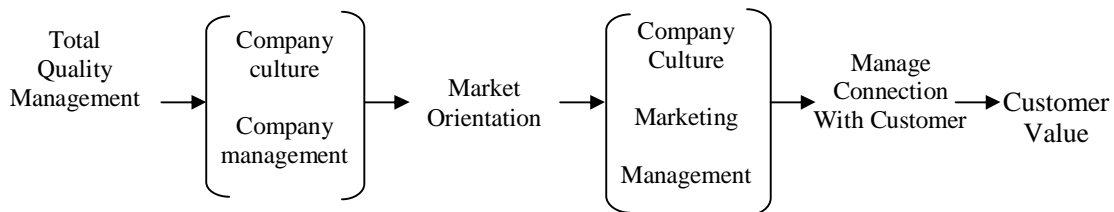


Figure 2. Mele's research Model (2001)

He unlike previous researches concluded that total quality management influence on market orientation. In fact, he introduced total quality management as a stand total quality management and market orientation have enhancement role in making value for customers.

5. Pinho (2008) has examined the influence of total quality management on organizational performance of small and medium companies and the enhancing influence among total quality management and market orientation to achieve worth of customers. He also like mele (2007) concluded that total quality management has impact on market orientation. Pinho (2008) found that total quality management constituents like measure meant of results, quality systems, educational programs of head managers and leadership measurements have an impact on customer orientation and performance of small and medium compares. Moreover, results indicate the innovation impact on organizational performance and influence of this customer inclination towards innovation but no connection has been observed between total quality management and innovation and among customer inclination and organizational performance either.

4. CONCEPTUAL MODEL

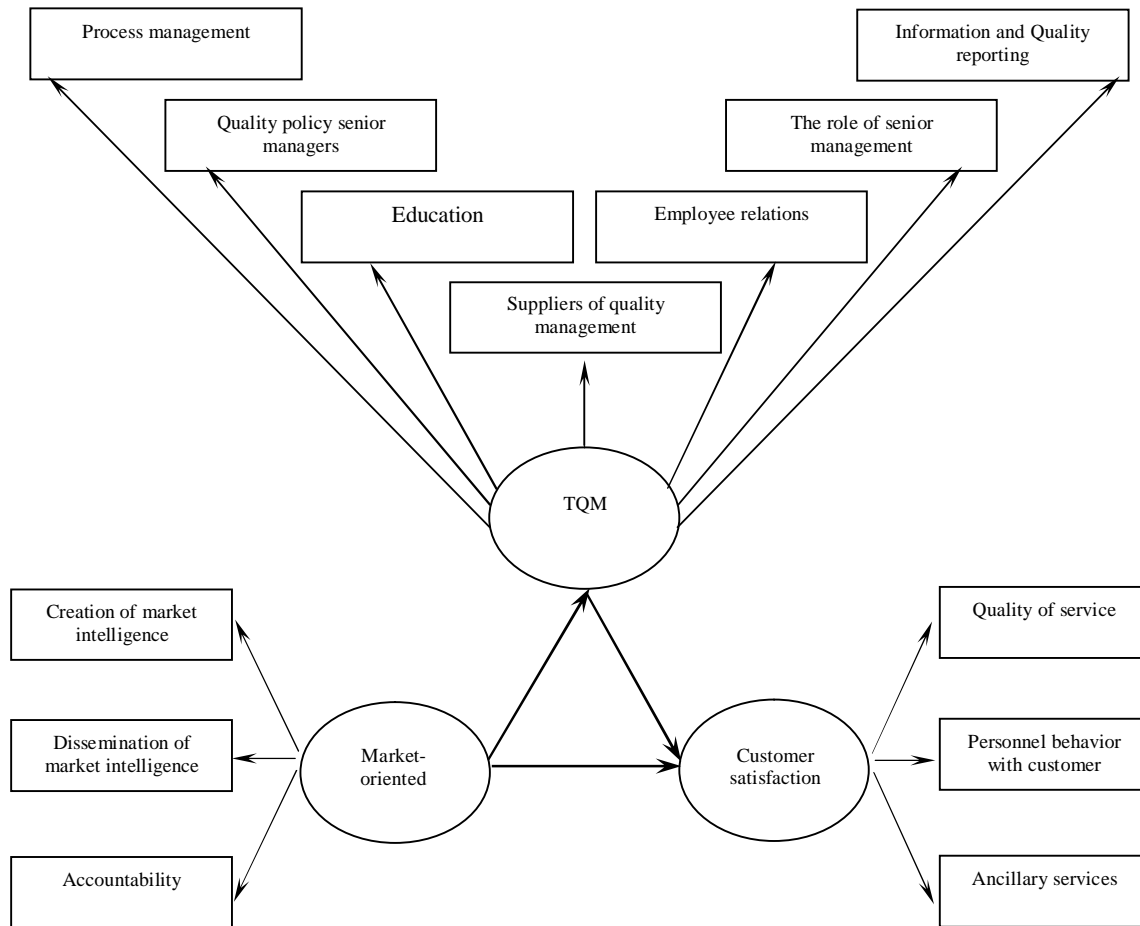


Figure3. Conceptual research model

5. MATERIALS AND METHODS

We can categorize researches based a different benchmarks. These benchmarks and foundations provided a situation that categorization can be done upon them. But we can say that research categorization generally can be done based on a goal and approach. This inquiry is considered as a goal based analysis that is generated based on some fundamental and foundational research that develops knowledge and thoughts on the whale. Current inquiry is a functional research and with regard to pattern based categorization considered as a calibration research which applies descriptive statistical methods to analyze data and results.

5-1. Sample volume

The Sample is a fraction of people in society that their characteristic accord wile those of society and is an index of it, in other words, that has a close homogeneity and integration with society. Here, sample volume has calculated by Cochran formula:

$$n = \frac{Z^2 pq}{d^2}$$

$$Z=1.96 \quad p=q=0.5 \quad d=0.07$$

The Accepted mistake here due to implicitly considered all the customers equal to 0.07. Based on this formula the number of our customers determined 196 but at last, 128 correct questionnaire accomplished and used as a base of research. About employees, 0.05 mistakes the volume determined as 132 persons.

5-2. Method and instruments to collect data

Data collection is a process that in which some special information collects from a group of respondent. For data collection, there are some methods and often apply as a way of data collection in a research. In this inquiry, we have used library studies and review of local and foreign scientific documents, and Internet, articles and thesis of the same kind and also used the questionnaire of liker style that is the most applicable methods of providing response to question packages. To evaluate rate of model with current facts in desired bank, we use questionnaire as a main tool for data collection. For market orientation measurement, we use a well-known questionnaire called MARKOR (Deshpande et al., 1993, 24) total quality management with Demirbag and leni questionnaire (Demirbag & et al., 2006.16) and customer satisfaction by Hali and colleagues' and kono questionnaire. The scale measurement of aforesaid questionnaire indexes is likret scale of 5.

5-3. Data Analysis

In this inquiry after data collection and categorization, by use of statistical software SPSS 18 and LISREL these data has been processed and the resulted findings have been described in different charts. In this research besides descriptive statistical methods like abundance chart, we have applied inference statistical methods. Since the variable studied in this research is a distant variable, so for determination of relationship rate between them, Pierson's correlation coefficient based on following formula has been applied:

$$r = \frac{Cov(X, Y)}{S_x S_y} = \frac{\sum \sum x_i y_i - n \bar{x} \bar{y}}{S_x S_y}$$

Also, we employed statistical experiments of constructional equations and factor analysis to examine main assumption.

5-4. Questionnaire Validity

Definition of credit is a response to this question that measurement tool to what extent measurement the desired characteristic, without knowledge about credit of measurement tool, we can't trust the accuracy of resulted data, so credit means that resulted degrees from measurement tool, are absolute degrees of characteristics that have been measured. If a questionnaire has not possessed required narrative aspect, the resulted findings can't be implemented and concluded.

5-5. Questionnaire constancy

One of the factors that should be noted is inquiry's constancy or trust capability, because trust capability is one of technical specialties of measurement tool. The aim and intention of measuring constancy is that the outcome of research has impressed application in diverse places and times and the experiment is authentic. In fact it is a constant research that its measurement tool is reliable and if this research has been implemented by other person or that person implement this research in diverse places and times again, same results will be achieved. In this research that main tool of measurement is related questionnaire, its constancy or trust capability is calculated by "Cronbach Alpha" method. This method has been applied to compute the inner-correlation of tool measurement, named questionnaire or experiments that measure diverse characteristics. To calculate Cronbach Alpha coefficient, first you should calculate the variance of grade in each subset of questions and total variance. This approach has been applied for computation of inner-correlation of experiments that measure different characteristics.

Table1. Results Cronbach's Alpha

Cronbach's Alpha Coefficient	Questionnaire
0.803	Orientation
0.769	TQM
0.742	Customer satisfaction

6. CONCLUSION

6-1. Aimed experiment of variables (variables impact) in each group.

In this test, degree of estimated theory regard to 5 degree Likert spectrum that has been used here considered equal to the average of variables on three that more amount of it shows greater of less impact of variables. If P-value (sig.2-tailed) for a specific variable is less than 0.05 them the experiment means lack of impact on all hypothesis by variable on cognition level 0.00 has been rejected so the hypothesis confirmed.

Table2. Results Test Significance

Variable	T-value Mean	Degrees of Freedom	Sig
BOD1	5.10	62	0.00
BOD2	7.66	62	0.00
BOD3	6.46	62	0.00
BOD4	2.86	62	0.00
BOD5	3.81	62	0.00
BOD6	3.17	62	0.00
BOD7	2.17	62	0.00
BOD8	2.39	62	0.00
BOD9	2.89	62	0.00
BOD10	3.09	62	0.00
BOD11	2.22	62	0.00
BOD12	4.15	62	0.00
BOD13	3.14	62	0.00

6-2. Model's poise indexes

In this inquiry with respect to achieved value for success index (K2 on freedom degree) is 2.323 less than 3, so we can say that designated construct has the capacity to express the relationship between variables. Also the resulted value in survey for RMSEA index is symmetry value of appropriate model that indicates the average difference measure between data and covariance matrix. (Beneath 0.05 excellent beneath 0.08 appropriate and over 0.09 inappropriate) amongst the above said indexes, generally RMSEA has been considered as desired index and GFI is the best index, but there is no agreement. Poise indexes in general have been put in the range of zero and 1. Coefficients that is higher than 0.9 are accepted.

6-3. Route Graph

After drawing route graph in software and receiving command file it's time fore entering main information into software. First collected data has entered to screen of SPSS software, then insert to LISREL for implementing statistical analysis so by using SEM in this program begin to analysis. Aim of analysis was to find how close the distance of designed model with real world is while applying achieved picture from practice and subjects have been surveyed. In other word inserting resulted data of questionnaires as a matrix and inserting them to the software related to correlation and relation among variables in real worlds. Following, apply the derived model in SEM model, and factor loading on relations between its variables, below results will be achieved. Below picture is the analytic model of SEM in this survey.

Experiment outcome: the experiment outcome shows that regard to this fact that RMSEA index or square of variance estimation has approximate flaw of 10% (0.0146) and poise index GFI is more than 0.9 (0.94) so we can say that there is a perfect poise model from data of real world or generality of constructional equation model of variables manifesting innovation is confirmed by services and performance of market.

7. DISCUSSION

7-1. Experiment of Survey's Hypothesis

The researcher strikes to collect data by analysis of findings and questionnaire in order to gain results of following hypothesis:

- 1- Market orientation with regard to total quality management attitude impact on customer satisfaction.
- 2- There is a relationship between market orientation and customer consent.
- 3- There is a direct relation among total quality management and consumer consent.

7-1-1. Analysis of first hypothesis

(Market orientation with regard to total quality management attitude impact on consumer satisfaction)

With respect to present circumstances in statistical society and the least coefficient of route 0.5 to strengthen the band among two variables in SEM literature and due to resulted software of indirect impact of market orientation on customer satisfaction and by presence of intermediate variable total quality management is much more than the least route coefficient (0.85) so the first hypothesis strongly confirmed. It means due to present conditions of the above sample the indirect impact of market orientation on customer consent is direct and this impact is so severe and strong. Therefore presence of total quality management performances in attempts of market orientation has a huge outcome.

7-1-2. Analysis of second hypothesis

(There is a band between market orientation and customer consents)

With respect to route coefficient among market orientation and customer consent (-0.12) the second theory is not acceptable since the resulted route coefficient from present data of sample is less than the least amount (0.5) and so we can say that due to the actual circumstances of mentioned society attempts of market orientation merely has a reversal impact on bank's customer satisfaction.

* Root Mean Square Error of Approximation

7-1-3. Analysis of third hypothesis

(There is a direct band among total quality management and costumer consent) with respect to model's outlet and route coefficient (0.83) between two variables of total quality management and customer satisfaction and the enhance of this coefficient rather than least route coefficient (0.5) so the third hypothesis is acceptable. Namely in proposed sample attempts of companies to implement and exert total quality management performances have a direct and positive impact on bank customer satisfaction. The analytic model of SEM based on aforesaid relationship and applying related software, it reveals that first and third hypothesis of concept model are considerably positive, correct and meaningful, since the disgusted coefficient of SEM declares correlation among parameters while the concept model and the drawn picture of model are successful. But these conditions are not correct for second hypothesis.

Table3 . Path Coefficients between the Main Variables

Variable	Correlation Coefficient	Variable	Row
SAT	>0.85	TQM+MO	first hypothesis
SAT	-0.12	MO	second hypothesis
SAT	0.83	TQM	third hypothesis

7-2. Analysis of indexes and model dimensions

As mentioned before one of SEM characteristics is that besides showing route coefficient of concealed variables due to discovered factor analysis it can achieve foundational dimensions of each concealed variable that exists in the outlet of model.

7-2-1. Market Orientation (MO)

Due to BOD 1 model outlet or factor has a route coefficient (0.44) by market orientation variable that indicates each unit in making intelligence market has increased the market orientation variable to the amount (0.44) in a society that sample group of research extracted. Thus due to other coefficients related to BOD2 (0.65) and BOD 3(0.57) we can apply the dame analysis. Consequently, impact of spreading factor of intelligence market (BOD 2) on market orientation is 2 folds more than other factors.

7-2-2. Total Quality Management (TQM)

The concealed variable TQM is under influence of dimensions and indexes of BOD 4-BOD 10. The highest route coefficient of BOD 7 has route coefficient of (0.23) with respect to aforementioned information reveals that the main factor in implementation and exert of total quality management performances are prospects and role of head executives of organizations. This point has been proved in several studies that have performed in this field of researches.

7-2-3. Customer Satisfaction

Like two other concealed variables, customer satisfaction variable has been examined due to factors and dimensions and indexes. These dimensions that have defined by labels of BOD11-BOD13, so the most and least impacts are:

BOD12 (way of contact with customer) with route coefficient (0.59) BOD13 (quality of services) with route coefficient (0.44) and BOD 11 (additional services) with route coefficient (0.41). Finally correspond to poise benchmarks of model that mentioned in chapter three, some of them has noted in the outlet of model.

These indexes correspond to how close are poised models to perfect poise gather enough and appropriate information with respect to above data we can say that suggested theory model in society under survey has a considerable poise aspect. It is surprising that suggested model can be changed and regard to information of this society will provide a better poise that is related to bigger sample volume and outstanding changes of model.

Table 4 . Criteria Analysis Model

Recommended values for goodness of fit to the data model	Rate	Criteria	Row
-	230.47	χ^2	1
$\chi^2/df < 3$	2.323	χ^2/df	2
RMSEA < 0/08	0/0146	RMSEA	3

8. CONCLUSION

First hypothesis outcome: market orientation due to attitude of total quality management has a positive impact on customer satisfaction. This hypothesis pointed out the indirect impact of market orientation on customer consent with presence of intermediate variable of total quality management with respect to correlation coefficient (0.85) and considerable enhancement of standard coefficient 0.5 in SEM literature we can trust to solidity of relation between two variables. So we should note at first intermediation role of total quality management in this filed. Organizations can achieve more and better customer satisfaction by exerting TQM performances due to organization size and recommend of appropriate performances orders and dimensions of total quality management in an organization of in other words, making performances of market orientation aimed and well-constructed. Sine lots of quality performances have the same direction with performances of marketing. It seems that dispersed performances and lack of effective programming in this field are not efficient. So organizations without applying suitable system of total quality management won't achieve efficiency of market orientation performances and get their customers total consent. Hence, at first grade companies and organizations are recommended to implement the discipline of total quality. It should be rated that many of present performances in this order have a great correlation with many of performances of marketing. Based on above data TQM works as a catalyst. While marketing has an upward attitude TQM with its special nature has an attitude from

down to top. These attitudes especially at time of performing a variation program take all the considerations. Since pure marketing does not reflect the enhancement of aimed performances like (financial performance) by exerting TQM simultaneously by market orientation we can achieve the best performing goals that customer satisfy action is one of them. Exertion of total quality management means control management and programming of all mentioned dimensions that are: information quality role of head executives employee's relations, management of supplier's quality education, quality policy of head executives and process management. Second hypothesis outcome: there is a bond between market orientation and customer satisfaction. Through explanation of second hypothesis we can say that due to present correlation coefficient between market orientation and customer satisfaction (-0.12) this is not an acceptable hypothesis because resulted coefficient from presented information here is less than the least rate (0.5) and so we can say that correspond to the present society conditions all the attempts of market orientation merely have a reverse impact on customer satisfaction. Although market orientation has been highly emphasized in marketing literature and in many performed surveys relation among market orientation and firms' customer satisfaction proved as a positive and direct relation, but though in some occasions mere market orientation might enhance the performance of organization business and gain customer consent specifically in global market, there is no indication of indirect impact of these performances in this research. Though due to the results of this survey, if market orientation simultaneously implement and apply with total quality management then better performance in these organizations will be achieved. So these firms (Bank Mellat in this Survey) should consider TQM as a facilitating tool to improve organizational performance in keen situations and lead to achieving customer satisfaction. It has concluded from above studies that if there is no correlation with market orientation of quality performance that is implement of appropriate copy of total quality management we can really say that no market orientation performance has been performed.

Third hypothesis outcome: there is direct relation between total quality management and customer satisfaction.

The third hypothesis is not acceptable correspond to model outlet and correlation coefficient (0.83) between two variables of total quality and customer consent and being higher than the least loading coefficient (0.5) it means that attempts of banks in this sample for implementation and exertion of total quality management performances have a direct and positive impact on customer consent of this financial firm. With respect to these studies we can say that main and first priority of organization is paying attention to total quality management system and implementing them. of course it should be noted that you should take in to consideration the size of these organizations in order to examine and evaluate quality and performance of this system. System of total quality management consists of disciplines, tools and techniques and human competence managing human sources, cooperative orders and mind storms also included in this system. It is surprising that these principles are well set to a special firm either producer or server. It means we should use one of present principles in total quality management system due to kind of organization and firm. So for applying techniques and tools of total quality management that are: SPC, SQC, QFD, FMEA, we should use them by declaration and implement then in diverse organization due to size kind and product of them. The other note is that you should consider that production process and its time are important in applying TQM principles tools and techniques and also you should know at what procedure of production or providing service you are in. (Before. Through. After) correspond to above studies, we can say that aim of this research was determination and evaluation of total quality management (TQM) impact on customer satisfaction.

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