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Understanding the potential of market and brand orientations: An empirical investigation of the mediating role of brand equity on business performance

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ABSTRACT

Brand Orientation and Market Orientation have been demonstrated to exert a significant impact on brand equity. Moreover, brand equity serves as a crucial link connecting these orientations to company performance. However, the existing literature presents a substantial gap in understanding this relationship, particularly within the context of India. To address this gap, this study proposes an innovative framework for examining the interplay between brand orientation, market orientation, business performance, and brand equity. A survey was done in northern India using a causal study design to determine cause-and-effect correlations among the components. The participants were asked to respond to an English-language questionnaire. The outcomes of the structural equation modeling (SEM) analysis support all of the proposed hypotheses. The findings of this study carry significant implications for businesses aiming to optimize their brand and market orientations while capitalizing on their brand equity to enhance their overall performance. This research offers fresh insights for businesses operating in diverse cultural and economic contexts through its innovative methodology and empirical evidence. Businesses can enhance their brand and reputation, launch tailored offerings, and gain a competitive advantage through market and brand orientation. The framework developed in this study can be adapted to other emerging economies or even larger organizations. For both businesses and academics, this research serves as a valuable resource, providing a deeper comprehension of the intricate relationship between brand orientation, market orientation, company performance, and brand equity in India and beyond.

Contribution/Originality: The authors propose a theoretical framework linking MO, BO, BE, and BuP. The model suggests a positive correlation between MO, BO, and increased BE, leading to improved BuP. This comprehensive framework aims to elucidate how MO and BO contribute to enhanced BuP via increased BE.

1. INTRODUCTION

Small and Medium-Sized Enterprises (SMEs) play a crucial role in both the Indian and global economies. Small and Medium Enterprises (SMEs) play a significant role in the Indian economy, contributing about 30% to the nation's gross domestic product (GDP) and providing employment opportunities for approximately 110 million individuals. They contribute nearly 45 percent of India's total exports and serve as the backbone of the manufacturing industry. SMEs also contribute to Indian economic growth by fostering innovation, entrepreneurship, and regional development (Rathore & Khanna, 2020).

Globally, SMEs are responsible for creating around 60% of all jobs and account for almost 50% of Gross Domestic Product (GDP) in most countries (Naicker & Rajaram, 2019). They are also a significant source of innovation, with SMEs accounting for over 95% of all patents filed worldwide. SMEs also play a crucial role in developing countries, where they help reduce poverty by creating jobs and generating income.

One of the main reasons for the marketing challenges faced by SMEs is the limited resources at their disposal. Small and medium-sized enterprises (SMEs) typically have limited budgets and personnel, making it difficult for them to invest in marketing activities (Redjeki & Affandi, 2021). Additionally, many SMEs lack the necessary expertise to develop and execute marketing strategies that can drive business growth.

The extremely competitive market environment in India is another difficulty that SMEs face. It can be difficult for SMEs to distinguish themselves from rivals when there are so many businesses vying for the attention of the same clients (Rawat & Chaubey, 2022). To overcome these challenges, SMEs in India need to focus on building their marketing capabilities. This can involve investing in training and upskilling employees to develop marketing expertise.

In recent years, marketing has undergone a significant transformation, transitioning from a product-centric to a customer-centric approach. Companies must be brand- and market-oriented in order to remain competitive in today's dynamic business environment. While the two concepts have been examined separately in the literature, it is becoming increasingly apparent that they are interrelated and play a crucial role in firm performance (Hendarwan, 2023).

The notion of Market Orientation (MO) pertains to a company's competency to identify, comprehend, and meet consumer needs (Kohli & Jaworski, 1990). It requires an organization-wide focus on customers, continuous learning about customer requirements, and the incorporation of this learning into the creation of products and services that meet or exceed customer expectations (Narver & Slater, 1990). Market-oriented organizations prioritize customer satisfaction, cultivate customer loyalty, and accomplish superior business performance by establishing a sustainable competitive advantage (Narver & Slater, 1990).

Keller (1993) defines Branding as a strategic approach that emphasizes the brand's function in establishing and maintaining long-term customer relationships. Brand-oriented firms focus on establishing and sustaining a strong brand identity, ensuring that the brand message is consistent across all touchpoints, and delivering a superior brand experience that aligns with customer expectations (Urde, 1999). By building a strong brand, firms can create customer loyalty, enhance customer lifetime value, and achieve superior business performance (Keller, 1993).

Recent research has shed light on the relationship between MO and BO, which has previously been studied separately in the literature. For example, some scholars argue that MO is a prerequisite for effective brand management (Prahalad & Ramaswamy, 2004). Similarly, others suggest that brand orientation complements market orientation by providing a strategic focus that goes beyond customer needs to create a unique brand identity (Aaker, 2004).

(Kohli & Jaworski, 1990; Matsuno & Mentzer, 2000; Narver & Slater, 1990) have supported the idea that market orientation affects corporate performance. The majority of studies show a favorable association between market orientation and firm performance, even if some studies show a negative or insignificant relationship (Deshpandé & Farley, 1998; Narver, Slater, & MacLachlan, 2000). Doyle and Wong (1998) also noted that, after competitive advantage, market orientation was the second-most significant factor influencing corporate performance. Similar to this, other studies have found a link between BO and business performance (Anees-ur-Rehman, Wong, & Hossain, 2016), whereas others have not (Odoom & Mensah, 2019).

One possible explanation for these contradictory findings is the role of Brand Equity (BE) as a mediator between MO, BO, and BuP. According to Keller (1993), BE is the impact of brand awareness on how consumers react to a brand's marketing. It is a significant factor in determining consumer satisfaction, brand loyalty, and overall business performance.

Recent research by Amoako (2019) has emphasized the role of BE as a mediator between MO, BO, and BuP. Hussain, Mu, Mohiuddin, Danish, and Sair (2020) discovered that BE mediated the relationship between MO and BuP in the hotel industry.

In recent years, however, B2B branding concerns have increased (Reijonen, Hirvonen, Nagy, Laukkanen, & Gabrielsson, 2015), and B2B managers are beginning to recognize the benefits of adopting a brand orientation (Baumgarth, 2010). Brand orientation aids industrial enterprises by enhancing their market performance in various ways. Yet, surprisingly, many marketers are oblivious to the strategic significance of B2B brands (Leek & Christodoulides, 2011). Consequently, it is crucial to investigate the relationship between BO and BuP.

Market-oriented businesses tend to have higher levels of profitability, employee commitment, market share, sales, and return on capital. Thus, there is a clear benefit to being market-oriented in today's highly competitive business environment.

Nevertheless, some researchers believe that market orientation alone may not be enough for businesses to achieve long-term success (Bhandari, Rana, Paul, & Salo, 2020). In addition to market orientation, other factors, such as branding, contribute to a business's success.

Given this, the authors of the current paper provide a theoretical framework that explains how MO, BO, BE, and BuP relate to one another. The model indicates a relationship between elevated BE, MO, and BO, which in turn increases BuP. The goal of the proposed paradigm is to provide a thorough knowledge of how higher BE from MO and BO contributes to improved BuP.

2. THEORETICAL BACKGROUND

2.1. Brand Orientation and Brand Equity

A key component of organizational operations is brand orientation, which aids in forging close ties with important stakeholders. Balmer (2001) introduced the idea of brand orientation as an organizational mindset that places the brand at the center of decision-making and strategic planning processes. Brand orientation emphasizes the importance of building strong brands and aligning all aspects of the organization, including its culture, operations, and communication, to support and enhance the brands value proposition. This indicates that the entire organization participates in the brand orientation process rather than just the marketing division. In order to create a strong brand identity, it is important to make sure that all marketing messages are strategically motivated.

Urde (1994) identifies communication synchronization as an important aspect of BO. Aaker (1996) identifies the consistency of a brand's message as an important factor in a brand's success. Managers in companies with a strong brand orientation are more likely to establish and reinforce their brand via a variety of brand communicators than managers in companies with a weak brand orientation. BO plays an important role in building BE in a B2B context.

Brand equity is the value that a product has beyond the value that the product itself provides to consumers. It is the intangible asset that determines the preference and loyalty of consumers towards a brand. In the B2B context, brand equity is crucial for establishing customer loyalty and enhancing customer retention, which leads to competitive advantage for the organization (Kumar, Dash, & Malhotra, 2018).

BO is a fundamental facet of organizational operations that plays a crucial role in B2B branding. The relationship between BO and B2B BE is unexplored and requires additional research. Therefore, the relationship between BO and BE must be investigated. The proposed research hypothesis is:

H_1: There is a positive association between BO and BE.

2.2. Market Orientation and Brand Equity

While there have been numerous studies exploring the correlation between MO (Marketing Orientation) and BE (Brand Equity) in B2C (Business-to-Consumer) settings, the research on their relationship in B2B (Business-to-Business) contexts has been relatively limited. Despite the importance of brand equity in B2B environments, there is a scarcity of studies that have specifically investigated the association between MO and B2B BE, especially within the Indian context (Sarkar & Mishra, 2017).

The scant research into the relationship between MO and B2B BE demonstrates the need for further investigation. Mohr and Nevin (1990) argued that B2B organizations should place a premium on customer contentment and loyalty, which are integral components of brand equity. However, they did not examine the relationship between MO and B2B brand equity explicitly.

Verhoef, Reinartz, and Krafft (2010) similarly emphasized the importance of consumer engagement and brand loyalty in B2B environments. The relationship between MO and B2B brand equity was not, however, investigated.

There is little study on MO and B2B brand equity; thus, more is needed. Long-term partnerships, complex decision-making, and many stakeholders mark B2B enterprises. Thus, B2B companies can benefit from understanding how MO affects brand equity.

MO can help B2B organizations create brand-building, customer-centric strategies. B2B enterprises can meet customers' needs by understanding their preferences. Satisfaction and loyalty increase. This boosts brand equity. MO also helps B2B organizations build consumer trust and loyalty. This boosts brand equity by raising brand and product value.

B2B brand equity is important; hence, further research is needed on MO and B2B brand equity. By studying MO and B2B brand equity, researchers can help B2B companies create customer-centric strategies that boost brand equity. Thus, it deserves more study.

H_2: There is a positive association between MO and BE.

2.3. Brand Orientation and Business Performance

B2B companies are constantly striving to improve their Business Performance (BuP) by implementing strategies that lead to increased revenue and profitability. One such strategy that has gained attention in recent years is BO.

Despite the growing interest in BO, research on its impact on B2B business performance remains limited. This presents an opportunity for scholars to explore this relationship further and identify the factors that influence it. Companies can make wise selections regarding their brand strategy and enhance their overall performance by comprehending the effects of BO on B2B BuP.

According to a study that analyzed the relationship between BO and B2B BuP (Kaur, 2016), businesses that prioritize their brand are more likely to achieve superior financial performance. According to the study, brand orientation has a positive effect on consumer loyalty, which increases sales and revenue. In addition, brand-focused businesses are more likely to be innovative and invest in R&D (Research and Development), giving them a market advantage. According to a different study (Baumgarth, Merrilees, & Urde, 2013), brand orientation improves brand equity, which in turn improves B2B company performance.

In spite of these findings, relatively little research has been conducted into the relationships between brand orientation and B2B business performance. It is necessary to conduct in-depth research to fathom the variables that influence this relationship and to identify the precise strategies that businesses can employ to improve brand orientation and overall success.

Considering the limited research in this domain, there is a need for further exploration of the relationship between brand orientation and B2B business performance. A deeper understanding of the impacts of brand orientation on B2B company performance would enable businesses to make well-informed decisions regarding their brand strategy, ultimately leading to enhancements in their overall performance.

H_3: There is a positive association between BO and BuP.

2.4. Market Orientation and Business Performance

While the relationship between MO and BuP has been exhaustively studied in the context of consumer markets, the extent to which market orientation affects B2B business performance has not yet been investigated. The preponderance of prior research on this topic has focused on consumer markets, while B2B markets have been largely neglected. Consequently, it is essential to investigate the relationship between MO and B2B BuP.

B2B companies differ considerably from B2C companies. In B2B markets, firms engage in relationships that are highly complex and interdependent, and the decision-making process is more drawn out, involving multiple stakeholders (Mingione & Leoni, 2020). Consequently, the effect of MO on the efficacy of B2B businesses may differ from its effect on consumer markets.

The primary goal of MO is to generate customer value. Market-oriented businesses concentrate on satisfying customers' needs by creating products and services that meet their requirements. This strategy increases customer satisfaction, loyalty, and retention, which ultimately results in increased sales and profits (Abtin & Pouramiri, 2016). However, the effect of MO on the efficacy of B2B businesses remains unknown.

It is conceivable that MO has a greater impact on B2B BuP than on consumer markets. In B2B markets, the relationship between suppliers and buyers is more extensive, and purchasers have more specific and complex needs. Business-to-business (B2B) markets may be more receptive to a market-driven strategy that emphasizes customer understanding and custom solutions than consumer markets. In addition, firms that are market-oriented in B2B markets may be more equipped to adapt to changes in the competitive landscape and to create innovative solutions to address the ever-evolving requirements of customers (Guo, Wang, Hao, & Saran, 2018).

In consumer markets, the relationship between MO and BuP is well-established; however, the extent to which MO impacts B2B BuP remains unexplored (Kiessling, Isaksson, & Yasar, 2016). The unique characteristics of B2B markets, such as long-term relationships and complex decision-making processes, suggest that the effect of MO on B2B BuP may differ from that in consumer markets. Therefore, additional research is required to understand the relationship between MO and B2B BuP, which can assist businesses in developing effective marketing strategies to enhance their performance in B2B markets.

H_4: There is a positive association between MO and BuP.

2.5. Brand Equity and Business Performance

In B2B settings, studies have demonstrated a correlation between BE and BuP. Kiessling et al. (2016), for example, discovered a positive correlation between brand equity and business performance in the B2B market. The authors contend that companies with greater brand equity are more likely to earn consumer trust and loyalty, resulting in improved business performance.

Similarly, Wang, Chen, Yu, and Hsiao (2015) discovered in another study that B2B companies with strong brand equity had greater market share and revenue growth than their competitors. This, according to the authors, may be due to the fact that powerful brands can differentiate themselves from competitors and improve consumer perceptions of the company, resulting in increased sales and profitability.

In addition, Yoo and Donthu (2001) discovered that in B2B markets, BE has a significant impact on consumer loyalty and retention. According to the authors, businesses with strong brand equity are more likely to retain consumers, resulting in increased business performance and profitability.

The relationship between BE and B2B BuP remains largely unexplored, despite these findings. To determine the extent of this relationship and the precise mechanisms by which BE influences B2B BuP, additional research is required.

Brand equity is a crucial strategic asset for businesses, and its impact on business performance in B2B contexts is a subject that requires additional research. As previous research has demonstrated a positive correlation between brand equity and business performance in B2B markets, additional research is required to determine the extent of this correlation and the underlying mechanisms. Understanding the relationship between BE and B2B BuP can assist companies in developing branding strategies that result in increased sales, profitability, and overall success.

H_5: There is a positive association between BE and BuP.

2.6. Mediating the Role of Brand Equity

There has been prior research into the connection between MO, BO, BE, and BuP. However, the role of BE as a mediator in the connection between MO/BO and BuP is a relatively uncharted field of research.

According to Amoako (2019), BE mediates the relationship between MO and BuP. MO aids businesses in comprehending their customers' requirements, gaining a competitive edge, and establishing a solid brand reputation, ultimately resulting in improved business performance. Moreover, BE amplifies the effect of MO on BuP because it reflects customers' perceptions of a brand and can generate a premium pricing strategy, customer loyalty, and a sustainable revenue stream.

Brand orientation focuses on establishing a powerful brand identity and crafting a consistent brand message, which can result in increased brand equity (Urde, 1999). Brand equity, as a strategic asset, is a crucial determinant of a company's current and future performance. Brand equity has been identified as the mediator of this.

Understanding the role of BE as a mediator can shed light on the mechanisms underlying the positive association between MO, BO, and BuP. It can also help businesses develop marketing strategies that place a premium on establishing brand equity. Companies can increase the impact of MO and BO on BuP by bolstering BE. Future research can shed more light on this topic and shed light on how businesses can optimize their marketing strategies to increase BE and improve BuP. Figure 1 illustrates the Conceptual Model and Hypothesis Diagram.

H_6: BE mediates the association between MO and BuP.

H_7: BE mediates the association between BO and BuP.

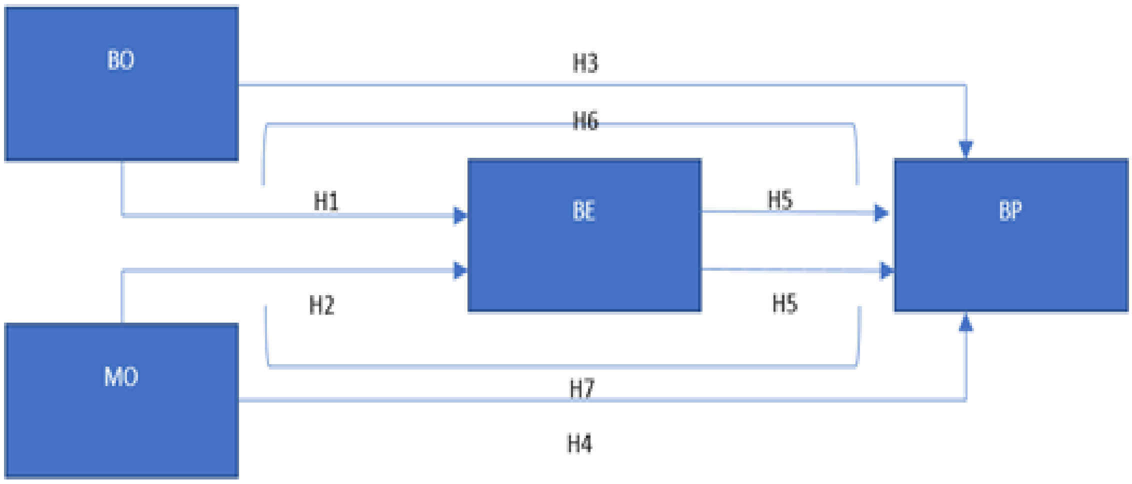

Figure 1. Conceptual model.

3. RESEARCH METHODOLOGY

3.1. Data Collection & Sampling

The study gathered information from small and medium-sized (SME) manufacturers in numerous Indian cities. The Indian Ministry of MSMEs' (Micro, Small, and Medium Enterprises) definition of SMEs was utilized, which classifies MSME organizations with an investment in plant and apparatus or equipment of less than Rs. 50 crore and an annual turnover of less than Rs 250 Crore. A list of companies was obtained from the MSME databank, and an English questionnaire was circulated to senior managers, CXOs, chief executive officers, and board members whose email IDs were accessible. 250 questionnaires out of 316 received were declared usable and analyzed.

To address the possibility of common method variance (CMV) issues, the researchers performed Harman's single factor test and cyclical factor analysis on all study variables.

The application of cyclical factor analysis revealed that 23% of the total variance was explained, which is below the 0.50 significance threshold. The researchers concluded that there was no issue with common method variance. In addition, when all scales were subjected to a factor analysis, no single factor stood out, and all factors were isolated (Podsakoff & Organ, 1986).

Table 1 shows the characteristics of the firms included in the study.

Table 1. Frequency distribution of sample.

Characteristics	Frequency	Percent
No of employees		
0–9	89	35.6%
10–49	106	42.4%
50–250	55	22%
Turnover (in INR (Indian Rupee)Cr)		
0–5	128	51.6%
6–50	84	33.6%
51–250	38	15.2%
Industries		
Manufacturing	105	42%
Construction services	13	5.2%
IT (Information technology) Services	54	21.6%
Accounting services	14	5.6%
Advertising and marketing services	19	7.6%
Others	44	17.6%
Missing	1	0.4%

3.2. Instrument Measures

The study relied on valid research scales that had been fine-tuned through prior studies. The respondents were given a 5-point Likert scale on which to assess their responses (1 being "strongly disagree" and 5 being "strongly agree"). Our study's variables and demographic information were analyzed using a questionnaire with four distinct measurements.

Six items were used to assess market orientation and four items for brand orientation, with the former modified from the work of Phorncharoen (2020) and the latter from that of Hirvonen, Laukkanen, and Reijonen (2013). The four-item scale used to measure business performance was also adapted from Masa'deh, Al-Henzab, Tarhini, and Obeidat (2018) research. Aaker (1991) and Anees-ur-Rehman and Johnston (2019) studies provided the basis for the development of a 4-item brand equity measurement tool.

4. ANALYSIS AND RESULTS

The data collected was analyzed using IBM SPSS AMOS 22. Previous studies' scales were adapted for this one. It was assumed that pre-testing of the measures was necessary to determine whether or not the aforementioned constructs would be useful for analyzing SMEs in India. As part of the quantitative study, we conducted confirmatory and exploratory factor analyses according to Netemeyer, Bearden, and Sharma (2003) determine the reliability and validity of the scales.

A structural equation model has been presented in order to better comprehend the interplay between MO, BO, BE, and BuP.

Table 2. EFA results.

Items	Mean	SD (Standard deviation)	Factor loadings	Cronbach's alpha
Brand equity				0.91
Our organization's desired market image has been achieved.	3.72	1.095	0.835	
Over the years, our organization has cultivated strong consumer brand loyalty.	3.56	1.079	0.845	
The market has a strong awareness of our brand.	3.32	1.079	0.854	
The perceived quality of our organization's products is high.	3.35	1.107	0.847	
Market orientation				0.917
Our primary business objectives are customer satisfaction-based.	4.03	1.001	0.685	
Our competitive advantage strategy is based on our comprehension of customer requirements.	4.05	1.022	0.741	
I employ a problem-solving mindset when selling products.	4.1	0.987	0.798	
Our business strategies are based on our convictions regarding how to create greater value for our consumers.	4.26	0.984	0.786	
We frequently measure customer satisfaction	4.23	1.004	0.783	
We pay close attention to service after the sale.	4.3	0.997	0.736	
Brand orientation				0.944
Brand development is central to our business strategy.	4.02	1.026	0.75	
Branding is an integral part of all of our marketing efforts. Branding is an integral part of our business operations.	3.89	1.03	0.789	
Our brand is a valuable asset.	3.96	1.033	0.781	
Brand development is central to our business strategy.	3.9	1.004	0.784	
Business performance				0.901
In comparison to your competitors, how do you rate your last five financial years performance in terms of Annual Revenue (Yearly sales)	4.19	0.962	0.765	
In comparison to your competitors, how do you rate your last five financial years performance in terms of Net Profits	4.12	0.978	0.717	
In comparison to your competitors, how do you rate your last five financial years performance in terms of Return on Assets	4.25	0.928	0.76	
In comparison to your competitors, how do you rate your last five financial years performance in terms of increase in market share	4.18	0.981	0.712	

4.1. Scale Reliability and Validation Analysis

The accuracy of the scales was confirmed using techniques from Hair (2009). Utilizing Varimax rotation, PCA (Principal Component Analysis), and the Eigenvalue > 1 constraint, the fundamental structures were uncovered. The KMO (Kaiser-Meyer-Olkin) value = 0.870 and Bartlett's Test of Sphericity = 15438.50 (DF=231 at p=.000) yielded acceptable results. The 18-item, 4-factor model data could account for 74.44 percent of the variance. The alpha values determined the dependability and internal consistency of the constructs. Alpha values greater than 0.70 indicate that all constructs are internally consistent (Hair, 2009). (See Table 2 for details).

Byrne (2012) recommended confirmatory factor analysis (CFA) for assessing model fitness. The CFA (Confirmatory Factor Analysis) goodness of fit indices (CMIN/DF (Minimum Discrepancy Function by divided

Degrees of Freedom) = 4.3, GFI (Goodness of Fit Index) =.877, NFI (Normed Fit Index) =.948, CFI (Comparative Fit Index) = 0.959, TLI (Tucker–Lewis Index) = 0.950, and RMSEA (Root Mean Square Error of Approximation) = 0.077) were within the acceptable range (Hair, Anderson, Tatham, & Black, 1995), indicating that the analysis was adequate.

The results of the test to see if convergent validity was met are shown in Table 3 It includes factor loadings, composite reliability, and the average variance extracted. Fornell and Larcker (1981) and Hair, Black, Babin, and Anderson (2013) observed that all measurement items exhibited factor loadings exceeding 0.70 for their respective constructs. Moreover, Hair et al. (2013) confirmed high internal consistency and dependability, as all constructs displayed composite reliabilities (CRs) greater than 0.7. Furthermore, the average variance extracted (AVE) values for all constructs surpassed 0.5, indicating the presence of convergent validity.

The evaluation of statistically distinct constructs comprises discriminant validity. According to Fornell and Larcker (1981) the square root of AVE should be greater than the inter-construct correlation for any given construct. Table 4 displays the inter-construct correlations and AVE square roots for each component. The construct correlations for each variable were less than the square root of the AVE, demonstrating discriminant validity.

The research revealed that the gauging model evaluated construct-relationships accurately. The CFA showed a strong fit, and the convergent and discriminant validity analyses showed that the constructs were consistent, reliable, and different. These data validate the measures and outcomes of the study.

Table 3. CFA results.

Items	Factor loading	CR	AVE
Brand equity		0.918	0.698
Our organization's desired market image has been achieved.	0.89		
Over the years, our organization has cultivated strong consumer brand loyalty.	0.907		
The market has a strong awareness of our brand.	0.812		
The perceived quality of our organization's products is high.	0.813		
Market orientation		0.943	0.737
Our primary business objectives are customer satisfaction-based.	0.701		
Our competitive advantage strategy is based on our comprehension of customer requirements.	0.826		
I employ a problem-solving mindset when selling products.	0.768		
Our business strategies are based on our convictions regarding how to create greater value for our consumers.	0.84		
We frequently measure customer satisfaction	0.809		
We pay close attention to service after the sale.	0.782		
Brand orientation		0.953	0.772
Brand development is central to our business strategy.	0.817		
Branding is an integral part of all of our marketing efforts. Branding is an integral part of our business operations.	0.826		
Our brand is a valuable asset.	0.819		
Brand development is central to our business strategy.	0.815		
Business performance		0.942	0.766
In comparison to your competitors, how do you rate your last five financial year performance in terms of Annual Revenue (Yearly sales)	0.802		
In comparison to your competitors, how do you rate your last five financial year performance in terms of Net Profits	0.881		
In comparison to your competitors, how do you rate your last five financial year performance in terms of Return on Assets	0.707		
In comparison to your competitors, how do you rate your last five financial year performance in terms of an increase in market share	0.871		

Table 4. Convergent and discriminant validity.

Factors	CR	AVE	BP	BO	MO	BE
BP	0.942	0.766	0.875			
BO	0.953	0.772	0.423	0.878		
MO	0.943	0.737	0.466	0.432	0.858	
BE	0.918	0.698	0.333	0.390	0.414	0.836

In Table 4, the diagonal elements of the matrix consist of the square root of the Average Variance Extracted (AVE). In this study, the abbreviations MO, BO, BP, and BE refer to Market Orientation, Brand Orientation, Business Performance, and Brand Equity, respectively.

4.2. Structural Model and Hypothesis Testing

A structural model was created to evaluate the hypothesis, taking into account all factor analysis and validation components.

The CFI (Comparative Fit Index), GFI (Goodness of Fit Index), and RMSEA (Root Mean Square Error of Approximation) were used to assess the model's fit (RMSEA). A good model fit was indicated by standardized residual values below.05. The predicted model fit well, with CMIN/DF= 4.39, TLI=.957, CFI = 0.967, GFI = 0.904, NFI = 0.957 and RMSEA = 0.07.

Table 5 shows that all five of the hypothesis were supported by the structural model. Standardized path coefficients and significance levels assessed the hypotheses.

4.3. Mediation

The effect of MO on BuP went from 0.35 (direct link) to 0.30 (with mediation) in a mediation analysis (Table 6). This shows that brand equity partially mediates this relationship. The effect of BO on BuP went from 0.29 (direct link) to 0.27 (with mediation) in a mediation analysis (Table 6). This shows that brand equity partially mediates this relationship.

Table 5. Structural model estimates.

Hypotheses	From	To	Un-Standardized (β)	Standard error	Critical ratio	Standardized (β)	Result
H_1	Market orientation	Brand equity	0.184	0.029	6.446	0.30 (P=0.001)	Supported
H_2	Brand orientation	Brand equity	0.248	0.036	6.913	0.27 (P=0.001)	Supported
H_3	Market orientation	Business performance	0.392	0.048	8.232	0.35 (P=0.001)	Supported
H_4	Brand orientation	Business performance	0.266	0.037	7.093	0.29 (P=0.001)	Supported
H_5	Brand equity	Business performance	0.453	0.063	7.191	0.32 (P=0.001)	Supported

Table 6. Mediation results.

Hypotheses	Relationship I.V(M.V) D.V	Direct without mediation	Direct with mediation	Indirect	Result(s)
H_6	MO (BE) BP	0.35 (0.001)	0.30 (0.001)	0.015	Supported
H_7	BO (BE) BP	0.29 (0.001)	0.27 (0.001)	0.013	Supported

In Table 6, the abbreviations I.V., M.V., and D.V. represent Independent Variable, Mediating Variable, and Dependent Variable, respectively. Similarly, the abbreviations MO, BO, BP, and BE correspond to Market Orientation, Brand Orientation, Business Performance, and Brand Equity, respectively.

5. DISCUSSION

Globally, business performance is of paramount importance, especially in today's dynamic business environment. According to this study, BE, MO, and BO have a positive effect on BuP. MO had the greatest impact on BuP among the three factors. This result is consistent with previous research, such as that of Erdil and Erdil (2017) and Kara, Spillan, and DeShields (2005). In addition, the study discovered that market orientation positively affects brand equity, which is consistent with Yoganathan, Jebarajakirthy, and Thaichon (2015) findings. Likewise, Tajeddini and Ratten (2020) discovered that brand orientation positively influences brand equity. These findings indicate that both market and brand orientations are essential for developing brand equity and that organizations can use these strategies to differentiate themselves from competitors, provide superior products and services, and deliver an exceptional customer experience.

Market orientation also enables companies to keep a close eye on customer preferences and launch tailored offers that meet their needs in a timely manner. This, in turn, can enhance the company's branding and reputation. Similarly, brand-oriented actions can have a positive impact on a company's success, resulting in a higher preference for the company over its rivals. The study found that when participants focused on the market, their performance improved. The key to improving market performance is to understand customer wants and needs, provide services that meet those needs, and create a positive impact in the marketplace. Getting timely and accurate information about market competitors' plans can also help top management develop effective marketing strategies.

This study contributes significantly to BE theory by demonstrating the significance of MO and BO in developing brand equity. The study's unique conceptual framework demonstrates that BE is the link between MO, BO, and BuP.

The study's findings have significant implications for both academics and practitioners. For instance, organizations can adopt alternative strategies to counter risks and take advantage of market opportunities based on information obtained from both internal and external environments. This can have a positive impact on a company's branding and reputation. Moreover, the findings suggest that firms should also focus on improving their brand equity through their market and brand orientation activities, which can provide a competitive advantage, reduce marketing costs, and attract new customers.

6. IMPLICATIONS

This investigation's findings have numerous implications for academics. The study begins with a novel conceptual framework that emphasizes the importance of market and brand orientation in establishing brand equity and improving business performance. This structure can guide future research in this field. Second, the research demonstrates brand equity's function as a mediator between business performance and its two antecedent variables, market orientation and brand orientation. This suggests that in order to improve business performance, companies should prioritize enhancing their brand equity through market and brand orientation activities.

Extensive research in the marketing field has been dedicated to examining the correlation between market orientation and brand orientation. These two concepts are crucial for the success of any business, especially for small and medium-sized enterprises (SMEs). Such businesses encounter various challenges, including resource constraints, competition from larger companies, and ever-changing market trends. Gaining insights into the interplay between market orientation, brand orientation, and business performance holds significant potential for the growth and prosperity of small and medium-sized enterprises.

When small and medium-sized enterprises (SMEs) employ a market orientation strategy, they are more likely to comprehend the needs and preferences of their consumers, which can lead to the development of products and services that better meet those needs. This, in turn, can contribute to the development of a brand identity that resonates with customers. Strong brand identities can assist small and medium-sized businesses (SMEs) in differentiating themselves from their competitors, boosting consumer loyalty and trust, and ultimately enhancing their business performance.

Additionally, companies can develop their corporate brands as a marketing strategy to increase their brand equity, which can be leveraged through reduced marketing costs, new consumers, and channel advantages. When SMEs adopt a brand orientation strategy, they are more likely to develop a deep understanding of their brand identity and how it resonates with their target audience. This understanding can help them develop more effective marketing campaigns, which can lead to increased brand awareness, customer loyalty, and ultimately, improved business performance.

Using market and brand orientation, businesses can enhance their brand and reputation, launch customer-specific offerings, and obtain a competitive edge in the marketplace. Companies can also use information obtained from both internal and external environments to counter risks and take advantage of market opportunities.

By inculcating both strategies, SMEs can learn more about their customers' needs and preferences, build a strong brand identity that resonates with their target audience, set themselves apart from their competitors, increase customer loyalty and trust, and ultimately improve their business performance. So, for long-term success in today's very competitive business world, SMEs should think about using both market orientation and brand orientation tactics.

7. LIMITATION AND FUTURE AVENUES

This study has some noteworthy limitations. The first problem is that, because of the study's specific context, its conclusions could not be applicable in other contexts. In order to confirm the results, we recommend that this study be conducted again in the future with a sample drawn from other countries (such as emerging economies), different industries, and even larger businesses. Second, as the study is cross-sectional, we are unable to definitively determine the source and effect of the observed phenomena. Future research should employ a longitudinal approach in order to gain a deeper understanding of the mechanisms involved. Additionally, because of the way this study's survey was designed, there is a chance of key informant bias. High-level managers and executives are in a unique position to offer reliable evaluations of both the independent and dependent variables, therefore we asked for their feedback to assist address this problem. Future studies, however, might poll suppliers and customers to obtain a more comprehensive picture. We also propose contrasting and comparing the ways in which these views interact at different levels (correlation, interaction, and moderating). It will be crucial to investigate the interdependent consequences of various business viewpoints, such as goal orientation and technology orientation, in future research. Future studies should include more components of the business environment as independent variables. Lastly, we acknowledge that the narrow focus of the investigation could result in tautological theories.

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