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The relationship between market orientation, brand orientation, and perceived benefits in the non-profit sector: a customer-perceived paradigm

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The purpose of this paper is to examine the relationship between ‘market orientation’, ‘brand orientation’, and ‘perceived benefits’ in the non-profit sector from the perspective of the customers. Data was collected from a number of church organizations in Australia using a self-administered questionnaire. The tests for construct reliability, validity, and research hypotheses were conducted using structural equation modeling. Findings reveal that ‘market orientation’ is significantly associated with both ‘perceived brand orientation’ and ‘perceived benefits’. An alternative model also reveals significant relationship between ‘brand orientation’ and ‘perceived benefits’ through ‘market orientation’ as the mediating variable. The study contributes to the body of literature and provides practical implications for non-profit managers and church leaders alike. An organization that endeavours to build a strong brand and deliver relevant benefits to its members should ensure that it has sufficient understanding of its members and utilises the various resources of the organization to deliver superior values to its existing and prospective members.

Keywords: market orientation; brand orientation; perceived benefits; non-profit; customer perspective

Introduction

The effects of market orientation and brand orientation on organizational performance have been well documented in the marketing literature. In the non-profit sector, market orientation was found to be positively associated with fundraising performance (Kara, Spillan, & DeShields, 2004), members’ satisfaction (Chan & Chau, 1998), increased attendance (Voss & Voss, 2000), and growth in resources and reputation (Padanyi & Gainer, 2004). Brand orientation was also found to be positively related with organizations’ performance in terms of: (i) an organization’s ability to achieve its short-term and long-term objectives; and (ii) its ability to serve stakeholders better than its competitors (Napoli, 2006).

Although the topic of ‘market orientation’ and ‘brand orientation’ has been extensively discussed in the literature, there are several gaps of research in which the present study aims to address. First, despite the customer-centred philosophy of market orientation, studies of market orientation have largely regarded it as an employee-perceived phenomenon (Gounaris, Stathakopoulos, & Athanassopoulos, 2003). A review of the literature reveals that only ten studies have examined market orientation from a customer perspective, and only one of these (Voon, 2006) was conducted in a non-commercial setting. Second, the literature on ‘brand orientation’ is still at its infancy and therefore little attention has been paid to the specific question of brand orientation from a customer perspective. Thus, the first objective of this

research is to assess the constructs of ‘market orientation’ and ‘brand orientation’ in the non-profit sector from the perspective of the customers.

The second objective of this research is to examine the relationship between ‘market orientation’ and ‘brand orientation’. Although few studies (O’Cass & Ngo, 2009; Tuominen, Laukkanen, & Reijonen, 2009) have been done to examine the relationship between ‘market orientation’ and ‘brand orientation’, previous research in this area focuses on managers, brand executives, and employees as the study participants. The present author argues that customers and employees may have different views in relation to the constructs of ‘market orientation’ and ‘brand orientation’ and thus the nature of relationship between the two constructs may differ when examined from the customer perspective.

Finally, this research aims to examine the effects of ‘market orientation’ and ‘brand orientation’ on customers’ perceived benefits. Despite the central importance of ‘perceived benefits’ in the marketing literature, few studies have examined its antecedents in the non-profit sector. It is the interest of the present author to examine whether positive perception of an organization’s market orientation and brand orientation will lead to positive evaluation of the benefits associated with the programme/activities offered by the organization.

The paper is organized as follows: First, the present author reviews a number of theoretical viewpoints that offer conceptual support for the relationship between market orientation, brand orientation, and perceived benefits. This is then followed by the development of hypotheses and a conceptual framework for the study which is then empirically tested. The results are presented followed by discussion, the implications of the study and its limitations.

Literature Review

Perceived Market Orientation

When examined from the perspective of the customers, the construct of ‘market orientation’ has been variously referred to as: (i) ‘perceived market orientation’ (PMO) (Baker, Simpson, & Siguaw, 1999; Corbitt, Thanasankit, & Yi, 2003; Gounaris, et al., 2003); (ii) ‘customer-defined market orientation’ (CDMO) (Krepapa, Berthon, Webb, & Pitt, 2003; Webb, Webster, & Krepapa, 2000); and (iii) ‘perceived customer orientation’ (Dean, 2007). For the purposes of the present study, the term ‘perceived market orientation’ (PMO) is used to refer to customer perceptions of the extent to which an organization engages in market-oriented activities and behaviour.

In accord with Drucker’s (1954) customer-centered philosophy, proponents of PMO argue that the level of market orientation of any given organization should always be assessed from the customer’s perspective. Deshpande et al. (1993, p.27) have observed that: “... the evaluation of how customer oriented an organization is should come from its customers rather than merely from the company itself”. Similarly, Webb et al. (2000, p.102) asserted that: “... the adoption of [an] employee-defined view of market orientation is one-sided and myopic in that it ignores the vital role of customers in terms of value recognition”. Steinman et al. (2000, p.110) concurred in

contending that: "... the appropriate level of market orientation is what the customer thinks it should be".

In their initial study of PMO, Deshpande et al. (1993) found a significant relationship between business performance and PMO. Steinmann et al. (2000) later used the nine-item market orientation scale of Deshpande et al. (1993) to examine the gap between customers' and suppliers' perceptions of market orientation. The study found that the normative gap between customers' and suppliers' PMO decreased significantly as the length and importance of their mutual relationships increased. Krepapa et al. (2003) subsequently examined the impact of this perceptual gap on satisfaction. Using an adapted version of Narver and Slater's (1990) scale, the study found that greater gaps between customers' and suppliers' PMO were associated with lower levels of customer satisfaction (Krepapa, et al., 2003). These findings lend further support to the proposition that PMO has a significant influence on organizational performance.

Within the non-profit context, Voon (2006) proposed six elements of the so-called 'service-driven market orientation' (SERVMO) construct, which consisted of an adapted version of Narver and Slater's (1990) market orientation components. Voon (2006) found significant relationships between SERVMO and service quality, which is consistent with other findings in the commercial context (Gounaris, et al., 2003; Webb, et al., 2000). Despite these recent advances, few studies have examined the significance of 'perceived market orientation' in the non-profit context and thus little managerial implications have been identified.

Perceived Brand Orientation

Whereas the PMO construct was developed to measure market orientation from a customer perspective, the construct of 'brand orientation' has never been examined from the perspective of the customers. The term 'brand' in the present study refers to the branding of the organization itself. Corporate branding differs from product branding in the importance it places on so-called 'brand values'—that is, the values that are inherent in, or associated with, the corporation (and its products and services) (de Chernatony, 1999). A strong corporate brand is often perceived as an assurance of quality or as a form of insurance against poor performance or financial risk (Balmer & Gray, 2003). Within the non-profit sector, a strong brand image can (i) enhance an organization's ability to communicate its values to stakeholders (Tapp, 1996); (ii) change public opinion (Lindsay & Murphy, 1996); (iii) build loyalty (Ritchie, Swami, & Weinberg, 1999); (iv) achieve short-term and long-term objectives (Hankinson, 2002; Simoes & Dibb, 2001); and (v) attract a greater proportion of voluntary income (Hankinson, 2001). Despite these apparent benefits, brands are still largely under-utilised as a strategic asset in the non-profit sector. As Stride and Lee (2007, p.114) observed in a qualitative study of non-profit directors: "... whilst respondents talked enthusiastically about branding, it was rarely discussed in terms of it being an important strategic tool in its own right".

Perceived Benefits

Within the marketing literature, 'perceived benefits' is often conceptualized as part of 'perceived value', which refers to 'consumers' overall assessment of the utility of a product based on perceptions of what is received and what is given' (Zeithaml, 1988,

p.14). The use of ‘perceived benefits’ as a focal construct in the present study is consistent with Buckmaster’s (1999) proposition, which suggests that the performance of non-profit organizations can be defined in terms of the *benefits generated in favour of the individuals* participating in the organization’s programs. It is also consistent with the *consumer perspective* paradigm proposed by Priem (2007), which emphasizes on maximizing customers’ perceived benefits as the means to attain competitive advantage.

With church organizations as the research context, the construct of ‘perceived benefits’ in the present study refers to customers/members’ perception of ‘what is received’ from participating in the programs/activities offered by a church organization. Following a thorough review of literature on church participation, the present author incorporated *spiritual* and *social* benefits in developing the ‘perceived benefits’ construct in the present study. On the basis of *intrinsic and extrinsic religiosity* concept (Allport & Ross, 1967), it can be argued that intrinsically oriented individuals are motivated to attend church to strengthen and express their religious faith (spiritual motives), whereas extrinsically oriented individuals are motivated to attend church to satisfy their need to belong (social motives). The conceptualisation of spiritual and social benefits as antecedents of church participation is also consistent with *the theory of search for meaning and belonging* (Furseth & Repstad, 2006; McGuire, 1997) and the findings of Siegel & Scrimshaw (2002) which asserted that people engage in religious activities to gain *spiritual support* through a personal relationship with God as well as *social support* gained through their interactions with other members/attendees (social benefits).

Conceptual Framework

Insert Figure 1 about here

Overview of the framework

Figure 1 presents the conceptual framework of the present study. Consistent with the objective of this research, the construct of ‘perceived market orientation’ (PMO) was hypothesized as performing positive effects on ‘perceived brand orientation’ (PBO). Both constructs were also hypothesized to perform positive effects on ‘perceived benefits’. The rationale behind the framework is discussed in the following section.

Perceived Market Orientation and Perceived Brand Orientation

The link between ‘market orientation’ and ‘brand orientation’ was initially proposed by the first proponent of brand orientation. Urde (1999) asserted that brand orientation provides the basis of an organization’s interaction with customers and therefore should be built on the foundation of market orientation. Noble, Sinha, & Kumar (2002, p.28) suggested that ‘the necessary understanding of customers, competitors, and organizational processes associated with successful branding suggests a tie to the market orientation’. Further to these propositions, Reid et al. (2005) proposed a conceptual model of the relationships between ‘market orientation’ and ‘brand

orientation', arguing that higher levels of market orientation are associated with higher levels of brand orientation.

More recently, marketing researchers have attempted to provide empirical evidence on the relationship between 'market orientation' and 'brand orientation', Using the MARKOR scale of Kohli and Jaworski (1990), O'Cass & Ngo (2009) found that market orientation is positively related to brand orientation ($\beta=0.66$, $p<.05$). Similarly, Tuominen et al (2009) found positive association between the two constructs using the MKTOR scale of Narver and Slater (1990). The researchers found that 'customer orientation' has the strongest effects on brand orientation ($\beta=0.41$, $p<.05$), followed by 'interfunctional coordination' ($\beta=0.28$, $p<.05$) (Tuominen, et al, 2009).

On the basis of previous studies on the link between 'market orientation' and 'brand orientation', this research hypothesizes that customers' perception of an organization's market orientation (PMO) is positively associated with their perception of the organization's brand orientation (PBO). As asserted by Urde (1999), market orientation and brand orientation are linked together through their central focus on customers. Highly market-oriented organizations constantly monitor the needs of their members and deliver relevant programs/activities that address those needs. Members who have positive perception of the organization's performance in the various dimensions of 'market orientation' is thus likely to perceive the organization as unique, reputable, and consistent in delivering its message (all of which are the dimensions of 'perceived brand orientation' construct in the present study). The following hypothesis is thus proposed:

H1: Perceived market orientation is positively related to perceived brand orientation

Perceived Market Orientation and Perceived Benefits

The fundamental objective of market orientation is to create superior value for the customers (Narver & Slater, 1990). In this regard, the paradigm of 'service-dominant logic' (Vargo & Lusch, 2004) postulates that the customer is always a co-creator of value—that is, marketers can only offer value propositions, but the real value of products/services is determined by consumers on the basis of 'value in use'. As previously mentioned, highly market-oriented organizations design their services based on the needs of existing and prospective members. Consequently, members that have positive evaluation of an organization's market orientation are also likely to perceive relevant benefits from participating in the programs/activities offered by the organization. This is because the members believe that the programs/activities offered by the organization are designed with the needs of its members in mind.

H2: Perceived market orientation is positively related to perceived benefits

Perceived Brand Orientation and Perceived Benefits

Brand orientation is defined as 'the approach in which the processes of an organization revolve around the creation, development, and protection of brand identity in an ongoing interaction with customers with the aim of achieving lasting competitive advantages in the form of brands' (Urde, 1999, p.117). The 'perceived

brand orientation' construct in the present study was designed to examine customers/members' perceptions of the extent to which an organization engages in brand-oriented activities and behaviour. Consistent with the definition of brand orientation, the present author hypothesizes that members that have positive evaluation of an organization's brand orientation is also likely to perceive relevant benefits from participating in the programs/activities offered by the organization. This is because the members believe that the organization's brand identity is built around *ongoing interaction* with the members, and thus the activities/programs offered by the organization are designed with the needs of its members in mind.

H3: Perceived brand orientation is positively related to perceived benefits

Methodology

Sample Description

In this research, the sampling frame consists of members of church organizations in Australia. Over the past two decades, churches have been increasingly utilised as a research context in studies of the non-profit sector (Abreu, 2006; Santos & Mathews, 2001; Sargeant, 2005) and services marketing (Rodrigue, 2002; Sherman & Devlin, 2000; Webb, Joseph, Schimmel, & Moberg, 1998). The resemblance between the role of 'church members' in church organizations and 'customers' in commercial organizations has also been supported in the literature, mainly due to church members' extent of involvement in the production, delivery, and consumption of services experience which mirrors customers' involvement in the service retailing context (Attaway, Boles, & Singley, 1996; Mehta & Mehta, 1995; Saunders, 2000). 1085 questionnaires were distributed in thirteen church organizations that participated in the study. The number of attendees slightly varies between churches with an average of 100 adult attendees in every service. A total of 344 usable questionnaires were received, indicating a response rate of over 31%.

Measures

Perceived Market Orientation

This study adapted Narver and Slater's (1990) MKTOR scale to measure respondents' perception of an organization's performance in the respective dimensions of market orientation (customer orientation, competitor orientation, and interfunctional coordination). The scales were adapted to reflect the non-profit environment under consideration. Since this research focuses on the examination of market orientation from the customers' (members) perspective, the wording was also modified to reflect customers' perceptions. The modification procedure in this study followed closely the recommendations of previous scholars on the application of a market orientation scale in non-profit settings (Gainer & Padanyi, 2005; Padanyi & Gainer, 2004; Wood, Bhuian, & Kiecker, 2000).

Perceived Brand Orientation

The present author initially attempted to adapt the Non-profit Brand Orientation (NBO) measure (Ewing & Napoli, 2005) in developing the 'perceived brand orientation' (PBO) construct in this study. However, the adaptation of NBO construct

in the customer context is a rather complex issue because the assessment of the importance of branding in an organization's strategy is typically assessed by top managers (Urde, 1999). A pilot study involving members of a particular church organization reveals that a number of statements in the NBO construct were not applicable to customers/members as these are not experience-related but rather a strategic issue.

Following the complexities involved in the adaptation of the brand orientation scale, the present author referred to the *brand orientation themes* (uniqueness, reputation, and orchestration (Aaker, 1991; de Chernatony & Riley, 1998; Keller 2000) used by Ewing and Napoli (2005) in their development of NBO. Akin to the scale development process for PMO, the development process for the PBO instrument involves consultation with experts in the area and in-depth interview participants.

Perceived Benefits

This research utilized Emmons *et al.* (1998) instruments of personal goals, which have been extensively used in literature pertaining to the psychology of religion (Hill & Hood, 1999; Zinnbauer, Pargament, & Scott, 1999), to measure 'spiritual' and 'social' benefits. The scales were designed to examine the extent to which respondents believe that the programs/activities offered by the church can help them to achieve certain spiritual and social outcomes in life.

Results

Exploratory Factor Analysis

Exploratory factor analysis was performed with *principal axis factoring* (common factor) as a method of extraction. This research also used Varimax rotation method which minimizes the number of variables with high loadings on one factor (Malhotra, Hall, Shaw, & Oppenheim, 2002). The number of factors in this study was determined by eigenvalue which reflects the amount of variance associated with a particular factor. For the purpose of this study, only factors with variances greater than 1.0 were retained.

The EFA results indicated that the PMO construct in this research is consistent with Narver and Slater's (1990) dimensions of market orientation with three distinct components of 'customer orientation', 'competitor orientation', and 'interfunctional coordination'. Although the PBO items were originally developed to reflect three brand orientation themes, the EFA extracted one factor out of eight variables. The unidimensional nature of the PBO scale in the present study is consistent with Hankinson's (2001b) studies of brand orientation in the non-profit sector.

Confirmatory Factor Analysis

CFA procedure was implemented to further refine the constructs, and to assess the convergent and discriminant validity of the constructs. As depicted in table 1, the standardized factor loading coefficients of most constructs are above the ideal level of 0.7, thus reflecting convergent validity.

Appendix 1 shows means, standard deviations, and intercorrelations of all of the measurement variables. As depicted in the table, the AVE for each construct is greater than all related correlation, thus indicating discriminant validity (Fornell & Larcker, 1981). The final measurement model demonstrated good fit with the data as reflected in the fit indices including $\chi^2 (59) = 121.536$ ($p = .000$), NC (2.060), RMSEA (.056), TLI (.960), CFI (.970), and NFI (.943).

Reliability

This study took into account the Cronbach's Alpha of each construct as displayed in table 1 along with the description of the final items. The coefficient alphas for the respective constructs were calculated using the reliability procedure in SPSS. As can be seen in the table, the reliabilities of all constructs in this research fall within the excellent level (0.7 and above) (Cronbach, 1951).

Insert figure 2 about here

Tests of Hypotheses

The structural model in figure 2 was employed to test the research hypotheses. An examination of the fit indices suggested that the model had acceptable fit with the data. The fit indices such as NC (2.168), RMSEA (.058), GFI (.958), AGFI (.932), TLI (.960), NFI (.934), and CFI (.963) are within the recommended level.

An examination of the standardised regression weights and Critical Ratio indicates that PMO is positively associated with PBO ($\beta = .768$, $p < .001$), thus lending support to H1. The results also lend support to H2, as PMO was found to perform significant direct effects ($\beta = .452$, $p < .001$) on 'perceived benefits'. The analysis also assessed for potential indirect effects of PMO on 'perceived benefits' through PBO. The bootstrapping method was used to estimate the standard error, but no significant indirect effects were found between PMO and 'perceived benefits'.

The structural model reveals that the direct effects of PBO on 'perceived benefits' is non-significant ($\beta = .153$, $p > .05$), thereby failing to confirm H3. An alternative model was then employed to test the potential effects of PBO on 'perceived benefits' through PMO as the mediating variable. This was done by reversing the direction of relationship between PMO and PBO. The analysis of the regression weight tables reveal that PBO has significant indirect effects ($\beta = .347$, $p < .05$) and total effects ($\beta = .500$, $p < .001$) on 'perceived benefits' through PMO. Thus, although no significant direct effects were found to confirm H3, the significant indirect effects revealed in the alternative model suggests that the relationship between PBO and 'perceived benefits' is only significant through PMO as the mediating variable.

Discussions

The purpose of the present study was to examine the relationship between 'perceived market orientation', 'perceived brand orientation', and 'perceived benefits' in the non-

profit sector. Drawing on the existing literature, this research proposed a conceptual framework linking the three constructs and tested the hypothesized relationships through the use of structural equation modeling.

The results of the analysis reveal interesting findings for marketing researchers and practitioners alike. First, it was found that respondents' perception of an organization's market orientation is positively related to their perception of the organization's brand orientation. The results provide empirical verification for the conceptual work of Reid, et al (2005) and complement the findings of previous researchers in this area (O'Cass & Ngo, 2009; Tuominen, et al., 2009). In relation to the previous studies, it worth noting that the association between PMO and PBO in this study ($\beta=0.768$, $p<.001$) is stronger than the one found in O'Cass and Ngo (2009) studies ($\beta=0.66$, $p<.05$). This might be attributed to the differences in the unit of analysis, as the present study involved customers/members of non-profit organizations as the study participants whereas O'Cass and Ngo involved brand executives and managers. Second, it was found that respondents' perception of an organization's market orientation is positively related to 'perceived benefits'. This suggests that the more people perceive an organization to be market-oriented, the more they associate relevant benefits with participating in the programs/activities offered by the organization. Finally, an observation of the alternative model found that the relationship between 'perceived brand orientation' on 'perceived benefits' is only significant through the mediating role of 'perceived market orientation'. This suggests that respondents' perception of an organization's brand orientation alone does not lead to positive perceived benefits. Rather, it is only through 'perceived market orientation' that respondents eventually 'transform' their *evaluation* of an organization's brand orientation to positive perception of the benefits associated with the organization's programs/activities.

The contribution of the present study to the literature is twofold. First, the study contributes to the body of literature through an empirical examination of the relationship between customer-perceived market orientation (PMO), brand orientation (PBO) and 'perceived benefits'. Future researchers can examine the predictive power of PMO and PBO on other indicators of organizational performance both in the commercial (financial performance, customer satisfaction and retention) and the non-profit sector (resource attraction and allocation). Second, the study contributes to the branding literature through the development of 'perceived brand orientation' constructs which measure how brand-oriented an organization is from the perspective of the customers. Although the PBO scale in the present study was developed for the non-profit sector, there is a future research avenue to develop similar construct in the commercial sector. The applicability of the PBO construct of the present study in other non-profit sectors (e.g. charitable organizations) will also be of significant interest for non-profit researchers and practitioners alike.

This study has provided useful insights for non-profit organizations' managers in general and church leaders in particular. With the significant decline in church attendance over the past two decades (NCLS, 2001), the findings of the present study could assist church leaders in developing a strong brand and enhance members' perceived benefits, which could eventually lead to more active church participation. An organization that endeavours to build a strong brand should ensure that it has sufficient understanding of customers/members and utilizes the various resources of

the organization to deliver superior values. Non-profit managers and church leaders alike should constantly monitor customers/members' perception of the organization's performance in the respective dimensions of market orientation. Second, particular attention should be given to the three themes of 'brand orientation' in creating a strong brand. On a more practical note, this approach includes creating a unique brand identity as a means for differentiation (uniqueness), monitor the organization's reputation as perceived by its existing and prospective members (reputation), and deliver consistent messages about the organization's image to the surrounding community (orchestration).

Two main limitations of the study are identified. First, the use of convenience sampling to recruit the respondents possesses some weaknesses. With church attendees as the unit of analysis, the respondents may feel 'obliged' to evaluate their church positively. Although the respondents were informed that the survey is anonymous in nature, they were notified that a summary of the study findings would be reported to the church leaders for evaluation purposes. Hence, respondents' evaluation of the church's image and market orientation may be biased towards giving socially desirable responses. Second, although the church represents an ideal context within which to examine the construct of PBO and PMO due to the active participation of the members, there may be other factors (such as faith and spirituality) which affect respondents' positive evaluation of the church's market orientation, brand orientation, and perceived benefits. Thus, as previously mentioned, the replication of the present study in other non-profit sectors is an attractive avenue for future research.

In conclusion, the present study has provided useful insights into the relationship between market orientation, brand orientation, and perceived benefits from the customers' perspective. It is expected that the study will be a catalyst to draw further attention on research in this important topic.

Table 1. Standardized Factor Loadings, t-Value, and Cronbach's Alpha of final items

| <i>Measurement items (Cronbach's Alpha)</i> | <i>Standardized Factor Loadings</i> | <i>t-Value</i> |
|--|-------------------------------------|----------------|
| Customer orientation (0.89) | | |
| Constant monitoring of members' needs | 0.804 | 21.608 |
| Services designed based on members' needs | 0.848 | 22.932 |
| The leaders constantly seek to understand members' expectations | 0.918 | 25.068 |
| Competitor orientation (0.86) | | |
| The organization reacts to better other organizations' practice | 0.841 | 20.709 |
| The leaders are aware of other organizations' practice | 0.873 | 21.263 |
| The organization focuses on particular communities where it can serve better | 0.749 | 19.021 |

Interfunctional coordination (0.88)

| | | |
|--|-------|--------|
| Encouragement for members to be involved in the organization | 0.753 | 18.612 |
| The leaders understand how different activities/events can provide great value | 0.902 | 21.714 |
| The different departments within the organization shares their resources with each other | 0.86 | 20.859 |

PBO (0.85)

| | | |
|--|-------|--------|
| People come to the organization because of its reputation (<i>reputation</i>) | 0.471 | 11.367 |
| The organization possess unique values which are transparent to the community (<i>uniqueness</i>) | 0.631 | 16.227 |
| Well known in the surrounding community (<i>reputation</i>) | 0.613 | 15.623 |
| Communication sends consistent messages about the organization to the community (<i>orchestration</i>) | 0.855 | 24.844 |
| The activities/programs implemented by the organization has strong appeals to the local community (<i>orchestration</i>) | 0.864 | 25.105 |
| Promotional materials create an image that is well understood by the members (<i>orchestration</i>) | 0.807 | 22.887 |

Spiritual benefits (0.92)

| | | |
|---------------------------------------|-------|--------|
| Develop spiritual meaning in life | 0.905 | 42.114 |
| Bring my life in line with my beliefs | 0.965 | 55.777 |
| Deepen my spirituality | 0.952 | 52.711 |

Social benefits (0.90)

| | | |
|--|-------|--------|
| Meet new people through my present friends | 0.881 | 34.085 |
| Develop good social relationships | 0.912 | 37.473 |
| Build network of friends | 0.937 | 40.303 |

Figure 1. Conceptual Framework

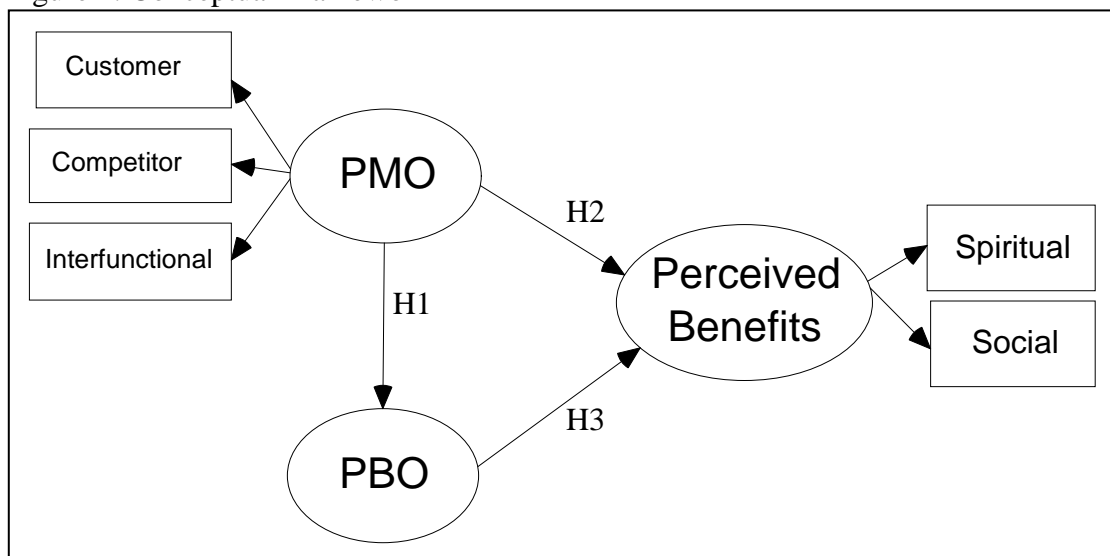
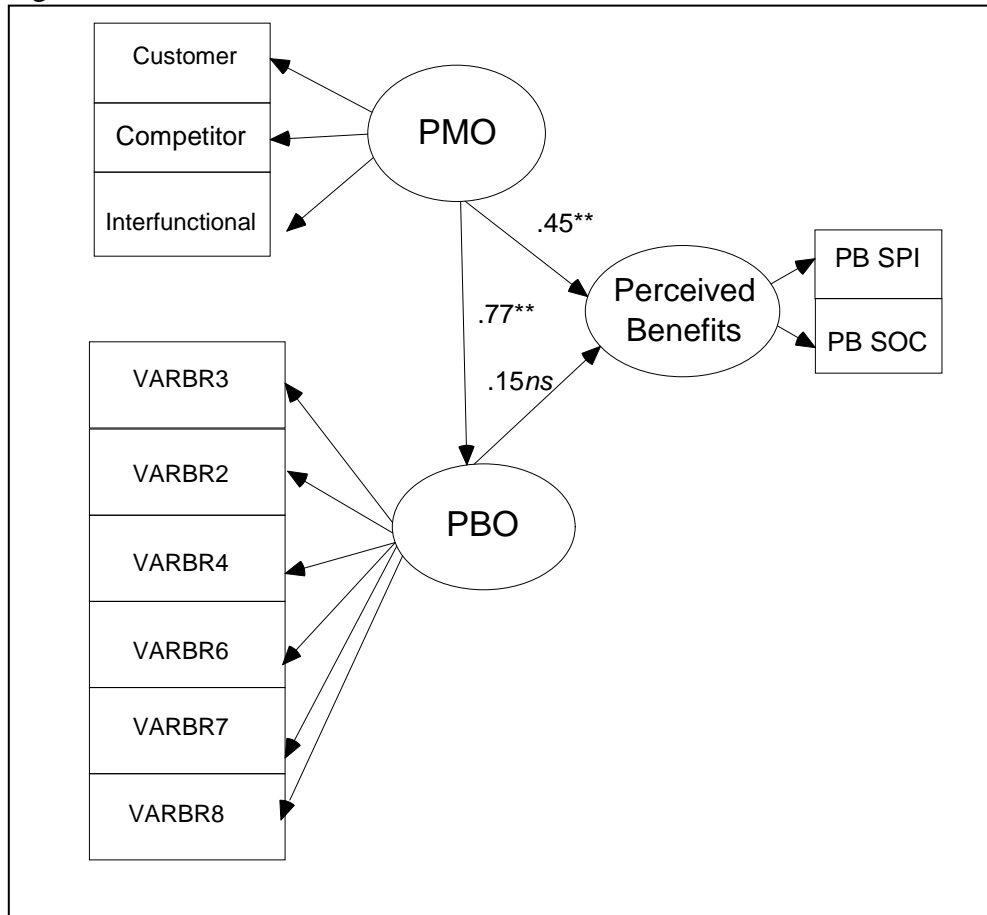


Figure 2. Structural Model



**significant at 1%. All results standardized

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Appendix 1. Means, standard deviations, and correlation matrix

| Construct | Mean | Standard Deviation | Customer Orientation | Competitor Orientation | Interfunctional Coordination | PBO | Spiritual benefits | Social benefits |
|------------------------------|-------------|---------------------------|-----------------------------|-------------------------------|-------------------------------------|-------------|---------------------------|------------------------|
| Customer Orientation | 5.196 | 1.139 | <i>0.76</i> | | | | | |
| Competitor Orientation | 3.205 | 1.48 | .231** | <i>0.80</i> | | | | |
| Interfunctional Coordination | 5.593 | 1.057 | .515** | .118* | <i>0.71</i> | | | |
| PBO | 5.138 | 1.062 | .505** | .236** | .524** | <i>0.71</i> | | |
| Spiritual benefits | 5.892 | 1.104 | .231** | -0.011 | .260** | .238** | <i>0.89</i> | |
| Social benefits | 5.347 | 1.363 | .284** | .131* | .269** | .329** | .399** | <i>0.87</i> |

** significant at 1% level. Numbers shown in italics denote the average variance extracted

* significant at 5% level