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The practice of market orientation in the WAEMU banking sector : Case of banks in Senegal

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Abstract: In this article we will study the level of implementation of market orientation in the banking sector to better understand the relationship with customers (BIC : customer information bulletin), and what is the best measuring scale. This market orientation is a fundamental factor in credit risk management. For two decades, research devoted to market orientation has multiplied. Indeed, research on market orientation started in the United States with the work of Kohli and Jaworski (1990) and Narver and Slater (1990). They are essentially structured around the theme of the relationship between market orientation and performance. Thereafter research multiplied in the rest of the world : in Australia (Farell, 1997), in France (Lambin, 1998), in Turkey (Menguc, 1996) Taiwan (Chang and Chen, 1998), Ghana (Appiah-Adu , 1998) . They used the two scales for measuring market orientation (MARKOR by Jaworski and Kohli 1993 – MKTOR by Narver and Slate 1990) to test the validity of banks' orientation. The results, with PCA (principal component analysis), allowed us to observe that the factors of top management's attitude towards customers and the reward system are decisive in the implementation of market orientation.

Keywords: market orientation ; measurement scale ; antecedents ; MKTOR ; MARKOR ; PCA.

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1. INTRODUCTION

At the end of the 1980s, there was a resurgence of interest in marketing in the subject of market orientation (Shapiro 1988). No research was devoted to the study of the concept of market orientation before the pioneering article by Kohli and Jaworski in 1990. But since that date, significant efforts have been made to fill the theoretical and empirical gaps to give birth to a real trend in marketing research : market orientation. The major steps in the evolution of market orientation research are : first on **theory**, then the **operationalization** of the market orientation, finally, its impact on the **performance** of the firm.

The first developments of market orientation theories made it possible to conceptualize the constructs of market orientation and highlighted the significant relationship between market orientation and firm performance. However, there is hardly any research on the African level that has made it possible to make the link between market orientation and performance : Ghana (Ap piah-Adu 1998, Hinson and Mahmoud 2011), Ivory Coast (Ouattara 2000), Nigeria (Obaji et al. 2009) Zimbabwe (Mavondo et al. 2003). Current measurements are biased because they do not take international data into account. This is the reason why Greenly (1995) indicates that from a management point of view, the scales for measuring market orientation that currently exist could be inappropriate in certain countries with regard to the specific conditions and environment in which the business is found.
This article proposes an integrating framework of the two forms of conceptualizations of market orientation and takes into account an African dimension in the study. The theoretical framework will allow the specification of the construction of the market orientation which will be validated in Senegal. The implementation of market orientation and the assessment of the validity of measurement scales (MKTOR and MARKOR) in different market conditions and across the world were analyzed. But sub-Saharan Africa is one of the regions of the world where the theory of market orientation is very little tested. This is explained by the fact that the cultural points of view of the employees and managers of African companies are different from those of Americans and Western countries. Thus Martin et al. (1998) demonstrated that cultural differences affect the degree of market orientation. So we can say that mentalities and cultural perceptions influence the practice of market orientation. One can even ask the question whether the socioeconomic environment does not limit the validity of the concept of market orientation. Two scales for measuring market orientation (MARKOR by Jaworski and Kohli 1993 – MKETOR by Narver and Slate 1990) will be used to test the validity of market orientation in Senegal
This article aims to study two questions.
-Are the two scales for measuring market orientation applicable to Senegalese banks?
-If yes, what are the variables that facilitate the implementation of market orientation (backgroud)

In the context of this article, we will first briefly review the banking market in the WAEMU zone, and more particularly in Senegal. Then we will proceed to the study of the theoretical framework, emphasizing the scales of measurement. Finally, we will end with the methodology and the results of the study.

2. THE WAEMU BANKING MARKET

WAMU is a monetary zone that includes eight countries (Benin, Burkina Faso, Ivory Coast, Guinea Bissau, Mali, Niger, Senegal and Togo). The WAMU is part of a larger whole that constitutes the Franc Zone. The financial sector has a key role to play in the development process economic. In 2020, the international economic environment was characterized by an economic recession (BCEAO 2020). In fact, the product real gross domestic (GDP) of the Union increased from 5.7% in 2019 against 0.9% in 2020. financial institutions in a country are the main channels of intermediation between savings and investment. The best-functioning financial systems limit, quantify, group together and negotiate all the risks associated with a transaction, and encourage savers to invest, by offering them compensation based on the extent of the risks incurred. The activity economy in WAEMU was well oriented in 2021, benefiting from the vigor of activities in the tertiary sector and the growth of agricultural production, in an environment improving socio-political and security.

With regard to the regulation of the sector, it should be noted that between 2000 to 2017, the prudential framework applied in WAEMU was based on the Basel I frameworks which aimed to promote the resilience of the banking system and ensure the protection of customers in a prudential regulatory context. Regulation is said to be prudential because it aims to protect the financial system as a whole, as well as the security of depositors. These standards of Basel 1 focused on the following areas : the conditions for exercising the profession (the fund names on the minimum capital), the regulation of operations carried out by banks and financial institutions and management standards based on the risk coverage ratio (BCEAO, 2000). Pursuant to article 23 of the banking law, the WAEMU Council of Ministers had set the amount of the minimum share capital of banks at 1 billion FCFA for all WAEMU States. Article 26 of the banking law provides that banks and financial institutions must provide proof at any time of own funds at least equal to the minimum capital determined pursuant to Article 23. The Council of Ministers of the Union had decided, in its ordinary session of September 17, 2007, to raise the minimum share capital applicable to banks and financial institutions in the Western Monetary Union (WAMU) to 10 billion in two phases (01/2007/RB of November 2, 2007). This measure is in line with a view to promoting a healthy and solid banking and financial system, likely to contribute effectively in financing the economic development of WAMU member states. So the minimum share capital was increased, in a first phase, to 5 billion CFA francs from the 1st January 2008. Operating banks had to comply with these new thresholds no later than 31 December 2010. The new thresholds are applicable to applications for authorization as a bank introduced from the date of entry into force of the measure. Banks and establishments financial institutions already approved were required to communicate to the WAMU Banking Commission, within a six (6) months from January 1, 2008, an action plan accompanied by a timetable, indicating the measures to be taken by managers under this first phase, to comply, where applicable, with the rules of minimum share capital, representation and use of minimum capital.

During 2020, the WAEMU banking network was consolidated by foor new units compared to the previous year, in particular, two in Côte d'Ivoire and one in Senegal.

Table 1: Breakdown of credit institutions by country

COUNTRY	Number of units in 2020			Number of units in 2019		
	Banks	Financial institutions	Counters	Banks	Financial institutions	Counters
Benin	14	1	254	15	0	200
Burkina	15	4	331	15	4	243
Cote d'ivoire	29	2	725	27	2	626
Guinée-Bissau	5	0	37	5	0	26
Mali	14	3	500	14	3	360
Niger	14	4	1122	14	4	295
Sénégal	27	4	512	25	4	533
Togo	14	3	247	13	3	445
TOTAL	**132**	**21**	**3 728**	**128**	**20**	**2 728**
	153			**145**		

Source : BCEAO 2020

An inventory that confirms a certain proliferation of banks in Senegal. And these the latter, depending on their sector of activity and their coverage, have a certain classification. They vary between generalist banks with a national network (CBAO, SGBS, BICIS), banks with a West African network that pursue policies favoring customers of other African countries to carry out economic and financial transactions in the country (Ecobank, Attijariwafa Bank, etc.), investment banks specializing in financing companies (Citibank, BIS, BDK, BGFI) and finally, specialized banks, the most view are the BHS and the BA. Thus, these institutions, which have an essential role in the management of means of payment and which provide economic agents with the liquidity necessary to a well-functioning economy are about twenty in Senegal.

The banking landscape can be divided as follows : there is a first category where there are the issuing institution which is the Central Bank of West African States (CBWAS), the second category where are classified the primary banks or commercial banks whose SGS, Ecobank, Attijariwafa Bank, among others. There are also development banks like the National Bank for Economic Development (NBED) which joined the banking system Senegalese in January 2014 and the Islamic Bank of Senegal (IBS).

Table 2 : List of banks in Senegal

REG.	FINANCIAL SECTOR	ACRONYM	APPROVAL DATE	BALANCE SHEET TOTAL	NUMBER OF ACCOUNTS
	BANK				
K0012C	**27)**	CBAO	30/07/1965	1 151 047	429 213
K0011B	- CBAO, Groupe Attijariwafa bank	SGS	12/03/1965	967 133	202 010
K0094R	- Société Générale Sénégal	ECOBANK	19/02/1999	721 563	234 344
K0100Y	- Ecobank Sénégal	BOA	19/09/2001	562 897	317 090
K0175E	- Bank Of Africa Sénégal	ORB	05/06/2013	490 396	19 362
K0010A	- Orabank Côte d'Ivoire, Succursale du Sénégal	BICIS	12/03/1965	483 662	113 171
K0039G	- Banque Internationale pour le Commerce et l'Industrie du Sénégal	BHS	12/12/1979	471 204	220 345
K0079A	- Banque de l'Habitat du Sénégal	BIS	20/07/1982	437 707	96 609
K0137N	- Banque Islamique du Sénégal	BA	28/10/2005	408 548	99 415
K0159M	- Banque Atlantique Sénégal	NSIA	22/06/2010	363 867	38 535
K0048R	- NSIA Banque Bénin, Succursale du Sénégal	LBA	15/06/1984	343 035	181 851
K0213W	- La Banque Agricole	CBI	27/02/2019	324 023	18 540
K0144W	- Coris Bank International Sénégal	BRM	13/10/2006	292 888	1 564
K0169Y	- Banque Régionale de Marchés	BNDE	23/08/2013	279 297	17 801
K0153F	- Banque Nationale pour le Développement Economique	UBA	09/01/2009	266 195	97 234
K0060E	- United Bank for Africa Sénégal	CDS	14/06/1989	234 308	27 335
K0191X	- Crédit Du Sénégal	BDK	18/03/2015	208 146	3 367
K0189V	- Banque de Dakar	BGFI	12/12/2014	139 696	1 778
K0141S	- BGFIBank Sénégal	CITIBANK	15/05/2006	**135 275**	258
K0111K	- Citibank Sénégal	BSIC	22/08/2003	131 535	37 932
K0140R	- Banque Sahélo-Saharienne pour l'Investissement et le Commerce Sénégal	FBNB	20/10/2005	72 848	6 171
K0156J	FBNBank	CI	14/01/2009	54371	1 644
K0178H	- Crédit International	BCIM	06/09/2013	47 032	658
K0117R	- Banque pour le Commerce et l'Industrie du Mali	BIMAO	07/01/2005	39 966	916
K0200G	- Banque des Institutions Mutualistes d'Afrique de l'Ouest	LBO	25/01/2017	29 599	470
K0236W	- La Banque Outarde	BB	18/09/2020	25 348	341
K0221E	- Bridge Bank Group Côte d'ivoire	BDM	16/12/2019	20 236	**256**
	- Banque de Développement du Mali, Succursale du Sénégal				
K0029W	**Financial institutions (4)**	LOCAFRIQUE	14/05/1977	88 715	0
K0203K	- Compagnie Ouest Africaine de Crédit-Bail	LA FINAO	16/11/2017	23 814	16
K0145X	- La Financière de l'Afrique de l'Ouest	SACA	20/07/2006	10 769	0
K0192Y	- Société Africaine de Crédit Automobile – Alios Finance	WA	20/04/2015	6 043	0
	- WafaCash West Africa				

Banking commission annual report 2020

3. MARKET ORIENTATION THEORIES

It was towards the end of the 1980s that researchers became interested in the subject of market orientation. No in-depth research was devoted to the study of this notion before the pioneering article by Kohli and Jaworski in 1990 marketing research : market orientation. Research on the notion of market orientation has thus evolved. The first stage in work, essentially North American, allowed the conceptualization and measurement of market orientation (Kohli and Jaworski, 1990 ; Narver and Slater, 1990).

Market orientation is defined from two perspectives : market orientation as a **culture** and market orientation as a **behavior**. The cultural approach instituted by Narver and Slater (1990), apprehends market orientation such as the corporate culture that creates superior value in the market. This culture is characterized by the predisposition of the organization to permanently offer a superior value to its customers. The value objective pursued by the company – in that it represents the guarantor of sustainable competitive advantage- imposes the orientation of the whole of the company towards a regular collection of information on the needs of the customers, the capabilities of competitors and the behaviors of other market agents and authorities

The behavioral approach, instituted by Kohli and Jaworski (1990) considers the orientation market as a set of procedures and/or actions originating from the company's understanding of the market and its ability to respond based on this understanding. It is, confirm Jaworski and Kohli (1993) the activity assumed by any business, to generate, propagate and respond to marketing intelligence.

3.1 Conceptualization of Kohli and Jaworski

Kohli and Jaworski (1990) gave a first approach to market orientation. They consider the organization as an activity based on marketing concepts. They formally define market orientation by considering three types of activities:

- **The generation of information,**
- **The dissemination of information,**
- **The reaction to this intelligence.**

Generating information involves taking into account the needs of current and potential customers as well as exogenous market factors such as competition, regulation, technology and other environmental forces. This generation of information is the responsibility of all departments of the company. This information must be effectively disseminated in all departments and at the level of each person so that they appropriate it. The reaction to information, on the other hand, takes place in two phases : a first strategic phase (development of strategies to react on the market) and a second phase of implementation (an action in which the company uses operational levers).

3.2 Conceptualization of Narver and Slater

In classic studies Narver and Slater (1990) provided the first operational measures of market orientation and analyzed their effect on performance. Narver and Slater's definition of market orientation brings together both perspectives : philosophical and behavioral. The first is defined as an organizational culture that more effectively and efficiently develops the behaviors needed to create superior value for customers. However, the operationalization of market orientation is purely behavioral. Because it reflects the degree to which the business units harmoniously implement the three behaviors:

- **Customer orientation,**
- **Competitor orientation**
- **Cross-functional coordination.**

Thus, according to Narver and Slater, customer orientation and competitor orientation combine activities that involve the generation of information on customers and competitors, then the dissemination of this information in the company. The third behavioral characteristic, cross-functional coordination, is based on the information collected on customers and competitors in order to organize the coordination efforts in the company for the creation of superior values for the customers. Customer orientation can be defined as the total understanding of customers for the creation of value for them continuously. Competitor orientation involves understanding the strengths and weaknesses of current and potential competitors. These three components are equally important.

3.3 Integration of the two approaches

In the definition of the concept of market orientation, two approaches considered to be competing have been observed. The first is cultural (Narver and Slater, 1990), and the second is behavioral (Kohli and Jaworski 1990). Based on this double observation, Homburg and Pflesser (2000) looked at the relationship between culture and organizational behavior. They encourage the theoretical integration of behavioral and cultural approaches to market orientation. They proposed an integrating framework of market orientation in which the culture of market orientation is antecedent to the behaviors relating to market orientation, of which they are the manifestations. Five years ago Cadogan and Diamantopoulo (1995) reconciled the two conceptualizations of market orientation provided by Kohli and Jaworski (1990) and Narver and Slater (1990) with the aim of making them more comprehensive and useful. Thus, according to Cadogan and Diamantopoulos (1995), market orientation is studied from two perspectives : market orientation as philosophy and market orientation as behavior. Cadogan and Diamantopoulos (1995) compared the two concepts and analyzed the extent to which conceptual and operational overlaps exist. And in their conclusion they were able to demonstrate that **cross-functional coordination is not a component of market orientation but an antecedent.** So cross-functional coordination is the mechanism that allows the three orientations to work together. This is what has allowed other authors to broaden the scope of market orientation.

4. RESEARCH METHODOLOGY

4.1 Data collection procedure

The survey was conducted using a double sampling procedure – dyadic approach – with a sample of 27 banks. The questionnaire administered included proposals grouping together all the items making up the measurement instruments selected. Respondents were asked to rate the degree of market orientation using a five-point Likert scale ranging from (1) never to (5) always. Questionnaires were given to the various managers in order to obtain the desired information. To motivate the banks to participate, a cover letter indicated the benefits of such a study for the participants; in addition I used my knowledge. We mentioned on the questionnaire: "This questionnaire was designed for research work, which means that the information provided is strictly confidential and that it will in no case be transmitted to a third party. For the results to be usable, it is essential that you answer all the questions. You can use all the positions of the scales, knowing that there is no limit, no wrong answers. Only your opinion counts and anonymity is respected.

4.2 Structure of the questionnaire

The questionnaire had two parts. The first part, Kohli and Jaworski's MARKOR measurement scale, consists of 20 questions divided into three groups, six of which relate to the generation of information, five to the dissemination of information and nine to the reaction to the information (strategy and implementation). The second part, the MKTOR measurement scale of Narver and Slater (1990) is also composed of 15 questions, six of which were related to customer orientation (i.e. customer-oriented business strategy), five to orientation towards competition and four to cross-functional coordination (i.e. the coordination of activities between the different functional departments of the company)

5. THE RESULTS OF THE STUDY

5.1 Applicability of the scales in the banking sector

5.1.1 Reliability and validity test of the MARKOR and MKTOR scales

According to Anderson et al. (1988) the first step in assessing the reliability and validity of scales for measuring market orientation consists in testing the one-dimensional nature of the elements that make up each scale. The principal component analysis method is used at this level. Thus the criterion for determining the number of components is that of Kaiser, taking into account of course several constraints. Once the PCA results have been obtained, the second step is to make a comparison between the two scales.

- **NARVER AND SLATER APPROACH**

Narver and Slater (1990) developed the cultural approach to market orientation. They define it as the culture that induces the behaviors necessary to deliver superior value to consumers on an ongoing basis. Narver and Slater (1990) specify that the desire to offer superior value to customers' induces three organizational behaviors of understanding customer needs, understanding how competitors meet the needs of these same customers, and coordinated use of company resources to deliver superior value to those same customers. Narver and Slater (1990) operationalize the concept of market orientation based on three behavioral components : customer orientation, competitor orientation and cross-functional coordination. PCA (principal component analysis) results yielded high reliability rates (the Cronbach alpha value) for overall market orientation, competitor orientation, functional coordination, and customer orientation.

Table 3 : MKTOR cross-correlation matrix

	OC1	OC2	OC3	OC4	OC5	OC6	OK1	OK2	OK3	OK4	OK5	CIF1	CIF2	CIF3	CIF4
OC1	1,00														
OC2	0,27	1,00													
OC3	0,48	0,26	1,00												
OC4	0,08	-0,04	0,20	1,00											
OC5	0,47	0,03	0,30	0,53	1,00										
OC6	-0,23	-0,73	-0,45	0,38	0,40	1,00									
OK1	0,09	0,37	-0,17	0,10	-0,09	-0,31	1,00								
OK2	0,20	0,53	0,10	0,66	0,65	0,13	0,27	1,00							
OK3	-0,44	-0,06	-0,11	0,63	0,00	0,39	0,06	0,50	1,00						
OK4	-0,52	-0,22	-0,40	0,66	-0,02	0,51	0,29	0,40	0,88	1,00					
OK5	0,01	-0,30	-0,08	0,91	0,57	0,71	0,01	0,59	0,66	0,74	1,00				
CIF1	0,11	-0,67	-0,30	0,45	0,53	0,93	-0,31	0,16	0,24	0,36	0,74	1,00			
CIF2	-0,03	-0,04	-0,39	0,08	0,48	0,45	0,45	0,45	0,12	0,28	0,29	0,35	1,00		
CIF3	0,23	0,10	0,17	0,45	0,71	0,45	-0,13	0,75	0,50	0,26	0,56	0,47	0,53	1,00	
CIF4	0,02	0,57	0,30	0,65	0,47	-0,09	0,40	0,90	0,56	0,45	0,47	-0,13	0,35	0,59	1,00

Source : our research

- OC : orientation customer
- OK : orientation competitor
- CIF : Cross-functional coordination

PCA (principal component analysis) therefore makes it possible to reduce large tables to a small number of variables (2 or 3) while retaining as much information as possible. To see if the items are factored we check the correlation coefficients (>0.5), the KMO index (> 0.7) to show that each variable is correlated with the others, the Bartlett test to see if it is not an identity matrix and Cronbach's Alpha for reliability (>0.7). The satisfaction of two conditions is enough to factorize.

Principal component extraction can be performed using Kaiser's criterion, Cattell's scree test or Horn's parallel analysis. **To extract the components we used the Kaiser criterion**. According to the latter, the eigenvalue of each component must be calculated (Eigen value) and the extraction of the components must stop as soon as an eigenvalue becomes less than 1.0 (the total variance of 15 will be distributed between the components).

Table 4 : Table of eigenvalues

Components	C1	C2
Own value	9,495	3,96
In %	63, 3	26,4
cumulative %	63,3	89,7

Source: our research

- C1: general customer orientation
- C2: strategic directions

By subjecting the fifteen items of the Narver and Slater measurement scale to PCA, we obtained a two-component solution that explains **89.7%** of the total variance (characteristic value criterion greater than 1). Indeed, the results indicated that **competitor orientation and cross-functional coordination are both characterized by a single factor**. Customer orientation is characterized by a single factor.This solution has two factors that differ from the findings of existing studies. Indeed, the application of the Narver and Slater (1990) method in several developed countries generally gives a three-factor solution, corresponding to the three dimensions of the measurement scale (Bryan and Ferrel 2000, Han et al. 1998, pelham 1996).

Table 5 : PCA result and reliability rate

The dimensions of market orientation	Components	Reliability rate
customer orientation	1	0,86
competitor orientation	1	0,76
Cross-functional coordination	1	0,71
Narver and Slater global scale	2	0,83

Source: our research

These three dimensions are found in the Senegalese model but we note the non-distinction of two components. Indeed, **the banks that responded to the questionnaire place particular emphasis on customer orientation** because, for the most part, market orientation is limited to customer orientation. So they have just discovered the other components of market orientation ; which is not the case for companies from Western countries which are far ahead of Senegalese banks.

- **KOHLI AND JAWORSKI APPROACH**

Kohli and Jaworski (1990) define the concept of market orientation as follows: "*Market orientation is the organization wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments, and organization wide responsiveness to it*."

They adopt a behavioral lens that emphasizes the actions of the organization rather than its philosophy. They thus operationalize the concept of market orientation in terms of activities related to the marketing intelligence system. According to this definition, a company oriented towards its markets generates information on its consumers and its partners in the broad sense of the term (including exogenous factors such as regulation, technology and competitors), disseminates this information in a formal way and informal between the hierarchical levels and the departments of the company and finally uses this information to better meet the needs of the market. The table below presents the results.

Table 6: MARKOR intercorrelation matrix

	GI1	GI2	GI3	GI4	GI5	GI6	DI1	DI2	DI3	DI4	DI5	RI1	RI2	RI3	RI4	RI5	RI6	RI7	RI8	RI9
GI1	1,00																			
GI2	0,46	1,00																		
GI3	0,42	0,36	1,00																	
GI4	0,52	0,66	0,25	1,00																
GI5	0,44	0,61	0,46	0,40	1,00															
GI6	0,61	0,59	0,18	0,50	0,46	1,00														
DI1	0,52	0,60	0,44	0,70	0,52	0,52	1,00													
DI2	0,55	0,63	0,23	0,41	0,50	0,69	0,36	1,00												
DI3	0,42	0,41	0,75	0,53	0,31	0,25	0,66	0,19	1,00											
DI4	0,54	0,68	0,53	0,36	0,68	0,47	0,35	0,59	0,29	1,00										
DI5	0,75	0,61	0,28	0,56	0,62	0,71	0,51	0,62	0,35	0,51	1,00									
RI1	0,49	0,72	0,47	0,75	0,57	0,38	0,74	0,40	0,59	0,50	0,46	1,00								
RI2	0,54	0,57	0,47	0,60	0,63	0,49	0,60	0,47	0,45	0,44	0,60	0,62	1,00							
RI3	0,55	0,52	0,09	0,50	0,61	0,62	0,53	0,60	0,17	0,42	0,58	0,56	0,52	1,00						
RI4	0,43	0,52	0,37	0,49	0,63	0,55	0,51	0,62	0,43	0,47	0,54	0,41	0,48	0,45	1,00					
RI5	0,35	0,51	0,67	0,39	0,43	0,26	0,61	0,24	0,63	0,47	0,29	0,48	0,45	0,17	0,27	1,00				
RI6	0,47	0,59	0,45	0,54	0,52	0,36	0,63	0,45	0,60	0,46	0,47	0,70	0,59	0,48	0,51	0,50	1,00			
RI7	0,60	0,57	0,30	0,53	0,55	0,75	0,48	0,68	0,34	0,55	0,75	0,50	0,60	0,68	0,55	0,22	0,44	1,00		
RI8	0,42	0,50	0,74	0,48	0,44	0,17	0,50	0,19	0,64	0,53	0,32	0,61	0,51	0,12	0,32	0,59	0,63	0,17	1,00	
RI9	0,59	0,46	0,51	0,46	0,67	0,51	0,55	0,50	0,46	0,61	0,60	0,48	0,55	0,56	0,58	0,46	0,51	0,52	0,48	1,00

Source: research

- GI: generation of information
- DI: dissemination of information
- RI: reaction to information

Table 7: Table of eigenvalues

Components	C1	C2	C3
Own value	10,5	4,08	3.1
In %	52, 5	20,4	12.2
cumulative %	52, 5	72.9	85.1

By subjecting the twenty items of the Kohli and Jaworski measurement scale to PCA, we obtained a three-component solution that explains **85.1%** of the total variance. By emphasizing the flow of information rather than abstract concepts such as customer orientation or cross-functional coordination, the market intelligence generation scale allows for a more practical implementation of orientation. market. The reliability rates obtained with the Kohli and Jaworski method are reported in Table 8 ; these rates are lower than those obtained with the Narver and Slater method.

Table 8 : PCA result and reliability rate

The dimensions of Market orientation	Components	Reliability rate Alpha Cronbach	
		Article	Kohli et Jaworski (1993)
Intelligence Generation	1	0,75	0,71
Dissemination of intelligence	1	0,72	0,82
Company reaction	1	0,69	0,78
Global scale of Kohli and Jaworski	3	0,79	-

Source: our research

The PCA of the elements of each of these dimensions indicates a one-dimensional solution. Simultaneous analysis of all elements of the Kohli and Jaworski scale yields a three-factor solution, representing the dimensions of information generation, dissemination of intelligence, and the firm's reaction to the intelligence generated. These results are somewhat different from those of Kohli and Jaworski (1993) according to which the dissemination of the information generated and the company's reaction tend to be linked to the same factor. In the Senegalese context, banks seem to make a distinction between disseminating intelligence and actually reacting to this intelligence.

5.1.2 Comparison of MARKOR AND MKTOR scales

If we rely on the reliability and the one-dimensional characters of the different scales, the method of Narver and Slater appears to be more relevant than that of Kohli and Jaworski. Moreover, several researchers have come to the same conclusions (Desphande 1998, Ouattara 2000). For several authors (Siguaw et al., 1994; Greenley, 1995; Gatignon and Xuereb, 1997; Han, Kim and Srivastava, 1998) the measurement instrument has good construct validity evaluated in several independent ways (factor analysis for convergent validity, correlation test for discriminant validity, t-test for concurrent validity).

This discrepancy between the two scales of measurement is felt more when market orientation is practiced at the start of the company's activities. Narver and Slater's method can be used both **early** in the development of the company if the management feels the need to practice market orientation, and at the **most advanced** stage of development when the implementation of the orientation market is completely over. On the other hand, Kohli and Jaworski's method may have problems in the current state of affairs because it is totally based on concepts whose practice is not appropriate for taking into account the commercial realities of banks in the countries in development. For both scales, the different components of market orientation are correlated with each other

5.2 The implementation of a market orientation

We have just demonstrated that the scales for measuring market orientation developed in the United States are valid and reliable in a Senegalese context. Next we will study how to set up a market orientation at the level of Senegalese banks. The factors influencing the establishment of a market orientation (**background**) in banks are determined using regression equations. The variables likely to explain market orientation can be summarized in three groups : **top management**, **interdepartmental dynamics** and the **organizational system** (Kohli and Jaworski 1993). In total we have eight variables : attitude towards OM, attitude towards risk, interdepartmental conflicts, cross-functional coordination, formalization, centralization, the reward system and departmentalization. These variables are one-dimensional with reliability rates that we can summarize in the table below:

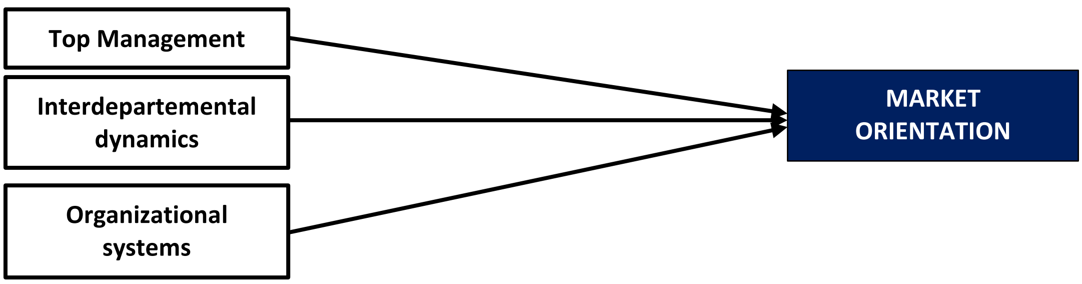

Table 9 : Reliability rate of explanatory factors

Factors	Reliability rate
Attitude of the TM towards the OM	0,66
TM attitude towards risk	0,85
Interdepartmental conflicts	0,87
Cross-functional coordination	0,8
Formalization	0,76
Centralization	0,88
Departmentalization	0,89
reward system	0,73

Table 10 : the coefficients of the Kohli and Jaworski equations

Variables	Market Orientation		Information Generation		Information Dissemination		Business Response	
	S1	S2	S1	S2	S1	S2	S1	S2
AT OM	**0,24**	**0,24**	**0,27**	**0,2**	**0,25**	**0,28**	**0,2**	**0,24**
AT RI	Ns	Ns	Ns	Ns	Ns	Ns	-0,24	-0,12
CF INT	-0,17	-0,28	-	-	-0,27	-0,2	-0,23	-0,32
CO INT	0,2	0,22	-	-	Ns	0,27	Ns	Ns
FOR	Ns	Ns	Ns	Ns	Ns	Ns	Ns	Ns
CEN	-0,22	Ns	Ns	-0,34	-0,14	Ns	-0,22	Ns
DEPT	Ns	Ns	Ns	Ns	Ns	Ns	Ns	Ns
SY REC	**0,3**	**0,31**	**0,39**	**0,38**	**0,24**	**0,2**	**0,16**	**0,19**

Based on these results, we can see that the attitude factors of top management with respect to market orientation and the reward system are decisive in the establishment of market orientation. On the other hand, formalization and departmentalization have no impact on the establishment of a market orientation. Indeed we can say that the sharing of information in companies can be done in a formal or informal way; and this is what happens in certain banks (NS questionnaire). These observations are in phase with those of Narver and Slater (1991) who stipulate that the implementation of a market orientation does not fit with a formalization which means for them the existence of rules and regularizations; and the effort to apply its rules throughout the company. The application of its rule does not allow the company to adapt to external changes. In addition, the non-distinction of departments has no impact on market orientation either. But according to Zaltman (1973) organizational dimensions, such as formalization and departmentalization, could have opposite effects depending on the stage of adoption of market orientation. Formalization can have positive effects during the initiation phase of market orientation, but it could have negative effects in later stages, when employees have already assimilated market orientation and need a more creative problem solving.

6. DISCUSSION OF RESULTS

The article show that several factors are decisive in market orientation. The implementation of a market orientation is facilitated upstream by the effort made by the top management on the implementation of the market orientation by continuously reminding the employees that it is important to be sensitive and to be reactive or proactive in the face of market development. So a manager should clearly state the direction to all employees and create an emergency plan for implementation. This assumes that the manager must have a good understanding of the subject and the benefit that the change in behavior will bring to the company. To guarantee the involvement of employees in the implementation of market orientation, a motivation system must be put in place. According to Ouattara (2000) it is imperative to explain to employees that market orientation is not yet another "**whim**" of Western management. Although the role of top management is important, it also appears that the nature of departmentalization plays an important role in determining the level of market orientation.

Among the implications we can also show the stage of the practice of market orientation in the banking sector in Senegal. Indeed, according to Martin (1998), Senegalese banks are in the second phase of the practice of market orientation where companies practice a limited market orientation, that is to say, collect information without being able to act on it.

This article is positioned in a well-defined and non-exhaustive framework. It can be said that the concept of market orientation derives its popularity from the presumed positive relationship it has on performance ; this impact of market orientation on business performance in African countries is not studied. The traditional view that market orientation has a direct impact on performance is retained. However, one should not neglect the developments tending to demonstrate the mediating role of innovations or to raise the question of the possible role of organizational learning as an antecedent to the market orientation of the firm (Gatignon and Xuereb, 1997; Narver and Slater, 1995).

For some authors, cross-functional coordination, which is a behavioral manifestation of the market orientation culture as defined by Narver and Slater (1990), is not a component but a mediator of the market orientation – performance relationship (Lambin 2006) or an antecedent of market orientation (Cadogan and Diamantopoulos 1995). Because according to Gatignon and Xuereb (1997) without cross-functional coordination the development of the new product will focus on a single concern (customer, competitor or technological orientation) which will reduce the performance of the innovation potential. So cross-functional coordination is the mechanism that allows the three orientations to work together.

The study retained a behavioral vision of market orientation in the sense of Jaworski and Kohli (1993) and Narver and Slater (1990) in order to accentuate its practical usefulness and to come closer to the concerns of managers. However, the result is a marginalization of the effects of cultural values and corporate beliefs.

7. CONCLUSION

We can say that market orientation is useful for Senegalese banks, but its implementation requires understanding the validity and transferability of this concept. In terms of validity and reliability of the market orientation measurement scales used to date, the article highlights the superiority of the measurement of Narver and Slater (1990) over the measurement of Kohli and Jaworski (1990), even if the different scales used by other researchers present very comparable behaviors. In view of the foregoing, a number of research avenues merit the attention of researchers. The priority remains the empirical test of the overall model in order to ensure the validity of these mechanisms that underlie the relationship between market orientation and performance. It should be noted in particular that the relationships between performance and moderating variables still require clarification. The results in this area remain far too contradictory. Finally, it is surprising to note that such a central theme has attracted so little attention from researchers in Africa. Indeed, the choice of a strategic orientation and its impact on the performance of the company is a fundamental element of the management of all companies whether African, American or European.

- **Managerial implications**

This research confirms the importance of considering the customer market orientation to better understand the notion of risk. It also recalls the double aspect of profitability and risk of customer satisfaction, and supports the distinctive impact of market orientation on each of them. The strong explanatory power of market orientation, which revolves around knowledge of customer needs but also the exploitation of this knowledge by all organization with the goal of providing superior value and satisfaction. Develop a relational type of exchange and moving away from transactional tracks can also be beneficial to the business. In the particular context of Senegalese banks, this strategy can certainly prove to be winning, due to the intensity of the competition. However, the satisfaction, report Geyskens et al. (1999) increases relational commitment. This positive consequence of satisfaction reinforces the functioning of the relationship, and thus allows the customer to overcome his current economic dissatisfaction, leaving him foresee prospects for future economic performance. She can in this case represent a viable strategy for companies with the key to protection agains destructive behaviors.

- **Limits and avenues of research**

The main limit of our work lies in the behavioral operationalization that we retain for the concept of market orientation. Our theoretical position had in effect previously defended a combined approach where culture and behavior come together organizational. This choice is imposed on us by the measuring instruments in large majority of a behavioral nature developed in the literature – with the exception of those of Homburg and Pflesser (2000) and Hult, Ketchen and Slater (2005) – as well as by the will of choose a ladder that has proven itself in terms of stability. Moreover, the work that we have preceded have almost all used behavioral measures of orientation market, regardless of the definition used. In addition, and given the extreme rarity studies on market orientation conducted in a socio-economic context similar to the Senegalese context, in our view it would be very useful to develop an operationalization that is adapted and which can be enriched and supplemented by validation with other similar environments.

Thus in future research we could study: **the impact of market orientation on the performance of banks ?**

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