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INVESTIGATING MARKET ORIENTATION AND POSITIONING IN STAR-RATED HOTELS IN GHANA

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Investigating Market Orientation and Positioning in Star-rated Hotels in Ghana

Structured Abstract

Purpose: Market orientation and positioning have been widely recognized as organizational metrics linked to hotel performance. This study offered the link among market orientation, positioning, and hotel performance in Ghana's (luxury) hotel sector. It also reports on the joint influence of market orientation and positioning on hotel performance in the same sector.

Design/methodology/approach: Three hypotheses were investigated on the link between market orientation and hotel performance; positioning and hotel performance; and the joint effect of market orientation and positioning on hotel performance. A survey of star rated (luxury) hotels in the capital city of Ghana was used. One hundred and five (105) responses were used in the analysis. Descriptive statistics, exploratory factor analysis and hierarchical regression were used to test the three (3) hypotheses.

Findings: All hypotheses were accepted. Market orientation and positioning jointly affect hotel performance, and the study provides hotel managers with suggestions on to enhance their performance via market orientation and positioning.

Research limitations/implications: Management perspectives on market orientation, positioning and hotel performance were sought to the exclusion of customers.

Future studies may consider using customer perspectives as well. Practical implications: Hotels should consider adopting market oriented positioning strategies to improve on their performance.

Originality/value: This study is one of the few attempts to systematically investigating the intertwined concepts of market orientation, positioning and performance in a developing economy hospitality context.

Keywords: Market Orientation, Star-rated, Hotels, Ghana, Performance, Positioning

Article Type: Research paper

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Introduction

Hotels are the most significant and widely recognized variety of overnight accommodation globally (Holloway, 2001). Hotels sell offerings that comprise of a mixture of intangible service components and tangible good components (Tajeddini, 2010). The intangible service components make the hotel service a challenging business to manage (Kuada and Hinson, 2014). The current rate of investment in the Ghanaian hotel sector seems to point to the business opportunities available in the sector (Narteh *et al.*, 2013). International brands like Mövenpick Ambassador, Best Western, and Holiday Inn have all pitched camp in Ghana's hotel sector. With the entry of these international players and more high rated star hotels, competition in the Ghanaian hotel sector has become more intense (Narteh *et al.*, 2013).

Some strategies that have been adopted by Ghanaian hotels to stay competitive have included location selection decisions, accessibility decisions, relationship marketing, human resource management, environmental management, delivering quality services and hotel internet usage (cf. Ayeh, 2007; Adam and Amuquandoh, 2013; Narteh *et al.*, 2013). Other scholars have also highlighted strategies including relationship marketing (Kim *et al.*, 2001; Narteh *et al.*, 2013) and environmental management (Mensah 2006, Mensah and Blankson, 2013). Hotels can also grow with a more customer-oriented approach like market orientation and positioning that can enhance hotel performance (Tajeddini, 2010). Although, there are contributions on hotel market orientation (Qu and Ennew, 2003; Sin *et al.*, 2005; Wang *et al.*, 2012), hotel positioning (O'neill and Mattila, 2006; Lee and Back, 2010); these studies did not purposefully consider the complementary effects of market orientation and hotel positioning. This study therefore examines the joint effects of market orientation and positioning on the performance of star rated (luxury) hotels in Ghana.

Market orientation is the degree to which a hotel is inclined to the marketing concept implementation (Qu *et al.*, 2005). Market orientation is a well-researched concept (Qu and Ennew, 2003; Sin *et al.*, 2005; Altinay, 2010; Wang *et al.*, 2012; Mahmoud, 2016). With scholars arguing that the hotel sector utilization of marketing and its practices is slow compared with other commercial service sectors such as banking, insurance, or retail distribution (Sin *et al.*, 2005). According to Zhou *et al.* (2009), hotels are now paying close attention to the delivery of superior customer value to achieve better performance. An investigation into market orientation of hotels may improve the overall understanding of market orientation concept in a service context (Qu and Ennew, 2003; Sin *et al.*, 2005) particularly in developing economies like Ghana. Due to the changing nature of Ghana's hotel landscape with the opening of an increasing number of multinational hotel chains in Ghana; and the fact that hotel growth can often be used as a proxy for tourism growth, the Ghanaian hotel sector provides a good context to explore how market orientation is adopted and practiced.

Market orientation and positioning strategies are not mutually exclusive and can be pursued simultaneously (Blankson *et al.*, 2013). Thus, a combined implementation of market orientation and positioning is feasible and will generate superior performance by organizations over the implementation of either market orientation or positioning (Ibid). The implementation of market orientation and positioning can result in both soft and hard benefits (Langerak, 2003; Zhou *et al.*, 2009; Raju *et al.*, 2011). An effective positioning strategy executed with a firm's market

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orientation culture will build a powerful brand (Fuchs and Diamantopoulos, 2010), and an inaccurately positioned brand with weak market orientations can bring failure for a firm (Blankson *et al.*, 2013). This study focuses on joint effect of market orientation and positioning on hotel performance using star rated (luxury) hotels in Ghana.

The paper is set out as follows: the first section dealt with introductory issues and the next section provides a discussion of market orientation and positioning leading to hypotheses development, as displayed in figure 1. Next the research methodology is discussed including the adoption of instruments to measure constructs. The results and analyses are then presented to lead to discussions of the findings relative to the existing literature. Finally, the paper conclusions by presenting the conclusions, theoretical implications, practical implications all of which enabled the setting of an agenda for future research to enhance our understanding of market orientation and positioning in the hotel industry within the hospitality industry.

Market Orientation

The market orientation construct is central to modern marketing decision making and a frequently studied subject (Grienstein, 2008; Qu, 2009; Blankson *et al.*, 2013; Mahmoud, 2016). There is a continuous interest in market orientation due to the firm performance and market orientation nexus (Qu, 2009; Wang *et al.*, 2012; Mahmoud, 2016). There are two distinguished complementary perspectives on market orientation: behavioural and cultural perspectives (Homburg and Pflesser, 2000; Langerak, 2003). The behavioural perspective holds that market orientation starts from market intelligence and it is a one dimensional construct comprising of three organization wide activities; dissemination of this intelligence across departments, response based on market intelligence and market intelligence generation (Kohli and Jaworski 1990; Diamantopoulos and Hart, 1993; Cadogan *et al.*, 2003). The cultural perspective conceptualizes market orientation through competitor orientation, inter-function coordination and customer orientation. These components establish activities of market information attainment and propagation, and the harmonized manufacture of value for clienteles (Langerak, 2003). Market orientation for this study will be seen chiefly as the organizational philosophy that most efficiently and effectively creates the behaviors necessary for the creation of superior value for consumers resulting superior firm performance (Narver and Slater, 1990). This definition has been utilized by previous researchers (Langerak, 2003; Agarwal *et al.*, 2003; Sorenson, 2009; Mitchell *et al.*, 2010). The Narver and Slater perspective is adopted for this study because market orientation has been theorized in terms of behaviors and captures the main aspects of Kohli and Jaworski's conceptualization (Hooley *et al.*, 2003; Blankson *et al.*, 2013).

Positioning

Marketing strategy is put up on segmentation, targeting and positioning (Kotler and Keller, 2012). Accordingly, a firm realizes the diverse groups and needs in consumer markets, aim those customers that can be satisfy in a superior way and then places its offering so that the target market identifies the firm's unique offerings and images. Positioning therefore helps customers know the real difference among competing products and/or services so that they can choose the one that is of most value to them (Cravens, 2000). Effective positioning begins with differentiating a company's offering, such that it gives consumers more value, and take steps to deliver this value along with communicating this position to target consumers (Kotler and Armstrong, 2006). Positioning is a process of crafting a firm's image and offering to dwell in a

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unique place in the mind of the aimed customer market with attendant result of creating a buyer–concentrated value scheme that would ease customer purchases (Asikhia, 2010; Kotler and Keller, 2012). Importantly, positioning is closely linked to business strategy (Cravens, 2000; Blankson and Crawford, 2012). The consequence of utilizing positioning strategy is a successful creation of buyer-focused value offer, a persuasive reason why the target market should adopt or use a product (Kotler, 2003). Also, a company's long term competitive advantage is a consequence of their positioning activities (Gursoy *et al.*, 2005; Blankson & Crawford, 2012). It could be argued that hotels who want to remain competitive might consider adopting proactive positioning practices.

Consumer and managerial perspectives are the two positioning perspectives discussed in the academic literature (Blankson and Kalafatis, 1999; Kotler *et al.*, 2010). A consumer perspective refers to what a consumer actually thinks about a firm independent of the influence of that firm; whiles a managerial perspective considers what customers think after managers have influenced their thoughts. The strategic management literature argues that firms that choose clear positioning tend to enjoy returns and survive turbulent environments (Spanos and Lioukas, 2001; Kim *et al.*, 2008). Moreover, the importance of positioning to customer satisfaction; customer loyalty; customer retention; and overall business performance has been well-studied (cf. Gruca and Rego, 2005; Kim and Kim, 2005).

Market Orientation and Positioning
Market orientation and positioning are both central to marketing management decision making and strategy (Kottler and Keller, 2012). Positioning is the proactive, deliberate and iterative utilization of market oriented strategies that modify consumers' perceptions about a hotel's offering (Blankson *et al.*, 2013). Studies on positioning have focused on positioning strategies; effectiveness of positioning strategies; impact of positioning on performance; link between positioning strategies and market orientation and their joint effect on business performance (Blankson and Kalafatis, 2007; Blankson and Crawford, 2012; Blankson *et al.*, 2013). A review of the extant literature proposes that only little number of publications have studied a combination of market orientation and other strategic orientation relationships (Grinstein, 2008). Some combinations that have been examined include: market orientation and entrepreneurship (Atuahene-Gima and Ko, 2001); market orientation and innovation (Hult and Ketchen, 2001); market orientation and positioning (Blankson *et al.*, 2013). The importance of employing market orientation and positioning strategies for improved firm performance has been fairly well acknowledged (cf. Hooley *et al.*, 2004; Blankson *et al.*, 2013) in the literature.

Hypotheses Development

Market Orientation and Hotel Performance
Market orientation has been argued to be important to creating continuous superior performance for firms (Kohli and Jaworski, 1990; Narver and Slater, 1990). A crucial capability that has the prospective to transform existing resources into superior performance is market orientation (Brik *et al.*, 2011). Hotels that are responsive to stakeholders' needs, coordinate their internal activities with performance and manage their competitive landscape would achieve an improvement in their operations (McKitterick, 1958). Grinstein (2008) suggests that market orientation considerably contributes more than other strategic orientations to firm performance. In the

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Ghanaian business landscape, Kuada and Buatsi (2005); Hinson *et al.* (2008); Mahmoud and Hinson (2012); Mahmoud (2016) have contended that market orientation relates positively with firm performance. Agarwal *et al.* (2003) also reported a positive association between a hotel's market orientation and its performance. With the fierce competitive nature of the Ghanaian hotel sector (Narteh *et al.*, 2013); this study proposes that:

> *H1. A hotel's market orientation positively affects its performance*

Positioning and Hotel Performance
Marketing scholars have acknowledged that a well-positioned offering may achieve long – term success for its firms (Blankson and Kalafatis, 1999; Kottler and Keller, 2012; Blankson and Crawford, 2012). Positioning also allows firms to survive in turbulent environment, thus influencing the performance of those firms (Kim *et al.*, 2008). Kalafatis *et al.* (2000) concluded that there is a positive link between a firms's positioning strategy and its performance. Hooley *et al.* (2001) reported that a greater performance is linked to high quality positioning. In addition, Blankson and Crawford (2012) argued for a direct link between positioning and firm performance. Blankson *et al.* (2013) acknowledged that positioning contributes to a firm's benefit. Positioning is also reported to be a key driver of success in the hotel sector (Brandy *et al.*, 2005; Hanson *et al.*, 2009). Thus, the study postulates that:

> *H2. A hotel's positioning strategy positively affects its performance*

The Interactional Effects of Positioning and Market Orientation on Hotel Performance
Market orientation and positioning are complementary to one another and they contribute to competitive advantage when they interact in ways that generate superior performance (Blankson *et al.*, 2013; Morgan *et al.*, 2009).A market oriented and well-positioned hotel would outperform competitors lacking market orientation or positioning strategies (Hooley *et al.*, 1999; Blankson *et al.*, 2013). Similarly a well–positioned hotel offering that takes cognizance of the needs, wants, and aspirations of a hotel guest would lead to improved performance (Fuchs and Diamantopoulos, 2010). While Blankson *et al.* (2013) conceptually predicted a connection between market orientations and positioning on firm performance, this study predicts that:

> *H3. The interaction between a hotel's market orientation and positioning strategy positively affect its performance*

INSERT FIGURE 1

Research Methodology
A quantitative research design was utilized in testing and examining the link between hotel performance and market orientation; positioning and hotel performance; and the joint effect of positioning and market orientation on hotel performance (cf. Boso *et al.*, 2013). Star rated hotels were contacted in this study because they represent luxury and class among hotels, and have a highly competitive nature (Narteh *et al.*, 2013). Star-rated hotels in Accra were utilized; since Accra is the capital of Ghana and has the highest number of star rated hotels (Narteh *et al.*, 2013). The hotel ratings represent the quality of hotel services or facilities provided (the rated hotels used ranged from 1 to 5). This is a conventionally used to rank hotels on performance and

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client services (market orientation) and also utilized by the Ghana hotel association (GHA) in ranking hotels (GHA, 2013). Thus, a low rating shows low delivery services, a high rating shows a high delivery of hotel services. Standards are prescribed from time to time by the Ghana Tourism Authority with the aim of hotels meeting international standards (GHA, 2013). The study population was one hundred (110) star rated hotels operating in the Greater Accra region of Ghana. According to the 2013 Ghana Hotel Association list of hotels in Ghana, only 110 hotels in Accra were star rated reflecting the use of only one hundred and ten star rated hotels. Executives at the hotels were used as the empirical focus. This is because they were deemed to have in-depth knowledge about the marketing orientation and performance of their firms. Three (3) questionnaires were sent to each of the one hundred and ten (110) star hotels, two hundred and ten (210) usable questionnaires were retrieved and used in the analysis. Respondents used their firm level experiences (at the time of data collection) as the basis for responses given. In doing so, individual executive perceptions reflected firm orientation and performance. Following Kohli and Jaworski (1990), the aggregates of every two responses from a hotel were used to represent the hotel (210 responses were reduced to 105 responses). Therefore, one market orientation score was used for each hotel. At the end, only one hundred and five (105) responses were used for further analysis in the study. Cross sectional data was used in the study to collect information from executives because it is the most common technique and provides inexpensive, quick, accurate and efficient means of collecting information about a population (Robson, 2002; Zikmund and Babin, 2010). The executives at these hotels who are exposed to strategic decisions of these hotels were engaged in the study (Qu and Ennew, 2003).

Subjective scales of hotel performance (customer satisfaction; customer loyalty; and customer retention) were used in measuring business performance (Qu and Ennew, 2003; Urde *et al.*, 2013). Urde *et al.*, (2013) concluded that customer loyalty, customer retention and customer satisfaction are performance metrics of market orientation. Market orientation was measured using Narver and Slater's (1990) instrument of competitor orientation, inter-functional coordination and customer orientation, because this scale is both operationally and conceptually appealing (Blankson *et al.*, 2013). The Narver and Slater's (1990) scale captures the main aspects of Kohli and Jaworski's responsiveness, dissemination and intelligence gathering construct while assessing cultural factors concurrently (Hooley *et al.*, 2003; Blankson *et al.*, 2013). Sorensen (2009) also pointed out that competitors, customers, and inter-functional coordination are key constituents of market orientation and it provides diverse types of information for decision making. Positioning was measured using the Blankson and Kalafatis (2004) instrument. Blankson and Kalafatis (2004) instrument was adopted as it satisfies the call for consumer based positioning strategies (Fill, 1999) and satisfies the criticisms leveled against extant conceptually driven and managerial oriented typologies of positioning strategies (Kalafatis *et al.*, 2000). Following Qu and Ennew (2003), firm size; market turbulence and competitor intensity were controlled for. The items measuring market orientation, positioning, hotel performance, market turbulence and competitor intensity are provided for in the appendix.

Results and Analyses
To understand and test the hypotheses: market orientation influencing hotel performance; positioning influencing hotel performance; and the joint effect of market orientation and positioning influencing hotel performance, normality and multi-collinearity test; an exploratory factor analysis; summated scales and a hierarchical regression was conducted on the data

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collected (Hair *et al.*, 2008). The study considered a hotel's rating; employee length of working with the hotel and the number of employees of a hotel as demographic characteristics. Majority of the hotels had employee size of less than 25. Table 1 provides further insights to the demographic characteristics of respondents. As a general rule of thumb, assumption of data normality can be established when skew values are falling within the range of -1 to + 1 (Hair *et al.*, 2006) and a kurtosis value within -3 to +3 (Hair *et al.*, 1998). From table 1, the skewness values for each construct are within the range of normality for data. Also, the kurtosis values are within the +3 and above -3 limits. These results suggest that the constructs are normal for further analysis. Table 1 also provides measures on the collinearity (multi) of constructs. With VIF values of less than ten (10), it means that the results do not have collinearity (Hair *et al.*, 2006). The constructs can therefore be used for further analysis.

INSERT TABLE 1

Exploratory Factor Analysis (EFA)
An exploratory factor analysis was utilized to identify factors that explain the correlations among a set of variables (Malhotra and Dash, 2011). The EFA was executed on market orientation, positioning, and business performance. Consequently, market orientation had fifteen (15) items measuring its three (3) dimensions of competitor orientation, customer orientation and inter-functional co-ordination (Narver and Slater, 1990). A Kaiser-Meyer-Olkin (KMO) is an indicator of selection appropriateness that affords an index between 0 and 1 describing the ratio of difference among the variables that might be shared variance. A KMO of 0.769 and cumulative variance explained of 61% was recorded. A KMO of more than 0.7 means that the data was good for factor analysis and the cumulative variance explained shows that the factors explained 61% of the data (Hair *et al.*, 2006). A cumulative variance explained of 0.5 and above was preferred. Both KMO and cumulative variance indicators were satisfied.

A principal component extraction with varimax rotation was executed. Three (3) factors immerged with eigenvalues more than one. These were selected for further analysis. These factors represented the original factors of Narver and Slater (1990) with some few items changing factors. So, the original customer orientation; competitor orientation; and interfunctional co-ordination were still identified as the factors that together measured market orientation in the Ghanaian hotel sector. In all, these factors had eleven (11) items and their Cronbach's alpha was 0.804. This alpha value is higher than the 0.7 bench mark provided by Nunnally (1978). Since this study is interested in measuring only market orientation and not its antecedents, the average of the eleven (11) items was computed to represent market orientation for further analysis (Hair *et al.*, 2006). This average value represented market orientation in subsequent analysis.

Positioning was measured with twenty two (22) items representing seven (7) positioning strategies provided by Blankson and Kalafatis (2004). A KMO of 0.760 and a cumulative variance explained of 71.4%. Similarly, the KMO and total variance explained are above the required levels. Therefore a principal component analysis with varimax rotation was extracted. Six (6) factors were recorded, however, factor 4; 5; and 6 recorded two (2) items; two (2) items and one (1) item loading respectively. Following Blankson and Kalafatis (2004), an attempt was made to merge these factors with other factors; however, the factors appeared not to be

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conceptually related. So, these factors were eliminated from further analysis (Hair *et al.* 1998; Blankson and Kalafatis, 2004). Therefore positioning was measured on three factors. These factors were brand name; top of the range; and attractiveness. According to Blankson and Kalafatis (2004), naming factors can be done by observing the item with the highest loading to the factor, and this informed the naming of factors in this study. These three factors combined had a Cronbach's alpha of 0.857 with thirteen (13) items combined. The reliability is equally above the required level of 0.7. Therefore the average of the thirteen (13) items is computed to represent positioning for further analysis (Hair *et al.*, 2006).

The study employed subjective measures like customer satisfaction, customer loyalty and customer retention in measuring hotel performance (Agarwal *et al.*, 2003; Urde *et al.*, 2013). These constructs had a total of 11 items. A principal component analysis with varimax rotation reduced the items to two (2) factors with KMO of 0.746 and cumulative variance explained of 67.3%. Correspondingly, this test supported the factor analysis. Interestingly the three (3) original subjective measures have been reduced to two (2) factors, following Blankson and Kalafatis (2004) guide on naming factors. Customer retention and customer satisfaction were the two factors for further analysis. These factors loaded a total of six (6) items with Cronbach's alpha of 0.788, encouraging the use of these two factors for hotel performance. The average of these six (6) items was calculated to represent hotel performance in the analysis (cf. Hair *et al.*, 2006).

INSERT TABLE 2

INSERT TABLE 3

Correlation values; mean; and standard deviations (SD) are presented on table 4. The correlation values are found to determine the relationships between the five (5) constructs. There are significant relationships between all the five constructs. These findings suggest that market orientation; positioning; competitor intensity; and market turbulence all have significant relationships with hotel performance. Therefore a change in any of these constructs may influence hotel performance (Hair *et al.*, 2008).

INSERT TABLE 4

Market Orientation and Hotel Performance Relationship
In order to test the relationship between market orientation and hotel performance, a regression analysis was conducted after controlling for hotel rating; competitor intensity and market turbulence. Table 5 presents under model 3, the multiple regressions for market orientation; positioning and hotel performance relationships. The finding showed that market orientation (b=0.653, p<0.01) have significant and positive relationship with hotel performance, supporting hypothesis 1. This finding suggests that a percentage (1%) increase in a hotel's market orientation will result in about sixty five percent (65%) increase in hotel performance. Also, observing the change in R square (R^2) on table 5 shows that Market orientation contributes 0.297 to the R square of 0.840 in the hierarchical regression. This result implies that market orientation explains about thirty percent (30%) of the total variation (0.840) explained by market orientation and positioning (Hair *et al.*, 2006).

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Positioning and Hotel Performance Relationship

The positioning and hotel performance relationship was also tested under model 3 of the hierarchical regression on table 5. The multiple regression results show that P (b=0.560, p<0.01) have significant and positive relationship with hotel performance, supporting hypothesis 2. This finding means a percentage (1%) increase in a hotel's positioning will result in about 56% increase in a hotel's performance. Similarly positioning also contributes 0.025 to the R square (R^2) of 0.865 recorded for model 3. Thus, positioning explains about 2.5% of the total variation (0.865) explained by market orientation and positioning.

The Interactional Effect of Market Orientation and Positioning On Hotel Performance

The findings show that market orientation and positioning interact with each other (b=0.094, p<0.1) to positively relate to hotel performance, supporting hypothesis 3. The results suggest that hotels that increase a percentage (1%) of their combination of market orientation and positioning strategies will experience a 9% increase in hotel performance. Also, their combined contribution to the R square of 0.867 is 0.002.

Control Variables

The study controlled for hotel rating; competitor intensity and market turbulence. All these variables recorded insignificant relationships. In Table 5 under model 4, it can be observed that all these control variables do not have significant contributions to hotel performance. The three control variables recorded an R Square of 0.543. Hotel rating was not significant (b=0.008); competitor intensity also was not significant (b= - 0.062) and market turbulence equally was not significant (b=0.017).

INSERT TABLE 5

Discussion of Findings

The study found that market orientation positively relates with hotel performance which is similar to findings from Kirca *et al.* (2005) where a meta-analysis was conducted on the market orientation and firm performance connection. In Ghana, Kuada and Buatsi (2005); Hinson *et al.* (2008); Mahmoud *et al.* (2010); and Mahmoud (2016) have all reported a positive link between market orientation and firm performance. Whilst, Agarwal *et al.* (2003) also found positive associations between hotel performance and market orientation, this finding also supports prior studies (Jaworski and Kohli, 1990; Narver and Slater, 1990; Sorenson, 2009) in different sectors. It also confirms previous studies on hotel market orientation (Qu and Ennew, 2003; Agarwal *et al.*, 2003) that found positive relationships between market orientation and hotel performance. Our findings also support similar studies on market orientation and other strategic orientations (Olavarrieta and Friedmann, 2008; Morgan *et al.*, 2009) who reported positive relationships between firm performance and market orientation. Specifically Olavarrieta and Friedmann (2008) reported a substantial influence of market orientation on firm performance. Equally Morgan *et al.* (2009) concluded that American firms' market orientations had a positive effect on their performance. Cano *et al.* (2004) also concluded that the link between business performance and market orientation is positive worldwide. Besides, researchers have found that market orientation and business performance relationship is stronger when firm performance is measured subjectively (Kirca *et al.*, 2005; Haugland *et al.*, 2007).

The study also revealed that positioning strategy positively relates with hotel performance, which is similar to the findings of Porter (1996) and Kalafatis *et al.* (2000) who reported a positive link between positioning and business performance. Blankson and Crawford (2012) and Miles and Mangold (2005) also recognized a link between positioning and firm performance. The result of this study indicates that a hotel's positioning strategy explains its performance. This finding is supported by scholars who believed that a position chosen by a firm allows it to enjoy returns and assists them survive turbulent environments (Spanos and Lioukas, 2001; Kim *et al.*, 2008). Blankson and Crawford (2012) reported that the positioning of a retail service firm influences the return on investment (ROI), sales, profit, consumer perceptions and market share of that firm. In addition, Hooley *et al.* (2001) also found that greater performance is linked with more distinguishing and quality positioning.

The study also found that market orientation and positioning interact to positively relate with hotel performance. Thus, the interaction of market orientation and positioning has a positive and significant effect on hotel performance. The results might be due to the conclusions of earlier researchers who have posited that firms that adopt market orientation practices become more successful with positioning efforts (Langerak, 2003; Blankson *et al.*, 2013); hence achieving superior performance than others. Nicovich *et al.* (2007) examined concerns connecting market orientation and firm performance conceptually and empirically.

The study found that market orientation works alongside a firm's position in a market place and competitive strategy, but does not directly influence a firm performance (ibid). Researchers like Baker and Singular (1999); Atuahene-Gima and Ko (2001); and Grinstein (2008) have argued that businesses who utilized market orientation and alternative strategic orientations like positioning are likely to perform better than firms adopting only market orientation. By looking at market orientation, positioning both separately and interactively our study shows that market orientation explains about thirty percent of the total variation, positioning explains about 2.5 percent and their combined contribution only explains 0.2 percent. This approach allows us to observe the significant contribution of market orientation to firm performance.

Conclusions
The focus of this study was to empirically show the linkage between market orientation, and positioning separately and interactively on performance in Ghana's (luxury) hotel sector. Hotels that employ market orientation and positioning strategies well would achieve superior performance than their competitors. We argue that hotels should strive to identify the needs and wants of their customers, collect intelligence on competitors and their activities, and ensure that all departments are engaged in the analysis of competitor and customer needs to improve on their offerings. Hotels that adopt dependable positioning strategies may enjoy improved performance. Consequently, brand name, top of the range, and attractiveness are hotel positioning strategies that may improve hotel performance. Managers of hotels must continue to engage with clients to identify their needs and monitor changes in customer preferences. This would give market-oriented hotels some competitive advantage due to their understanding of customers and their preferences. However, only appreciating customer needs and wants might not be enough, so the other aspects of market orientation are equally relevant in benefiting from market orientation fully. Hotels must consider monitoring and understanding their competitors' activities via market

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intelligence to secure a competitive advantage. This aspect of market orientation affords hotels information on their competitors. Competitor information could deliver competitive advantage to a firm.

Our findings suggest a precedence of marketing orientation as integral to firm positioning. Firms positioning would improve if marketing orientations activities increase. Developing coordinated responses within the hotel and viewing all departments as equally important is critical in creating customer value. In addition to identifying customer needs and collecting information on competitor activities, hotels should disseminate such information to all departments. It is important that all departments be seen as relevant contributors to customer value. Firms successful in implementing market orientation and developing a good positioning strategy stand the greatest chance of outperforming their competitors in Ghana's hotel sector. Hotels should therefore adopt market orientation first before considering positioning strategy. When these strategic orientations are properly implemented, hotels will benefit from more satisfied customers and retained customers. To the extent that positioning strategies like top of the range, brand name, and attractiveness seem to provide improved performance in the hotel sector, managers in Ghana's hotel sector may consider positioning their hotels along these attributes.

Theoretical Implications

Our findings suggest that, theoretically, researchers who emphasize positioning strategies as important for firm performance cannot ignore the significant role played by market orientation and that without a strategic and sustainable market orientation; firms may not be able to create and/or maintain long-term positioning (cf. Mahmoud, 2016). Our theoretical contribution accentuates that the link between market orientation and firm performance is positive in both developed and developing country settings and agrees with the study of Cano *et al.*, (2004) which concluded that the link between firm performance and market orientation is positive worldwide. Our findings suggest that for firms in an industry that serves both local and international customers, such as the high-end star rated hotels the interactions between market orientation, positioning and firm performance are consistent whether in a developed or developing country. Therefore industries that particularly target more foreign clients, such as tourism and the hotel industry have a more international orientation which means that market orientation and positioning separately and interactively influence firm performance. This makes an international orientation the overriding factor that determines the performance of such firms. Such firms need to overcome institutional constraints to meet the requirements of their more internationally oriented customer base.

Practical Implications

For firms in the hospitality industry who seek to improve their positioning they should understand the importance of their market orientation. Since consumer perceptions influences positioning, managers need to understand that implementing marketing concepts are indispensable. This requires that managers and employees should have the marketing orientation that is inadvertently imbedded in organizational culture to influence firm performance. The organizational culture would create the necessary behaviors for superior performance which would influence customer perceptions. Therefore, even though integrated marketing communication is important it would be more effective when the marketing orientations of firms

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are good. Hospitality industry firms, such as hotels, who aim to improve performance, should consistently strive to understand that their customers have a more international orientation. This means that more needs to be done to understand the expectations of such customers. Managers should aim at delivering or exceeding customer expectations which will inevitably improve perceptions and therefore market orientation. The ability of customers to use websites such as trip advisors etc. to ascertain the perceptions of customers about firms makes it more important that firms should continuously strive to deliver exceptional customer service. Positioning is also very important, given that customers know what to expect from the firm. Since good marketing orientation improves positioning which influences customer perceptions, managers need to also ensure that their positioning is consistently communicated to customers. This emphasizes the need for such firms to conduct customer satisfaction surveys to ensure that their services are meeting required standards. Good understanding of customer needs and good communication between service providers and customers would invariably lead to good performance.

Limitations and Future Research

Although our study has improved our understanding of the effect of market orientation and positioning separately and interactively in a developing country and Sub-Saharan African context it is a one country study. A multi-country and comparative study could provide further nuances on the effect of market orientation and positioning on business performance. Our study emphasizes overall contribution of marketing orientation in particular on firm performance but studies which isolate the activities that firms engage in to develop their market orientations and positioning may show regional variations influenced by cultural and institutional differences. In addition, this study did not report on antecedents such as customer orientation, competitor orientation, inter-functional coordination, brand name, top of the range, attractiveness, customer satisfaction, and customer retention. Future studies may focus on these antecedent factors. Our questionnaires were administered to executives who used their firm-level experiences as responses; future research could also consider responses from customers.

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3. We allow only 6-7 figures and tables in total. You have to eliminate some of the tables and figures or merge them where possible.	The number of figures and tables have been reduced from 12 to 6 by merging table 1,2,3 into table 1; table 4A, 4B, 4C into table 2; table 5A, 5B, 5C into table 3, table 6 now table 4; and table 7 now table 5 with figure 1 remaining unchanged.
4. You should revisit the Discussion and Conclusions sections one more time to better answer the "So what" question. There should be four sub-sections under this section: (1) Conclusions, (2) Theoretical Implications, (3) Practical Implications and (4) Limitations and Future Research	We revisited the discussion and conclusions sections one more time to enhance our articulation of the 'so what' questions.

First we reorder the succeeding sections as suggested: (1) Conclusions, (2) Theoretical Implications, (3) Practical Implications and (4) Limitations and Future Research.

We then revisit all the sections to flesh out the answering of the 'so what' question more strongly. For example, we show, towards the end of the discussion of findings section (page 12) , that by looking at market orientation, positioning both separately and interactively our study shows that market orientation explains about thirty percent of the total variation, positioning explains about 2.5 percent and their combined contribution only explains 0.2 percent. This approach allows us to observe the significant contribution of market orientation to firm performance and the need to give market orientation a more precedent priority. This allowed us to augment the conclusions, theoretical and practical implications, and the future research sections to clearly answer the "so what" questions. |
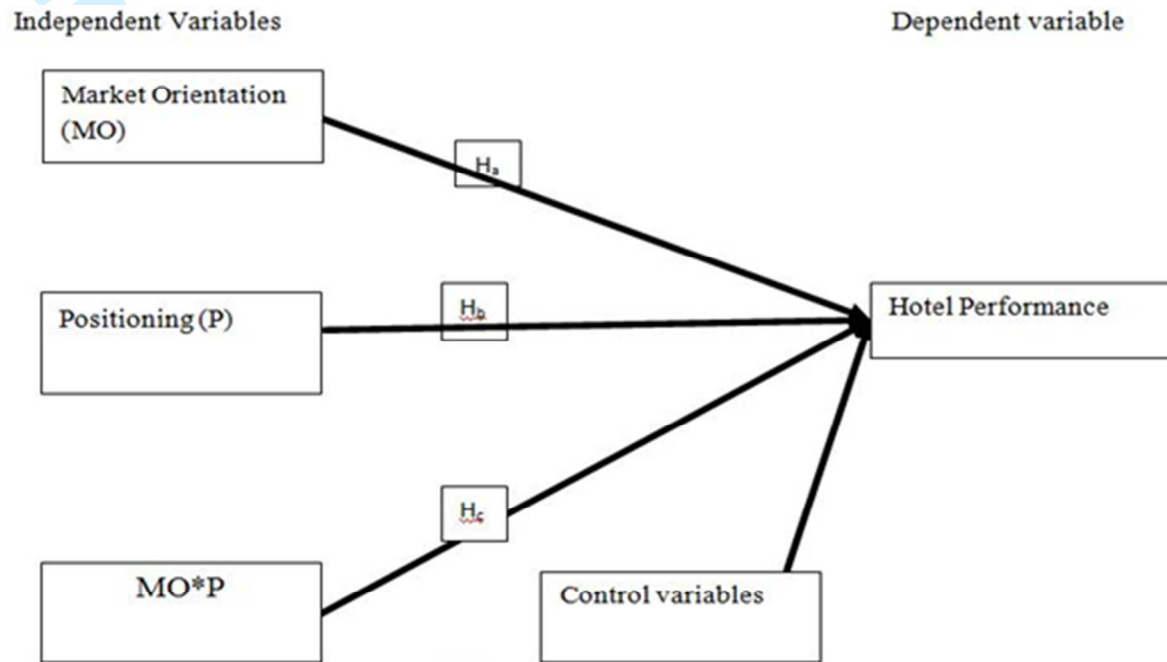
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	We also ensure that the structure of the paper outlined towards the end of the introductory section on page 3 reflected these minor amendments.
5. Cross check all references within text with your reference list. You may like to add more recent and relevant references published in recent months/years.	All the references were revisited to ensure that in-text and reference list are matched. Recent literature such as Mahmoud (2016) have been cited.
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Appendix: Figure and Tables

Figure 1. Conceptual Model

Independent Variables   Dependent variable

| Market Orientation (MO) |

| Positioning (P) |

| MO*P |

H$_a$

H$_b$

H$_c$

| Hotel Performance |

| Control variables |

Source: Authors Own Development based on Literature review

Table 1: Demographic Features of Respondents, Normality and Multi-colinearity Test

S/N	Characteristics	Indicators	Frequency	Percentage
1.	Hotel Rating	1 Star	38	36.2
		2 Star	46	43.8
		3 Star	14	13.3
		4 Star	5	4.8
		5 Star	2	1.9
		Total	**105**	**100**
2.	Department	Marketing	63	60.5
		House Keeping	34	31.9
		Finance	8	7.6
		Total	**105**	**100**
3.	Length of working with Hotel	Less than a year	43	41
		1 – 5 Years	24	22.8
		6 – 10 Years	22	21
		More than 10 Years	16	15.2
		Total	**105**	**100**
4.	Employee Size	Less than 25	33	31.4
		25 – 50	72	68.6
		Total	**105**	**100**
5.	Normality test for variables	Constructs	Skewness	Kurtosis
		Positioning	-.304	-.805
		Market Orientation	-.524	.109
		Competitor Intensity	-.624	-.500
		Market Turbulence	-.468	-.453
		Hotel Performance	-.340	-.831
6.	Multi-collinearity statistics	Constructs	Tolerance	VIF
		Positioning	0.129	7.734
		Market Orientation	0.223	4.487
		Competitor Intensity	0.404	2.474
		Market Turbulence	0.438	2.286

Table 2: Total Variance Explained

Market Orientation									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.876	35.237	35.237	3.876	35.237	35.237	2.933	26.660	26.660
2	1.582	14.380	49.618	1.582	14.380	49.618	1.929	17.534	44.194
3	1.254	11.398	61.015	1.254	11.398	61.015	1.850	16.822	61.015
11	.270	2.455	100.000						
Positioning									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.593	31.070	31.070	5.593	31.070	31.070	3.038	16.877	16.877
2	2.018	11.213	42.283	2.018	11.213	42.283	2.789	15.493	32.370
3	1.767	9.816	52.100	1.767	9.816	52.100	2.441	13.563	45.933
4	1.304	7.244	59.343	1.304	7.244	59.343	1.679	9.330	55.263
5	1.160	6.445	65.788	1.160	6.445	65.788	1.647	9.150	64.412
6	1.007	5.592	71.380	1.007	5.592	71.380	1.254	6.967	71.380
18	.148	.820	100.000						
PERFORMANCE									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.957	49.287	49.287	2.957	49.287	49.287	2.091	34.851	34.851
2	1.079	17.989	67.275	1.079	17.989	67.275	1.945	32.424	67.275
6	.323	5.379	100.000						
Extraction Method: Principal Component Analysis.									

Table 3: Reliability Statistics

	Cronbach's Alpha	N of Items
Market Orientation	.804	11
Positioning	.857	13
Business Performance	.788	6

Table 4: Correlation; Means; and Standard deviations

	Mean	SD	1	2	3	4	5	6
1.Hotel performance	3.85	0.68	1					
2.Market Orientation	3.9	0.54	0.905**	1				
3.Positioning	3.94	0.56	0.886**	0.865**	1			
4.Competitor intensity	3.97	0.788	0.549**	0.506**	0.718**	1		
5.Martket turbulence	3.92	0.777	0.637**	0.606**	0.724**	0.634**	1	
6.Hotel Rating	4.10	0.891	0.397**	0.395**	0.418**	0.150*	0.09	1

Table 5: Hierarchical regression

Independent Variables	Hotel Performance							
	Model 1		Model 2		Model 3		Model 4	
Step 1	B	T	B	T	B	T	B	T
Constant	0.52	2.35^{**}	2.97	16.36^*	3.93	16.88^*	3.95	17.02^*
Competitor intensity	0.17	3.16^*	0.066	2.06^{**}	-0.051	-1.45	-0.06	-1.60
Market turbulence	0.42	7.94^*	0.10	2.86^{**}	0.026	0.74	0.018	0.52
Hotel rating	0.25	6.78*	0.05	2.29**	0.006	0.26	0.009	0.36
Step 2								
Add Market Orientation (MO)			0.97	19.48^*	0.65	9.54^*	0.66	9.68^*
Step 3								
Add: Positioning (P)					0.56	6.15^*	0.59	6.38^*
Step 4								
Add MO*P							0.094	1.76^{***}
R^2	0.543		0.840		0.865		0.867	
ΔR^2	0000		0.297		0.025		0.002	
F	81.53		268.37		260.88		220.15	
df.	101		100		99		98	
p.	0.000		0.000		0.000		0.000	

$^*P < 0.01$; $^{**}P < 0.05$ and $^{***}P < 0.1$