

The role of market orientation in the performance of third sector organisations in Covid times

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Abstract

With the downturn in the global socioeconomic panorama, the market orientation (MO) and the performance of nonprofit organisations (NPOs) have come in for growing levels of attention. However, authors remain unanimous in emphasising the scope there remains for further research designed to better understand the role of MO on the performances achieved by NPOs. The objective of this research is thus to analyse the influence of MO on the performance standards of NPOs. To this end, we deployed a quantitative methodology (MANCOVA & ANCOVA) based on the application of a survey of NPOs that received a total of 135 valid responses. The results demonstrate a statistically significant positive effect on the dimensions of orientation towards users, towards the competition, the incentive system even while the effect of inter-functional coordination lacks in significance. Despite the data collection having taken place at a particular moment in time, in the midst of the COVID-19 pandemic, which significantly hindered this process and correspondingly preventing this study from attaining still greater representativeness, our results serve to strengthen the theory and practice on market orientation in NPOs. The research results also generate important implications across two levels: at the NPO level and for their decision-makers; it also deepens knowledge on this theme and helps to complete a gap found in the existing literature. In terms of practice, this contributes to NPO managers and policy makers to grasp how MO is not a phenomenon exclusive to the private sector but also extends across the nonprofit sector.

Keywords: management, marketing, nonprofit, pandemic, sustainability