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Market Orientation as a Comparative Advantage Tool: Ankara Province Research Example[1]

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Abstract

Within the scope of the study, the Comparative Advantage Theory of Competition, the Resource Advantage Theory, was explained and compared with the Neoclassical Perfect Competition Theory, which was criticized for not being applicable in today's economic conditions. The theory has been examined at the business level. The basis of the theory is that the solid and inimitable resources of the business give the business a competitive advantage in the market. To emphasize resource superiority, market orientation, a competitive tool, was used to support the theory statistically. Two hundred twenty-one businesses operating in Ankara with over twenty employees were selected as the research sample. The effect of market orientation on superior financial performance was analyzed by performing multiple linear regression analyses on the obtained data. As a result of the research, it was confirmed that market orientation is a source of comparative advantage, and the theory was statistically supported.

Keywords: The Comparative Theory of Competition, Market Orientation, Superior Financial Performance

1. INTRODUCTION

Businesses develop various strategies to gain an advantage against competitors in the increasingly competitive conditions in the digital world. To achieve a competitive advantage, it is essential to use their resources in the right way, at the right place, and at the right time. The competitiveness of businesses determines prices that are unique to them, cannot be imitated, and differentiate products from other performances.

The Comparative Advantage Theory of Competition, which is based on resources and efficiency thanks to the advanced competitive advantages that enable the business, is supported by Hunt and Morgan (1995). It is the fundamental proposition of the theoretical resource approach. The business stands out by creating a unique, valuable competitive advantage that cannot be imitated and generates more income than usual. The unique resources and availability of

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businesses differentiate them from their competitors in the market and explain the competitive advantage they achieve.

For businesses to emerge and differentiate themselves from their competitors, they must first know their businesses and their environment. They must first know their internal environment, analyze strong and weak information, and then get to know their external environment. They will attach great importance to knowing the market, the demands and needs of consumers, and their competitors for the strategies they will develop. Market orientation occurs when they produce information.

The study examined whether market orientation, which is a powerful resource for businesses, has an effect on superior financial performance. Market orientation can be one of the core competencies for businesses to differentiate from their competitors and gain a competitive advantage. Market orientation as a resource will create an advantage if it affects the superior financial performance of the business. As a result of the analysis of the study, the resource advantage approach, which the comparative advantage theory of competition emphasizes, will be revealed statistically.

2. LITERATURE REVIEW

When the literature is examined (High, 2001; Guerrien, 1999), it can be seen that the concept of competition was discussed in all its dimensions and put forward with a theory in the Neoclassical period. Neoclassicals put forward the assumptions of competition with the Neoclassical Theory of Perfect Competition.

British political economist David Ricardo explained the Principle of Comparative Advantage in his 1817 book Principles of Political Economy and Taxation, why it is profitable for two countries to trade even if one has an absolute advantage in producing all products. Ricardo showed that what is essential is not the absolute cost of production but rather the relative efficiency with which two countries can produce their products (Cavusgil et al., 2012: 182).

2.1. The Comparative Advantage Theory of Competition

The Comparative Advantage Theory of Competition developed as a new competition concept in the strategy literature by Hunt and Morgan (1995), who have carried out essential studies on competitive advantage, is an alternative to the Neoclassical Perfect Competition Theory, whose applicability is impossible under today's conditions. The differences revealed by the Comparative Advantage Theory of Competition in resources and other business elements cause businesses to create superior value that will give them a competitive advantage.

Comparative advantage defines superior characteristics, usually arising from natural wealth or planned national policies, that provide unique benefits to a country in global competition. Comparative advantage, also known as a country-specific advantage, includes hereditary resources such as workforce, climate, arable land, and oil reserves extracted by gulf countries. Other comparative advantages are gained over time, such as entrepreneurial orientation, availability of venture capital, and innovative capacity (Cavusgil et al., 2012: 178-179). Hunt and Morgan (1995) discussed comparative advantage at the micro level regarding business. While their resources, natural wealth, and/or national policies make countries stand out in global

competition, the inimitable resources and competencies differentiate businesses in industrial markets and provide them with a competitive advantage.

Competition is the constant struggle between firms for comparative advantage in business resources. Competitors want to avoid or neutralize the rival business advantage by gaining existing resources, imitating them, and/or finding new essential resources. As a result, they gain a competitive advantage and superior financial performance, as seen in Figure 1. The comparative advantage theory of competition is, therefore, dynamic. Imbalance is a desired situation in this theory. Comparative Advantage Theory of Competition: It expands the diversity of resources to include intangible resources such as organizational culture, knowledge, and competence. The theory defines comparative advantages in resources as a strong motivation for the effective use of existing resources and a search to create new resources (Hunt and Morgan, 1995: 3).

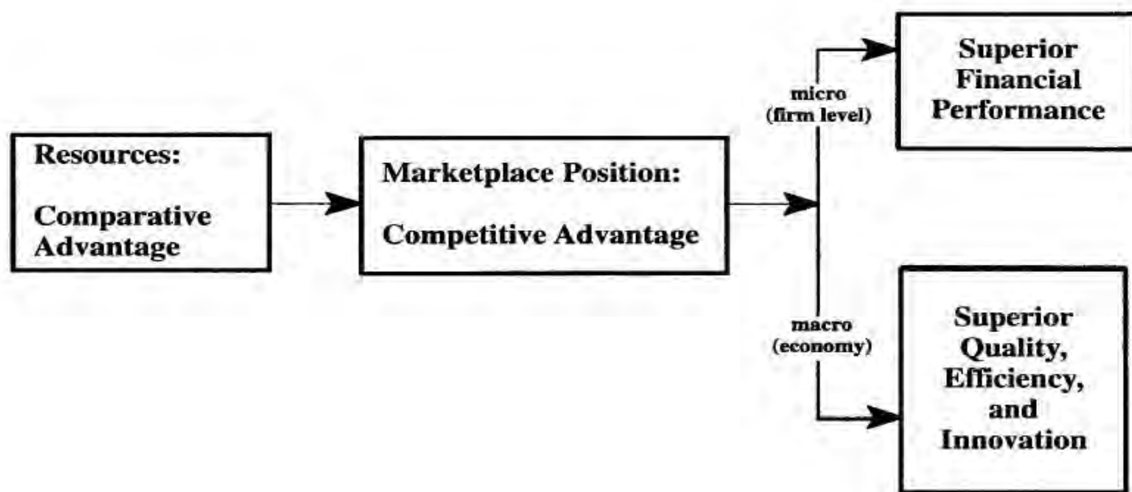

Figure 1. Comparative Advantage Theory of Competition
Source: Hunt and Morgan, 1995:9

The competitive advantage arises when the business creates value for consumers. Competitive advantage is the part that exceeds the cost incurred by the business in creating value. Value is what consumers are willing to pay. Conversely, superior value is to offer the same benefit to the consumer at a low price or to offer a unique benefit by balancing the high price (Porter, 1985: 3).

The best strategy for businesses to adopt is the "core innovation" strategy. The essence of strategy is to find a new source to produce value that can provide an advantage over competitors. The innovation strategy is essential because it is difficult to imitate or replace the resources that will create innovation. It provides superior returns compared to the competitors (Hunt and Morgan, 1997: 78-79). A new resource that is difficult to imitate will provide both a competitive advantage and superior returns.

Two main macro and micro events that will be used to explain the comparative advantage theory of competition have been identified. The macro event is the collapse of planned economies versus market economies.

While the macro event deals with the countries' economies generally, the micro event deals with the businesses operating in the economies. In product markets where competition is intense,

businesses either differentiate their products or maintain their low-cost positions to maintain their competitive advantage. A company that differentiates its product offers the consumer superior quality goods, superior service, or both to gain a competitive advantage (Walker et al., 1999: 274-275).

Differentiation is the process by which meaningful and value-adding differences are added to the goods and services, distinguishing the goods and services of the enterprise from the goods and services of competitors. Products vary according to their differentiation potential. Some products allow minor changes, while others are suitable for more extensive changes. Differentiation can take various forms. Changes can be made in the product form (size, shape, physical structure), and various features can be added in addition to the basic function of the product (Kotler, 2003: 315-318).

The micro event, on the other hand, covers more than one industry and enterprise that exists in market economies, as opposed to planned economies. The neoclassical theory of perfect competition cannot explain why market economies have higher-quality products than command economies. In perfect competition, no firm incurs extra costs in producing a higher quality product than the standard product1. Businesses do not incur expenses because the assumption of homogeneous demand will not bring a higher price. Suppose a firm produces a higher quality product and charges a higher price for the higher quality product. This becomes a market imperfection that moves the market away from the ideal equilibrium state (Hunt and Morgan, 1996: 3-4).

Explaining the differences between businesses in market economies poses a problem for Neoclassical theory. Perfect competition involves many small firms in each industry, each producing a single product in specified quantities. In market economies, in many industries, more than one large enterprise produces many products. Businesses vary in size, scope, methods of operation, and financial performance between and within countries and between and within industries. These differences can be summarized as follows (Hunt and Morgan, 1995: 2):

- Businesses vary in terms of sales volumes and sizes.
- Some businesses have a wide product range, while others produce a single product.
- Some businesses are in vertically integrated "hierarchies," while others specialize in a single activity.
- While some businesses profit, others may not be non-profit.
- While some businesses maintain high profits, others fail in this regard.

The rate of change of the supply functions of the firms varies between different aspects of the demand functions due to the change in the present and past learning capacities of the firms. Changes in businesses in different ways at different speeds bring diversity. If the changes are due to a technology or a demand, some perturbations in change (the effect of consumers' or suppliers' behavior on innovation) may result in less diversity. Business dependencies bring selection and protection processes. These processes affect industry structure and diversity (Dickson, 1996: 103).

2.2. Fundamentals of the Theory of Comparative Advantages of Competition

Competition is the ever-present struggle between businesses for comparative advantage in resources. The struggle between businesses provides a competitive advantage in the market. Thus, superior financial performance is achieved (Hunt and Morgan, 1995: 5). Consumers' tastes, preferences, and behaviors constantly change with suppliers' market offerings. Comparative advantage itself has a dynamic structure due to changes in the market. A dynamic theory of competition should explain how markets change and what criteria create this change (Dickson, 1996: 102-104). Compared to the Neoclassical Theory of Perfect Competition, the Comparative Advantage Theory of Competition is a dynamic theory that is more sensitive to changes in the market and questions the reasons for the changes. Hunt and Morgan compared the criteria of the theory they developed with the theory of perfect competition and showed how the criteria affected the change in the market in Table 1.

Table 1. Foundations of the Neoclassical Theory of Competition and the Theory of Comparative Advantage

	Neoclassical Theory	**Comparative Advantage Theory**
a. Demand	Homogeneous within industries	Heterogeneous within industries
b. Consumer information	Perfect and cost less	Imperfect and costly
c. Human Motivation	Self-interest maximization	Constrained self-interest
d. Firm's Objective	Profit maximization	Superior financial performance
e. Firm's information	Perfect and cost less	Imperfect and costly
f. Resources	Capital, labor, and land	Financial, physical, legal, human, organizational, informational, and relational
g. Resource characteristics	Homogeneous, perfectly mobile	Heterogeneous, imperfectly mobile
h. Role of management	Determine quantity and implement production function	Recognize, understand, create, select, implement, and modify strategies
i. Role of environment	Totally determines conduct and performance	Influences conduct and performance
j. Competition	Quantity adjustment	Comparative advantage

Source: Hunt and Morgan, 1995:3

The ten critical concepts in Table 1 form the basis of the comparative advantage theory of competition. When the concepts are considered individually, they have been discussed in many places. The study includes concepts in the comparative advantage theory of competition, which

is a unifying theory. Ten basic concepts are explained, and the assumptions in both theories are discussed.

Request: Neoclassical perfect competition assumes that consumer preferences are the same. On the other hand, in the unbranded product class, consumers' tastes and preferences vary greatly depending on the desired product features and qualities and constantly change (Hunt & Morgan, 1995, p. 5). In market economies, industry demand within general product classes is significantly heterogeneous and dynamic, contrary to the homogeneous demand assumption, a cornerstone of Neoclassical perfect competition theory. The comparative advantage theory of competition assumes that industry demand is heterogeneous and dynamic.

Consumer information: It is getting harder and harder to please consumers today. Consumers are more intelligent, price-conscious, demanding, and less forgiving (Kotler, 2003: 72). In neoclassical perfect competition theory, consumer information is complete and costless; in constantly changing market economies, consumer information is incomplete and costly due to change.

Consumers and business managers are motivated to seek self-interest. Man has two critical sources of value: utility and ethics. People want to maintain pleasure and reduce pain and boredom. The human desire to obtain benefits explains many of his behaviors. While considering only his interests, he pays attention to the fact that these interests are correct, ethical, and moral. Therefore, self-interest is restricted (Hunt and Morgan, 1995: 6). In market economies, business employees and consumers restrict themselves regarding what is right, socially appropriate, ethical, and moral while seeking their interests (P-benefit) (Hunt and Vasquez-Parraga, 1993: 78-90).

The main objective of the business is superior financial performance. It achieves its goal under costly and incomplete information about consumers and competitors. The superior financial performance brings some rewards to the business. Rewards not only include dividends, increases in capital asset value, salaries, wages, and bonuses. It also includes promotion, expanded career opportunities, prestige, and success (Hunt and Morgan, 1995: 6).

According to Wernerfelt, resources are tangible assets temporarily attached to the business and determine its strengths and weaknesses (Wernerfelt, 1984: 172). Business resources allow a business to develop and implement strategies to improve its effectiveness and efficiency. Business resources include all assets, capabilities, organizational processes, business attributes, and knowledge under the control of the business (Barney, 1991: 101). Resources are tangible and intangible assets available to a business, have value for a market segment or segments, and enable it to produce a market supply effectively and efficiently (Hunt and Morgan, 1995: 6).

The capacity of the enterprise to use its assets in coordination and to perform an activity suitable for its purpose shows its ability. Capabilities vary for each business. The capabilities of that business create the difference and create a competitive advantage in businesses with similar physical resources (Ulgen and Mirze, 2004: 118-119).

Organizational culture is the values, understandings, and standards shared with employees. This may relate to core values, ethical behavior, commitments to employees, efficiency, or consumer services. Their most important feature is keeping organizational members together (Daft, 1995: 19).

Generally, businesses own and control their resources. However, today, most businesses outsource their critical resources if they can provide lower cost and/or higher quality. Thus, businesses can focus on their core competencies (product design, development, and marketing) (Kotler and Keller, 2012: 57). Resource Qualifications: If market segments perceive a company's resources as having a superior value compared to the resources of its competitors and/or allow it to create a market supply that can be produced at lower costs, there is a comparative advantage in resources for the business (Hunt and Morgan, 1995: 7).

2.3. Competitive Position Matrix

Many of the resources of firms within the same industry are significantly heterogeneous and partially fixed. The resource-based approach focuses on the effects of the comparative advantage of economic growth, production, and competitive resources at the enterprise level. In order to effectively and efficiently produce market offerings that will create value for particular market segments, some businesses may have a comparative advantage while others may have a disadvantage. Especially when businesses have a comparative advantage in resources, they fill the competitive advantage parts of their market positions, as seen in Table 2. If the business has a competitive advantage position, the result will be superior financial performance (Hunt, 1999: 149).

Table 2. Competitive Position Matrix

		Relative Resource-Produced Value		
		Lower	**Parity**	**Superior**
Relative Resource Costs	**Lower**	1 ?	2 Competitive Advantage	3 Competitive Advantage
	Parity	4 Competitive Disadvantage	5 Parity Position	6 Competitive Advantage
	Higher	7 Competitive Disadvantage	8 Competitive Disadvantage	9 ?

Source: Hunt and Morgan, 1995:7

Table 2 shows nine possible competitive positions, which are combinations of the values produced by relative resources and the relative resource costs to produce these values, compared to a company's competitors (Hunt and Morgan, 1995: 7; Harris and Mongiello, 2006: 221-222):

- Businesses positioned in boxes 1 through 9 may or may not have superior financial returns despite having comparative advantages in value and cost.
- Boxes 2 and 6 show a competitive advantage and superior financial returns. Businesses often prefer box 3, but they provide a competitive advantage and good feedback in boxes 2 and 6.
- In general, a business will prefer the 3rd box, where resource value is high and costs are low, as its competitive position. More diverse resources than competitors lead businesses to market offerings that create superior value for market segments and are produced at lower cost.

- Businesses positioned in boxes 4, 7, and 8 will generally be at a competitive disadvantage. Businesses look for resources to create an advantage to escape competitive disadvantage and low returns.
- The 5th box shows that the firm has achieved an average return (parity position).

As seen in Figure 2, competition is an unbalanced and continuous process of constant struggle between businesses to have the resources to create a comparative advantage and provide a market position with a competitive advantage and the resulting superior financial performance. Businesses learn about competition in the market as a result of feedback between relative financial performance, relative market position, and relative resources (Hunt and Morgan, 1997: 78).

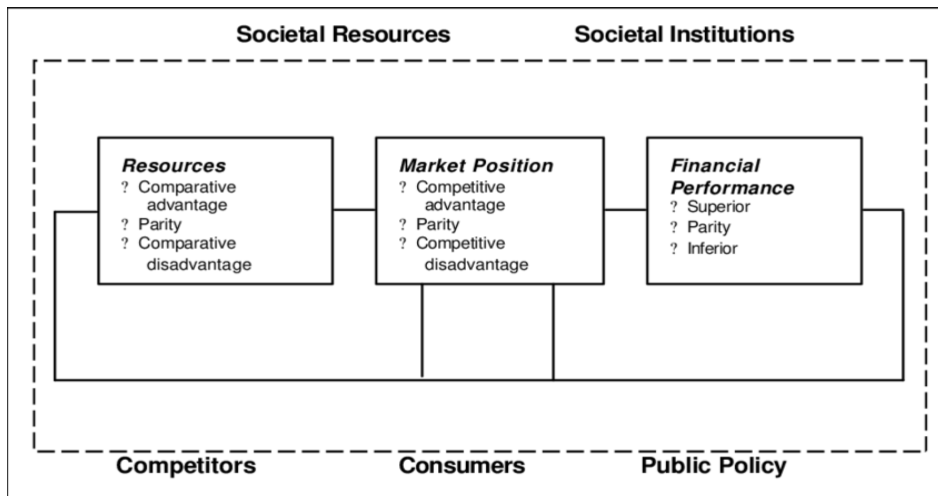

Figure 2. Competition's resource advantage
Source: Hunt and Morgan, 1997:78

2.4. Marketing and Comparative Advantages

Since the 1960s, marketing functions in organizations have been integrated with the marketing concept and the 4Ps. As a marketing concept, marketing focuses on selecting and analyzing target markets, brand and product development, promotion, and distribution channel decisions. Competencies related to the areas that the marketing concept focuses on form the resources. Comparative advantages emerge when the competencies that constitute resources contribute to the company's ability to produce valuable, effective, and efficient market propositions (Hunt and Morgan, 1995: 10).

If the business can develop a continuous and robust learning process in the long run, it can gain a sustained competitive advantage. Market orientation can be defined as the organization of a series of internal processes that enable the business to learn and respond to information about consumers, the market, and the behavior of competitors (Dickson, 1996: 104). Because of its characteristics, the market orientation process can be a source of comparative advantage for the enterprise.

Investigating market orientation as a resource is essential for a better understanding of the comparative advantage theory of competition and highlighting the role of resource advantage in the theory (Hunt and Morgan, 1995: 10). Our study will examine whether market orientation

as a resource creates a competitive advantage for the business. Market orientation will be explained in detail, and its impact on business performance will be examined.

2.5. Market Orientation

In order for the business to differentiate itself from its competitors and be one step ahead, it must first know itself, know its strengths and weaknesses, then know the market it is in, know the demands and needs of consumers, and the last stage, know its competitors and know the strengths and weaknesses of its competitors (Varinli and Cati, 2010: 77). Market orientation arises when the business needs to obtain information to gain a competitive advantage.

Every business organization competes with its competitors while serving its customers; therefore, market orientation plays a vital role in business. Market-oriented businesses try to achieve high performance by meeting customers' demands and needs better than their competitors (Jogaratnam, 2017; Dabrowski, 2019).

There are conditions that businesses must meet in order to have a market orientation. First of all, the top management of the business must be willing to be market-oriented and provide sufficient support. Then, departments need to be organized and organized in order to act market-oriented. Finally, the organizational system should be rearranged per market orientation (Varinli and Cati, 2010: 77). Market orientation, one of the conditions for a business to gain a competitive advantage in its market, is based on determining the organization within the business according to consumer demands and needs.

According to the neoclassical theory of perfect competition, businesses that implement unnecessary marketing activities are considered businesses that disrupt perfect competition. In contrast, in the Comparative Advantage Theory of Competition, marketing activities are practices in favor of competition and produce positive results (Hunt and Morgan, 1995: 4). When evaluated in terms of marketing strategy, tangible and intangible assets enable the company to effectively and efficiently create value from its competitors for a particular market segment or segment. As an intangible asset, market orientation is seen as a resource as it helps the business follow a market segment's demands and needs and obtain information that will create customer satisfaction (Yagcı and Cabuk, 2014: 271).

Two main approaches stand out in market orientation research in the literature. The Kohli and Jaworski approach and the Narver and Slater approach. Although both approaches are similar regarding consumer and competitor focus and interdepartmental coordination concepts, they differ significantly. While one continues with the traditional operationalization of market orientation, covering only the reactive dimension, the other stream distinguishes between responsive and proactive market orientation (Kohli et al., 1993; Narver and Slater, 1990; Narver et al., 2004). Responsive market orientation (RMO) means discovering, understanding, and meeting expressed customer needs. In contrast, proactive market orientation (PMO) refers to discovering, understanding, and meeting latent and future customer needs (Narver et al., 2004).

One of the positive results of market orientation is its effect on employees. It provides market orientation and psychological and social benefits for employees. Team spirit, healthier communication, and job satisfaction positively affect employees (French and Bell, 1995).

Market orientation unites all departments and individuals in the organization to work towards the same goal in service to the consumer. Working towards the same goal creates team spirit and job satisfaction among business employees. Team spirit and greater job satisfaction increase employees' organizational commitment (Kohli and Jaworski, 1990: 13).

Market orientation affects consumer attitudes and behavior. Consumer behavior is how individuals, groups, and organizations select, buy, use, and dispose of goods, services, ideas, or experiences to meet their wants and needs. Consumer behavior is affected by cultural, social, and personal factors (Kotler and Keller, 2012: 173).

3. METHODOLOGY

Within the scope of the study, it was examined whether market orientation as a resource creates a comparative advantage for the business. Businesses achieve superior financial performance due to gaining superiority over their competitors. Superior financial performance does not just involve businesses increasing their profits. In addition to the profit margin, the consumer satisfaction provided by the business also affects the superior financial performance of the business.

In the research part of the study, the problem was whether market orientation could be considered a resource providing superior financial performance for businesses.

3.1. Research Method

The survey method was chosen as the data collection method in the implementation of the research. First, exploratory factor analysis was conducted on the data obtained, and a theoretical research model was put forward. Afterward, multiple linear regression analysis was performed, and regression equations were revealed. Statistical analyses were performed using the SPSS program.

3.2. Research Sample

Research data was obtained by accessing KOSGEB-affiliated enterprises over the internet in Ankara, which is one of the industrially developed provinces of Turkey, according to KOSGEB data. For businesses to be corporate and provide more accurate survey responses, businesses with 20 or more employees were included in the analysis.

A literature review was conducted to ensure the research's validity and reliability, and basic works in the literature were used to develop the survey form. The surveys obtained from foreign literature were first translated into Turkish and checked by two academicians, experts in their fields, to ensure that the questions were understood and answered correctly.

Simple random sampling was used within the scope of the research. Simple random sampling occurs due to selecting units one by one from a population of n units. The most important feature is that units are equally likely to be selected. The selection of one unit is independent of the selection of the other unit. Random samples are ideal samples for studies. The main thing is that the selected sample reflects the entire population (Newbold et al., 2013: 245).

In the quantitative part of our study, a survey was sent to 500 businesses operating in Ankara and included in the KOSGEB database. Two hundred twenty-one businesses responded. Taking

a sampling error of 0.05, it is seen that a sample size of 217 is sufficient for a population size of 500 (Yazicioglu & Erdogan, 2004: 50).

3.3. Research Model and Hypotheses

In the research part of the study, the MAKTOR (Kohli and Jaworski, 1993) scale was used to measure market orientation.

MAKTOR scale, developed by Kohli and Jaworski (1993), consists of twenty statements measured with a five-point Likert scale. The MAKTOR scale consists of three elements (obtaining information, distribution of information, and rapid response to information). The element of obtaining information from the market consists of six statements, the element of distribution of information within the enterprise consists of five statements and the element of rapid response to information obtained from the market consists of nine statements.

The hypotheses created within the framework of the research model are given below. Competitor orientation, consumer orientation, interdepartmental coordination, acquisition of information, distribution of information, and rapid response to information, which are the dimensions of market orientation, are the study's independent variables. Consumer satisfaction and profitability are the study's dependent variables, explaining its superior financial performance. Research hypotheses were established as follows, considering dependent and independent variables.

H_a= Market orientation has no effect on the superior financial performance of the business.

H_{a1}= Market orientation has no effect on consumer satisfaction.

H_{a2}= Market orientation has no effect on profitability.

3.4. Research Findings

First, the reliability of the research variables was examined. The evaluation criteria used in evaluating the Cronbach Alpha coefficient are as follows (Ozdamar, 2002: 673):

If $0.00 \leq \alpha < 0.40$, the scale is unreliable.

If $0.40 \leq \alpha < 0.60$, the scale has low reliability.

If $0.60 \leq \alpha < 0.80$, the scale is highly reliable.

If $0.80 \leq \alpha < 1.00$, the scale is highly reliable.

Reliability coefficients of three dimensions of market orientation: The variable of obtaining information was analyzed as 0.721, the distribution of information variable was analyzed as 0.710, and the variable of quick response to information was analyzed as 0.849. Reliability coefficients of dependent variables: The consumer satisfaction variable was analyzed as 0.914, and the profitability variable was analyzed as 0.883. The reliability of the research variables was found to be high.

Then, exploratory factor analysis was applied to the dimensions of the market orientation variable. As a result of the analysis, the dimensions of market orientation were reduced to two:

rapid response to information and acquisition of information. Two factors explain 70.9% of the total variance.

Multiple regression analysis was performed in line with the results of exploratory factor analysis. First, the effect of market orientation on consumer satisfaction was examined. As a result of the analysis, there was no multicollinearity problem, and the regression equation was significant.

Table 3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.851[a]	.724	.721	.451

a. Predictors: (Constant), responds quickly to information, obtains information

When Table 3 is examined, it is seen that the variables of obtaining information and responding quickly to information explain 72.1% of the change in the consumer satisfaction variable.

Table 4. Multiple Linear Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	.511	.150		3.415	.001	.216	.806					
responds quickly to information	.836	.040	.800	20.995	.000	.758	.915	.843	.818	.747	.871	1.147
obtains information	.076	.024	.120	3.153	.002	.028	.123	.407	.209	.112	.871	1.147

a. Dependent Variable: Consumer Satisfaction

As a result of multiple linear regression analysis, the regression equation was established using the coefficients given in Table 4. When the significance values of the independent variables are examined, it is seen that the values of both variables are less than 0.05. Both variables are included in the equation. In the equation, x_1: responds quickly to information, and x_2: obtains information.

Accordingly, the first regression equation is;

$$y = 0{,}511 + 0{,}836\, x_1 + 0{,}076\, x_2 + e \qquad (1)$$

In line with equation (1), it was concluded that a 1-unit increase in the quick response to information variable increases consumer satisfaction by 83.6%, and a 1-unit increase in the information acquisition variable increases consumer satisfaction by 7.6%. The rapid response to

information obtained in the market affects consumer satisfaction more than acquiring market information.

Secondly, the effect of market orientation on profitability was examined. As a result of the analysis, there was no multicollinearity problem, and the regression equation was significant.

Table 5. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.362[a]	.131	.123	.745

a. Predictors: (Constant), obtains information, responds quickly to information

When Table 5 is examined, it is seen that the variables of obtaining information and responding quickly to information explain 12.3% of the change in the profitability variable.

Table 6. Multiple Linear Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	2.375	.247		9.611	.000	1.888	2.862					
responds quickly to information	.375	.066	.386	5.707	.000	.246	.505	.348	.361	.360	.871	1.147
obtains information	-.062	.040	-.105	-1.557	.121	-.140	.016	.033	-.105	-.098	.871	1.147

a. Dependent Variable: Profitibility

As a result of multiple linear regression analysis, the regression equation was established using the coefficients given in Table 6. When the significance values of the independent variables are examined, it is seen that the value of the variable of quick response to information is less than 0.05, and the value of the variable of obtaining information is greater than 0.05. In this case, only the variable of rapid response to information will enter the equation. In the equation, x_1 represents the variable of quick response to information.

Accordingly, the first regression equation is;

$$y = 2{,}375 + 0{,}375\, x_1 + e \qquad (2)$$

In line with equation (2), it was concluded that a 1-unit increase in the variable of quick response to information increases profitability by 37.5%.

4. RESULT AND DISCUSSION

The study aims to examine the Comparative Advantage Theory of Competition, which is the building block of the Resource-Based Approach developed by Hunt and Morgan (1995). The aim is to compare it with the Neoclassical Perfect Competition Theory, which is criticized for not being applicable in today's economic conditions. The theory examined qualitatively was statistically supported.

Vital resources that rival businesses in the sector cannot imitate provide businesses with a competitive advantage in the market in which they operate. The comparative advantage theory of competition adopts a resource-based approach at the micro level (business level). Businesses use the resource factor to gain superiority in their strategies to maintain their existence and gain superiority over their competitors. The theory is based on the resources and competencies of the business in order to explain competitive advantage. The business aims to realize market offerings by creating value for its consumers at a low cost and providing superior financial performance.

In the quantitative part of the study, market orientation was examined as a source, and the theory was statistically supported. Multiple linear regression analysis was applied to the data collected from businesses operating in Ankara. It was discussed that the hypotheses established due to the analysis were rejected. Statistically, market orientation has been shown to impact superior financial performance. According to the comparative advantage theory of competition, market orientation, as a resource, positively affects the superior financial performance of the company. Resources, especially inimitable and powerful, provide a competitive advantage for businesses and form the basis of resource-based approaches.

In the study, market orientation was chosen as a competitive tool, and its effect was examined. Future studies can investigate the effects of different resources on businesses as a means of competition. These studies will support the comparative advantage theory of competition.

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