The Impact of Entrepreneurial Orientation on Marketing Capabilities: exploratory research in some Iraqi travel and tourism companies

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Abstract:
This paper aims to determine the impact of the entrepreneurial orientation through five dimensions: innovativeness, proactiveness, risk-taking, competitive aggressiveness, and autonomy - on the marketing capabilities that include pricing, product development, channel management, marketing communication, selling, market information management, marketing planning, and marketing implementation. The research was conducted in (23) Iraqi travel and tourism companies. Analytical descriptive research method. The questionnaire is the tool used to collect research data. Statistical programs (SPSS V.23 and AMOS V.23) were used to analyze the data. The study sample was randomly selected and consisted of (78) individuals from these companies. The research found a strong positive effect of entrepreneurial orientation on marketing capabilities. The most significant effect of the entrepreneurial orientation was on the pricing ability, and the minor effect of the entrepreneurial orientation was on the ability of marketing communication. The research highlights the level of variables and the nature of the relationships between them in the tourism sector in Iraq.

Keywords: Risk-taking, Innovativeness, Proactiveness, Competitive aggressiveness, Autonomy, Pricing, Product development, Channel management, Marketing communication, Selling, Market information management, Marketing planning, Marketing implementation

Introduction:
Entrepreneurial orientation is the path entrepreneurs take to create a 'new entrant'. It is a set of strategies in a conceptual domain that includes organizational-level findings related to managerial preferences, beliefs, and behaviors expressed by managers (Luiz et al., 2018). The entrepreneurial orientation significantly affects marketing capabilities, as risk adoption, proactivity, experimental experience, flexibility, and anticipation efforts are necessary to increase marketing capabilities (PrastiwI & Rohimat, 2020). Organizations with distinct marketing capabilities can outperform their competitors by developing new products, using pricing strategies in response to customer demands, effective marketing communications, and supporting distributors (Vorhies et al., 2009). Thus, marketing capabilities are linked to the strategic directions of the organization, so trends such as market orientation, inter-functional coordination orientation and entrepreneurial orientation are considered the main antecedents for enhancing marketing capabilities (Jin et al., 2018). Marketing capabilities are required for marketing activities such as product planning, pricing, promotion, and distribution. Thus, the marketing capabilities of an organization refer to its ability to differentiate and design products and services from its competitors to reach profits and achieve brand reputation (Murray et al., 2011a). Marketing capability can help organizations recognize and respond to market changes such as technological movements and development revolutions (Wilden & Gudergan, 2015).
capabilities can channel the benefits of an entrepreneurial orientation toward raising the performance of small businesses (Pascal & Shin, 2015). Some studies concluded that entrepreneurial orientation cannot affect the marketing capabilities of small projects since small projects have limited capabilities.

On the contrary, other studies confirmed that a good orientation in the field of entrepreneurship would be able to enhance the marketability of each company with unique capabilities in terms of resources, as well as the growth of the company based on the efficient use of resources and the deployment of existing capabilities (Farida, 2016). According to (Madsen et al., 2007), empirical studies focused mainly on the direct relationship between entrepreneurial orientation and performance, so there needed to be more interest in studying the relationship between capabilities and entrepreneurial orientation. However, (Smart & Conant, 2011) found a significant positive effect between entrepreneurial orientation and distinctive marketing competencies. Also, (Kajalo Lindblom, 2015) concluded that the entrepreneurial orientation requires marketing capabilities that make it possible to unleash its potential in value creation fully.

This research was carried out in (23) travel and tourism companies in Iraq. The researcher found that the research problem is summarized as follows: (1) the intensity of competition that forced travel and tourism companies to think about finding tools that help enhance their marketing capabilities, (2) lack of knowledge of the nature of the relationship between Entrepreneurial orientation and marketing capabilities in Iraqi travel and tourism companies. From this the following research questions can be formulated:

- What is the level of entrepreneurial orientation in Iraqi travel and tourism companies?
- What is the level of marketing capabilities that Iraqi travel and tourism companies possess?
- Is it possible to positively influence marketing capabilities through entrepreneurial orientation?
- How will the entrepreneurial orientation affect each of the marketing capabilities?

Regarding the knowledge gap, the literature indicated a lack of knowledge about the drivers of marketing capabilities, of which the entrepreneurial orientation could be one of them. The researcher also indicated that the relationship between the search variables had not been tested in the Iraqi travel and tourism companies’ sector. Therefore, this paper provides an important answer to the questions of the owners of these companies about the extent to which entrepreneurial orientation contributes to enhancing marketing capabilities in order to attract customers and win an additional market share.

1. Literature reviews

1.1. Entrepreneurial Orientation

One begins to understand entrepreneurial orientation by asking two basic questions: First, "What is orientation?" The second is "Is entrepreneurship an orientation?" To answer the first question, orientation is a general and permanent direction of thought, inclination, or interest. As for the answer to the second question, the entrepreneurial orientation may or may not be many things, but it certainly represents an orientation. So, entrepreneurial orientation can be understood as a general or permanent tendency of thought, inclination or interest related to entrepreneurship (Covin & Lumpkin, 2011). Entrepreneurial orientation is a popular term now and there is a tendency to regard it as something that is inherently good, something that organizations should always strive for (Wiklund, 2006). Adopting an entrepreneurial orientation means being more active than competitors towards new market opportunities (Wiklund & Shepherd, 2005). Entrepreneurial orientation can be mutually and continuously linked to an organization's strategic processes and is not simply the result or antecedent of these processes (Covin et al., 2006). The entrepreneurial orientation spreads throughout all levels of the organization, so marketing will be one of these activities that will be affected by this trend and work towards achieving it (W. Wales et al., 2011). Even non-management employees can contribute to entrepreneurship, but at lower levels than those
Entrepreneurship is referred to as the “parent of Innovation” because it acts as an innovative change agent that drives organizations and society forward. Without entrepreneurship, we will have a business environment that is stagnant, not dynamic, and not adaptable to environmental uncertainty. With entrepreneurship, business organizations tend to search for innovative and flexible means in order to invest in internal strengths in seizing external opportunities, thus achieving the desired objectives (Miles & Arnold, 1991). The entrepreneurial approach was embodied in strategy making by (Miller, 1983), as suggested that entrepreneurial organizations are those that seek innovation, forcefully enter new markets, and accept strategic and financial risks in order to seize new opportunities. Thus, entrepreneurship is generated when creating a new company, a new product, a new technology, a new market, a new idea, and a new invention. Consequently, the non-entrepreneurship organization is the one in which the level of innovation is very low, and it tries to stay away from risk as much as possible, and to imitate competitors in its movements instead of leading the market (Basso et al., 2009). According to (Covin & Slevin, 1991) there are degrees to classify the strategic behavioral tendencies of the organization, these degrees range from the most conservative to the most entrepreneurial, the most entrepreneurial are those whose orientation towards innovation, proactiveness and risk is evident. It is worth noting that (Miller, 1983) noted that entrepreneurship should practice these three strategic components simultaneously, meaning that an organization cannot be characterized as pioneering because it created something without taking any risks, just as an organization that takes risks cannot be entrepreneurial without the presence of proactiveness, so on. According to (Anderson et al., 2015), the entrepreneurial orientation consists of two dimensions: the first is entrepreneurial behavior and is expressed by innovation, while proactiveness is an inevitable result of innovation, while the second dimension is the managerial attitude towards risk and is expressed by adopting risk.

Two opinions were found regarding dealing with dimensions of entrepreneurial orientation, the first according to Miller (1983); Covin and Slevin (1989) which tends to deal with dimensions on the basis of formative measurement models. The second, according to Lumpkin and Dess (1996) tends to deal with dimensions on the basis of reflective measurement model (Covin & Miller, 2014). According to (Todorovic et al., 2011), the importance of entrepreneurial orientation dimensions can vary in complex ways according to the nature of the business, for example, the decision to start a new international project will focus on the "proactiveness" and "risk-taking" dimensions of the entrepreneurial orientation, while the "innovativeness" will not be an important factor at that time. This research agrees with the first opinion, but according to (Todorovic et al., 2011), I find it is not wrong to deal with the dimensions of the entrepreneurial orientation individually, as it will explain the importance of each dimension separately, but when dealing with the entrepreneurial orientation as one variable, it is better to include all dimensions.

The organization's entrepreneurial orientation was measured with a set of three to five dimensions developed from business strategy and entrepreneurship literature. These dimensions include Innovativeness, risk-taking, Proactiveness, competitive aggressiveness, and autonomy. Three of them were used in the majority of entrepreneurial orientation research: Innovativeness, Proactiveness, and, risk-taking while autonomy and competitive aggressiveness were studied less (Bolton & Lane, 2012). In this study, five dimensions will be studied due to their importance on the one hand, and the reliance of most recent studies on these dimensions in measuring the level of entrepreneurial orientation on the other hand, and these dimensions are as follows:

- **Innovativeness:** It is the efforts of the organization to find new opportunities and
innovative solutions. It is about creativity in experiments that lead to the creation of all-new products, services or technological processes (Dess & Lumpkin, 2008). Innovation is one of the key elements of entrepreneurship, which creates the values desired by organizations by introducing new changes or combinations through creative ideas and combinations (Cho & Lee, 2018). Innovation drives the organization to move away from traditional practices and techniques, as it should think about new things (Wiklund & Shepherd, 2005).

• **Proactiveness:** It means that the organization is the first initiator towards discovering the needs and desires of customers, thus creating a first mover advantage compared to competitors (Wiklund & Shepherd, 2005). Proactiveness is the pursuit of opportunity, a forward-looking vision characterized by introducing new ideas ahead of the competition and anticipating future demand (Lumpkin et al., 2009). Many proactive organizations are finding ways not only to be forward thinking, but to change the very nature of competition in the industry, consequently, proactiveness is particularly effective in creating competitive advantage because it makes competitors have to respond to successful initiatives (Dess & Lumpkin, 2008).

• **Risk-taking:** Being an entrepreneur, it is important to minimize risk, but it is also important to acknowledge the risk in businesses and to share it with others while trying to seize opportunities under uncertainty (Cho & Lee, 2018). Adoption of risk by the organization means its willingness to enter into a new project, although its results are unknown. It may succeed or fail, so the organization acts boldly without knowing the consequences (Dess & Lumpkin, 2008). Risk-taking involves taking bold steps, venturing into the unknown, borrowing heavily and/or committing tremendous resources to businesses in uncertain conditions (Lumpkin et al., 2009).

• **Competitive aggressiveness:** It refers to the efforts of the organization to overcome its competitors in the industry (W. J. Wales et al., 2013). As this organization that bears this orientation is willing to fight competitors either by cutting prices and sacrificing profitability in order to increase market share, or spending aggressively to obtain manufacturing capacity (Dess & Lumpkin, 2008). Competitive aggressiveness tends to attack rather than defend in dealing with competitors, and often takes the form of a deliberate action as well as a reactive action (Hughes & Morgan, 2007).

• **Autonomy:** It is the independent action taken by entrepreneurial leaders aimed at creating a new project (Lumpkin et al., 2009). Autonomous leadership enables organizations to make quick and independent decisions to deliver new products or services to new markets (Li et al., 2009). Autonomy gives employees the freedom of self-direction and encourages them to create new ideas necessary for the success of entrepreneurial businesses (Lumpkin & Dess, 1996). This requires policies to empower individuals, support open communication, and facilitate access to information. Therefore, autonomy is an important driver of flexibility, as it is an essential feature if the organization wants to be able to respond quickly to environmental changes (Hughes & Morgan, 2007).

**Marketing capabilities**

Marketing capabilities mean that the organization is able to use the available resources to carry out marketing tasks in ways that achieve the required marketing objectives, thus, they are the tools the organization uses to deliver value to customers (Morgan et al., 2018). According to (Day, 1994), it is defined as “the integrative processes through which skills and knowledge are combined with tangible resources to transform marketing inputs into outputs”. It has also been defined as
“complex operations that involve combining market knowledge and organizational resources to generate added value” (Santos-Vijande et al., 2012). Organizations spend a lot of money on building, maintaining and benefiting from marketing capabilities, as it is one of the factors of marketing success (Morgan et al., 2009). As marketing capabilities provide knowledge to customers, facilitate product development, and support excellence and quality of products (Blesa & Ripollés, 2008). The development of marketing capabilities leads to the establishment of a set of operations that enable the organization to achieve its strategic goals and reach the required strategic location. Therefore, marketing capabilities contribute to achieving the effectiveness of the organization (Vorhies, 1998). Marketing capabilities may be immobile, unique, and value creation mechanisms non substitutable (Morgan et al., 2009), therefore, it is an important factor in achieving competitive advantage (Fahy et al., 2000). In addition, marketing capabilities support building a positive image of the brand, and lead to raising organizational performance (Nath et al., 2010).

The diverse nature of marketing capabilities has not enabled scholars to reach agreement on their measures (Kamboj & Rahman, 2015). According to (Day, 1994), marketing capabilities are many and cannot be counted, as they may differ from one organization to another depending on the nature of markets, competition, and the conditions of the marketing environment. Therefore, there is no overall marketing capability that includes a set of agreed-upon marketing capabilities in one package, and the available marketing capabilities cannot be given the same amount of importance (Morgan, 2019). One of the classifications of marketing capabilities provided by (Vorhies & Morgan, 2005), which was as follows:

- **Pricing:** The capability to pricing makes organizations use pricing methods that enable them to respond quickly to changes and achieve higher returns (Murray et al., 2011b). The pricing capability lies in how to determine a successful price that takes into account the objectives of the organization, marketing strategy, product value, customer purchasing power, competitors’ prices, marketing intermediaries, and legal regulations (Liozu et al., 2014). The pricing capability shows the ability of organizations to set a price that reflects the value of the customer, and this makes marketers think in a way that diminishes the consumer's incentive to want a low price, so the method of value-based pricing leads to better results (Pratono, 2018).

- **Product development:** Marketing capabilities is an important matter in the product development phase, where the organization's capabilities, consumer needs and desires, intensity of competition, and availability of information must be evaluated, in order to provide ideas for developing new products (Weerawardena, 2003). Product development is one of the tasks of marketing management, as marketers feel that there are environmental opportunities and threats that should be dealt with by making some modifications to the product aimed at improving its characteristics, advantages or functionality (Barrales-Molina et al., 2014). According to (Morita et al., 2018), the factors related to product development can be classified into two types: the first is the structure, which includes factors that precede product development such as nature of competition, size of the market, and capabilities of the organization available, and the second is the process, which includes efforts to facilitate the development process, such as supporting senior management, internal and external communications, and participation of suppliers and distributors.

- **Channel management:** Channel management capability is defined as the ability of an organization to establish and maintain distribution channels that deliver products and services to customers (Zhang et al., 2018). The capability of the channel
can be evaluated according to whether it is alternative or complementary. If it is alternative, this means that it has the ability to replace the capabilities of the pre-existing channels, but if it is complementary, then it will be able to create additional demand for the pre-existing channel (Bang et al., 2013). The capabilities of channel management aim to deliver products and services at the right time and place and in the required quantities to customers. Therefore, distribution is a subset of the supply chain through which it ensures the smooth flow of products and services according to market demand (Eng, 2016).

- **Marketing communication**: Based on these capabilities, organizations will be able to deliver their marketing messages with the aim of informing, persuading and reminding customers of their products and services, thus building a positive brand image (Luxton et al., 2015). Marketing messages seek to increase awareness and knowledge of the brand and to convince customers of the superiority of the brand over competitors. In addition, marketing communications can be used to link the brand to a situation that includes customers, places, things and experiences (Herawati et al., 2022). Thus, marketing communication ability qualifies organizations to build long-term relationships with customers to meet the marketing objectives of the organization (Mehralian & Khazaee, 2022).

- **Selling**: The selling capability refers to the extent to which the marketing department can persuade customers to buy products in large quantities, and this urges the organization to build strong relationships with customers and strive to consolidate relations with potential customers (Pratono, 2018). The selling capability is affected by the organizational situation of the organization in terms of the size of the sales staff and the rate of replacement of the sales force (Yi et al., 2021). The capability to sell enables the organization to sense demand and contribute to achieving the advantage of raising revenues and the advantage of reducing costs (Rahman et al., 2022).

- **Market information management**: It means the set of activities and processes from which organizations acquire market knowledge (Vorhies & Morgan, 2005). The market information management capability helps the organization to achieve harmonization between its internal capabilities and the available external opportunities, as well as helps the organization in choosing the best partners in the process of marketing products and services, and therefore this contributes to reducing the risks of opportunistic behavior that the organization may fall into by some market partners (Liao et al., 2020). Also, the market information management capability helps the organization to develop competitive marketing programs and improve the level of marketing performance, thus providing the organization with a competitive advantage over its competitors (Krush et al., 2016).

- **Marketing planning**: It means the ability of the organization to develop marketing plans, policies and tactics that improve the compatibility between its resources and market requirements (Vorhies & Morgan, 2005). And (Slotegraaf & Dickson, 2004) defined it as “the ability to anticipate and respond to the market environment in order to direct a firm’s resources and actions in ways that align the firm with the environment and achieve the firm’s financial goals”. The marketing planning capability is an effective tool for dealing with uncertainty in the marketing environment, so it will facilitate the implementation of the marketing mix (O’Cass et al., 2012).

- **Marketing implementation**: It means transforming strategic marketing thinking into real action on the ground (Vorhies & Morgan, 2005). The success of a marketing strategy depends on the ability to implement it (Chang et al., 2010). Marketing
implementation is one of the difficult operations because it may face many circumstances that were not noticed during marketing planning. However, the marketing implementation capability provides the flexibility required to face sudden circumstances (Piercy, 1998).

2. Methodology

2.1. Measures

- **Entrepreneurial Orientation**: The level of entrepreneurial orientation was measured through a scale developed by (Hughes & Morgan, 2007), which consists of 18 items divided into five dimensions: (1) Innovativeness, consisting of three items, (2) Proactiveness, consisting of three items, (3) Risk-taking, consisting of three items, (4) Competitive aggressiveness, consisting of three items, (5) Autonomy, consisting of six items.

- **Marketing Capabilities**: The level of marketing capabilities was measured through a scale developed by (Vorhies & Morgan, 2005) consisting of 39 items, spread over eight dimensions: (1) Pricing, consisting of four items, (2) Product development, consisting of five items, (3) Channel management, consisting of five items, (4) Marketing communication, consisting of five items, (5) Selling, consisting of five items, (6) Market information management, consisting of five items, (7) Marketing planning, consisting of five items, (8) Marketing implementation, consisting of five items.

A five-point Likert scale was used to determine the level of entrepreneurial orientation (5 = strongly agree, 4 = agree, 3 = neutral, 2 = disagree, 1 = strongly disagree), marketing capabilities (5 = very good, 4 = good, 3 = moderate, 2 = weak, 1 = very weak). According to (Dewberry, 2004), if the average ranges between (4.2 - 5), the level is very high. If the average ranges between (3.4 - 4.2), the level is high. If the average ranges between (2.6 - 3.4), then the level is medium. If the average ranges between (1.8 - 2.6), the level is low. If the average ranges between (1 - 1.8), the level is very low.

2.2. Hypotheses research

- **Main hypothesis**: There is an effect of entrepreneurial orientation on marketing capabilities.

  From this main hypothesis, the sub-hypotheses are formulated as follows:
  - There is an effect of the entrepreneurial orientation on pricing.
  - There is an effect of the entrepreneurial orientation on product development.
  - There is an effect of the entrepreneurial orientation on channel management.
  - There is an effect of the entrepreneurial orientation on marketing communication.
  - There is an effect of the entrepreneurial orientation on selling.
  - There is an effect of the entrepreneurial orientation on market information management.
  - There is an effect of the entrepreneurial orientation on marketing planning.
  - There is an effect of the entrepreneurial orientation on marketing implementation.

2.3. Sample

The questionnaire included (78) out of (94) individuals representing (23) Iraqi travel and tourism companies, noting that these companies represent the most important travel and tourism offices in Baghdad, and these companies were chosen according to the number of their followers on Facebook. Table (1) displays demographic data for the sample members.

<table>
<thead>
<tr>
<th>Table (1) Data of the sample members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
### 2.4. The scale tests

#### 2.4.1. Validity test:

Kaiser-Meyer-Olkin (KMO) and Bartlett tests were performed to determine sample suitability and measurement quality. SPSS V.23 was used to generate the results (Table 2).

**Table (1) KMO & Bartlett’s tests**

<table>
<thead>
<tr>
<th>Variables</th>
<th>KMO test</th>
<th>Bartlett’s test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Chi-Square</td>
<td>Df</td>
</tr>
<tr>
<td>Entrepreneurial Orientation</td>
<td>0.885</td>
<td>808.995</td>
</tr>
<tr>
<td>Marketing Capabilities</td>
<td>0.832</td>
<td>3563.443</td>
</tr>
</tbody>
</table>

According to the results of Table 2, all numbers indicate that the quality of measurement was achieved, as all KMO values were greater than 0.05. Moreover, the values of Bartlett's test are significant being less than 0.05 (Kaiser & Rice, 1974).

#### 2.4.2. Reliability tests

Alpha Cronbach's coefficient is used to measure the consistency of the scale statements. According to (Butts & Michels, 2006), the value must be above (0.70) to be statistically accepted in research of management and behavioral (Table 3).

**Table (2) Reliability tests**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Items questionnaire</th>
<th>Alpha-Cronbach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovativeness</td>
<td>(1-3)</td>
<td>0.806</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>(4-6)</td>
<td>0.764</td>
</tr>
<tr>
<td>Risk-taking</td>
<td>(7-9)</td>
<td>0.784</td>
</tr>
<tr>
<td>Competitive aggressiveness</td>
<td>(10-12)</td>
<td>0.766</td>
</tr>
<tr>
<td>Autonomy</td>
<td>(13-18)</td>
<td>0.829</td>
</tr>
<tr>
<td>Entrepreneurial Orientation</td>
<td>(1-18)</td>
<td>0.932</td>
</tr>
<tr>
<td>Pricing</td>
<td>(19-22)</td>
<td>0.756</td>
</tr>
<tr>
<td>Product development</td>
<td>(23-27)</td>
<td>0.886</td>
</tr>
</tbody>
</table>
According to the results of (Table 3), it is clear that all Alpha-Cronbach values exceed the acceptable minimum of (0.70) and most of them are close to (1.00), and this indicates that the reliability of the scale is achieved, meaning that the results would be very close to these results, if the questionnaire had been distributed to the same sample and the conditions were also identical.

3. Results

3.1. View sample answers: Table (4) displays the answers of the research sample.

Table (4) Sample’s answers

<table>
<thead>
<tr>
<th>No.</th>
<th>Variables</th>
<th>Mean</th>
<th>S. D</th>
<th>C.V (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Entrepreneurial Orientation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Innovativeness</td>
<td>3.708</td>
<td>0.686</td>
<td>18.5</td>
</tr>
<tr>
<td>1</td>
<td>We actively introduce improvements and innovations in our business.</td>
<td>4.000</td>
<td>0.868</td>
<td>21.7</td>
</tr>
<tr>
<td>2</td>
<td>Our business is creative in its methods of operation.</td>
<td>3.935</td>
<td>0.930</td>
<td>23.6</td>
</tr>
<tr>
<td>3</td>
<td>Our business seeks out new ways to do things.</td>
<td>3.782</td>
<td>1.040</td>
<td>27.4</td>
</tr>
<tr>
<td></td>
<td>Proactiveness</td>
<td>3.803</td>
<td>0.868</td>
<td>22.8</td>
</tr>
<tr>
<td>4</td>
<td>We always try to take the initiative in every situation (e.g., against competitors, in projects when working with others).</td>
<td>4.128</td>
<td>0.916</td>
<td>22.1</td>
</tr>
<tr>
<td>5</td>
<td>We excel at identifying opportunities.</td>
<td>3.666</td>
<td>1.135</td>
<td>30.9</td>
</tr>
<tr>
<td>6</td>
<td>We initiate actions to which other organizations respond.</td>
<td>3.615</td>
<td>1.095</td>
<td>30.2</td>
</tr>
<tr>
<td></td>
<td>Risk-taking</td>
<td>3.517</td>
<td>0.928</td>
<td>26.3</td>
</tr>
<tr>
<td>7</td>
<td>The term “risk taker” is considered a positive attribute for people in our business.</td>
<td>3.667</td>
<td>1.052</td>
<td>28.6</td>
</tr>
<tr>
<td>8</td>
<td>People in our business are encouraged to take calculated risks with new ideas.</td>
<td>3.307</td>
<td>1.097</td>
<td>33.1</td>
</tr>
<tr>
<td>9</td>
<td>Our business emphasizes both exploration and experimentation for opportunities.</td>
<td>3.577</td>
<td>1.179</td>
<td>32.9</td>
</tr>
<tr>
<td></td>
<td>Competitive aggressiveness</td>
<td>3.705</td>
<td>0.744</td>
<td>20.0</td>
</tr>
<tr>
<td>10</td>
<td>Our business is intensely competitive.</td>
<td>3.846</td>
<td>0.968</td>
<td>25.1</td>
</tr>
<tr>
<td>11</td>
<td>In general, our business takes a bold or aggressive approach when competing.</td>
<td>4.038</td>
<td>0.903</td>
<td>22.3</td>
</tr>
<tr>
<td>12</td>
<td>We try to undo and out-maneuver the competition as best as we can.</td>
<td>3.230</td>
<td>0.992</td>
<td>30.7</td>
</tr>
<tr>
<td></td>
<td>Autonomy</td>
<td>3.658</td>
<td>0.727</td>
<td>19.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mean</td>
<td>Standard Deviation</td>
<td>Variance</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------</td>
<td>------</td>
<td>--------------------</td>
<td>----------</td>
</tr>
<tr>
<td>13</td>
<td>Employees are permitted to act and think without interference.</td>
<td>3.512</td>
<td>1.066</td>
<td>1.132</td>
</tr>
<tr>
<td>14</td>
<td>Employees perform jobs that allow them to make and instigate changes in the way they perform their work tasks.</td>
<td>3.807</td>
<td>0.926</td>
<td>0.856</td>
</tr>
<tr>
<td>15</td>
<td>Employees are given freedom and independence to decide on their own how to go about doing their work.</td>
<td>3.730</td>
<td>0.976</td>
<td>0.951</td>
</tr>
<tr>
<td>16</td>
<td>Employees are given freedom to communicate without interference.</td>
<td>3.243</td>
<td>1.118</td>
<td>1.244</td>
</tr>
<tr>
<td>17</td>
<td>Employees are given authority and responsibility to act alone if they think it to be in the best interests of the business.</td>
<td>3.833</td>
<td>0.903</td>
<td>0.813</td>
</tr>
<tr>
<td>18</td>
<td>Employees have access to all vital information.</td>
<td>3.820</td>
<td>0.936</td>
<td>0.874</td>
</tr>
<tr>
<td><strong>Marketing Capabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Pricing</td>
<td>3.855</td>
<td>0.838</td>
<td>0.699</td>
</tr>
<tr>
<td>19</td>
<td>Using pricing skills and systems to respond quickly to market changes.</td>
<td>4.025</td>
<td>0.852</td>
<td>0.724</td>
</tr>
<tr>
<td>20</td>
<td>Knowledge of competitors’ pricing tactics.</td>
<td>3.794</td>
<td>0.985</td>
<td>0.969</td>
</tr>
<tr>
<td>21</td>
<td>Doing an effective job of pricing products/services.</td>
<td>3.807</td>
<td>1.289</td>
<td>1.641</td>
</tr>
<tr>
<td>22</td>
<td>Monitoring competitors’ prices and price changes.</td>
<td>3.794</td>
<td>1.231</td>
<td>1.513</td>
</tr>
<tr>
<td></td>
<td>• Product development</td>
<td>3.756</td>
<td>0.902</td>
<td>0.812</td>
</tr>
<tr>
<td>23</td>
<td>Ability to develop new products/services.</td>
<td>3.717</td>
<td>1.236</td>
<td>1.525</td>
</tr>
<tr>
<td>24</td>
<td>developing new products/services to exploit R&amp;D investment.</td>
<td>3.628</td>
<td>1.129</td>
<td>1.279</td>
</tr>
<tr>
<td>25</td>
<td>Test marketing of new products/services.</td>
<td>3.653</td>
<td>1.054</td>
<td>1.064</td>
</tr>
<tr>
<td>26</td>
<td>Successfully launching new products/services.</td>
<td>3.923</td>
<td>1.078</td>
<td>1.161</td>
</tr>
<tr>
<td>27</td>
<td>Ensuring that product/service development efforts are responsive to customer needs.</td>
<td>3.859</td>
<td>0.921</td>
<td>0.848</td>
</tr>
<tr>
<td></td>
<td>• Channel management</td>
<td>3.812</td>
<td>0.911</td>
<td>0.829</td>
</tr>
<tr>
<td>28</td>
<td>Strength of relationships with distributors.</td>
<td>3.756</td>
<td>1.095</td>
<td>1.198</td>
</tr>
<tr>
<td>29</td>
<td>Attracting and retaining the best distributors.</td>
<td>3.807</td>
<td>1.032</td>
<td>1.063</td>
</tr>
<tr>
<td>30</td>
<td>Closeness in working with distributors and retailers.</td>
<td>3.884</td>
<td>1.056</td>
<td>1.113</td>
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<tr>
<td>31</td>
<td>Adding value to our distributors’ businesses.</td>
<td>3.717</td>
<td>1.030</td>
<td>1.059</td>
</tr>
<tr>
<td>32</td>
<td>Providing high levels of service support to distributors.</td>
<td>3.897</td>
<td>1.123</td>
<td>1.259</td>
</tr>
<tr>
<td></td>
<td>• Marketing communication</td>
<td>3.848</td>
<td>0.962</td>
<td>0.924</td>
</tr>
<tr>
<td>33</td>
<td>Developing and executing advertising programs.</td>
<td>3.987</td>
<td>1.122</td>
<td>1.256</td>
</tr>
<tr>
<td>34</td>
<td>Advertising management and creative skills.</td>
<td>4.089</td>
<td>1.008</td>
<td>1.016</td>
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<tr>
<td>35</td>
<td>Public relations skills.</td>
<td>3.871</td>
<td>1.199</td>
<td>1.438</td>
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<tr>
<td>36</td>
<td>Brand image management skills and processes.</td>
<td>3.576</td>
<td>1.110</td>
<td>1.221</td>
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<tr>
<td>37</td>
<td>Managing corporate image and reputation.</td>
<td>3.717</td>
<td>1.138</td>
<td>1.292</td>
</tr>
<tr>
<td></td>
<td>• Selling</td>
<td>3.807</td>
<td>0.941</td>
<td>0.884</td>
</tr>
<tr>
<td>38</td>
<td>Giving salespeople the training, they need to be effective.</td>
<td>3.628</td>
<td>1.117</td>
<td>1.244</td>
</tr>
<tr>
<td>39</td>
<td>Sales management planning and control systems.</td>
<td>3.749</td>
<td>1.097</td>
<td>1.198</td>
</tr>
<tr>
<td>40</td>
<td>Selling skills of salespeople.</td>
<td>3.859</td>
<td>1.159</td>
<td>1.353</td>
</tr>
</tbody>
</table>
Sales management skills. 3.884 1.092 28.1
Providing effective sales support to the sales force. 3.871 0.958 24.7
• Market information management 3.789 0.920 24.2
Gathering information about customers and competitors. 3.653 1.114 30.4
Using market research skills to develop effective marketing programs. 3.525 1.255 35.6
Tracking customer wants and needs. 3.564 1.157 32.4
Making full use of marketing research information. 4.038 1.098 24.7
Analyzing our market information. 4.166 1.011 24.2
• Marketing planning 3.966 0.846 21.3
Marketing planning skills. 4.000 1.162 29.0
Ability to effectively segment and target market. 4.153 0.968 23.3
Marketing management skills and processes. 3.961 1.049 26.4
Developing creative marketing strategies. 3.884 1.080 27.8
Thoroughness of marketing planning processes. 3.833 1.024 26.7
• Marketing implementation 3.697 0.879 23.7
Allocating marketing resources effectively. 4.128 0.985 23.8
Organizing to deliver marketing programs effectively. 3.423 1.179 34.4
Translating marketing strategies into action. 3.743 1.049 28.0
Executing marketing strategies quickly. 3.615 1.153 31.8
Monitoring marketing performance. 3.576 1.063 29.7

Regarding entrepreneurial orientation, Table (4) shows that all items obtained high scores based on the mean. This explains why these companies have a good reputation in the field of travel and tourism, and their success in attracting customers, as these companies constantly focus on updating tourist trip offers, whether inside or outside Iraq. These companies are also keen to establish understandings with tourism companies in the countries that host their clients in order to provide support in implementing the tourism program. The limited countries that grant entry visas to Iraqis without complex procedures or obstacles make the work of these companies difficult, but innovativeness, proactiveness, risk-taking, competitive aggressiveness, and autonomy have created a great demand for travel and tourism companies by many Iraqis, despite the few countries that are allowed, as there are Many people who travel with these companies to the same country several times due to the continuous renewal of the tourism program, in addition to that the cost of traveling with tour groups is much lower than if the customer wanted to implement the same tourism program himself. Regarding marketing capabilities, Table (4) shows that all items received high scores based on the mean. This explains why these companies have a good level of marketing capabilities. These capabilities are evident through good turnout, number of followers, good interaction in social media, persuasion ability, good communication, competitive prices, continuous development, interest in information, and good strategic thinking.

3.2. hypothesis tests

Figure (1) shows the associations between the independent variable “Entrepreneurial Orientation” with the dependent variable “Marketing Capabilities”, as well as the correlations between “Entrepreneurial Orientation” and each of the marketing capabilities.
According to Fig. (1), all correlations are positive, whether between the entrepreneurial orientation and the marketing capabilities combined, or between the entrepreneurial orientation and each of the marketing capabilities individually. According to Figure (1), all correlations are positive, whether between the entrepreneurial orientation and the marketing capabilities combined, or between the entrepreneurial orientation and each of the marketing capabilities individually. Table (5) shows the simple linear regression equations for each marketing capability.

<table>
<thead>
<tr>
<th>Table (5) Simple Linear Regression Equations</th>
</tr>
</thead>
<tbody>
<tr>
<td>( Y = a + b(X) )</td>
</tr>
</tbody>
</table>
| \( \begin{array}{|c|c|c|c|c|c|} \hline Y & a & b & X & \text{sig} & R^2 \\
\hline Marketing Capabilities & 0.320 & 0.943 & \text{Entrepreneurial Orientation} & 0.001 & 0.765 \\
\hline Pricing & 0.257 & 0.971 & \text{Entrepreneurial Orientation} & 0.001 & 0.631 \\
\hline Product development & 0.170 & 0.967 & \text{Entrepreneurial Orientation} & 0.001 & 0.542 \\
\hline Channel management & 0.029 & 1.020 & \text{Entrepreneurial Orientation} & 0.001 & 0.591 \\
\hline Marketing communication & 0.705 & 0.848 & \text{Entrepreneurial Orientation} & 0.001 & 0.356 \\
\hline Selling & 0.208 & 0.971 & \text{Entrepreneurial Orientation} & 0.001 & 0.501 \\
\hline Market information management & 0.016 & 1.018 & \text{Entrepreneurial Orientation} & 0.001 & 0.577 \\
\hline Marketing planning & 0.793 & 0.856 & \text{Entrepreneurial Orientation} & 0.001 & 0.482 \\
\hline Marketing implementation & 0.370 & 0.897 & \text{Entrepreneurial Orientation} & 0.001 & 0.490 \\
\hline \end{array} \) |
According to the results of Table (5), all the simple linear regression equations are significant, and an increase of one unit of entrepreneurial orientation will lead to an increase in marketing capabilities by (0.971) at a determination coefficient R² of (76%) which means that entrepreneurial orientation explains about 76% of marketing capabilities, while the remaining 24% is due to other factors outside of research. Also, an increase of one unit of entrepreneurial orientation will lead to an increase in pricing by (0.971) at a determination coefficient R² of (63%). An increase of one unit of entrepreneurial orientation will lead to an increase in product development by (0.967) at a determination coefficient R² of (54%). An increase of one unit of entrepreneurial orientation will lead to an increase in channel management by (1.020) at a determination coefficient R² of (59%). An increase of one unit of entrepreneurial orientation will lead to an increase in marketing communication by (0.848) at a determination coefficient R² of (35%). An increase of one unit of entrepreneurial orientation will lead to an increase in selling by (0.971) at a determination coefficient R² of (50%). An increase of one unit of entrepreneurial orientation will lead to an increase in market information management by (1.018) at a determination coefficient R² of (57%). An increase of one unit of entrepreneurial orientation will lead to an increase in marketing planning by (0.856) at a determination coefficient R² of (48%). Finally, an increase of one unit of the entrepreneurial orientation will lead to an increase in marketing implementation by (0.897) at a determination coefficient R² of (49%).

4. Conclusions

Based on the results obtained in this study, the companies in which the research was conducted have an excellent entrepreneurial orientation. Moreover, the highest focus by those companies was on innovativeness, proactiveness, competitive aggressiveness, autonomy, and risk-taking, respectively. These companies also have good marketing capabilities, which are higher in marketing planning, pricing, marketing communication, channel management, selling, market information management, product development, and marketing implementation, respectively. Through the correlation coefficients between the research variables, we conclude that there is a strong positive impact of entrepreneurial orientation on marketing capabilities. The entrepreneurial orientation has a higher impact on pricing, channel management, market information management, product development, selling, marketing implementation, marketing planning, and marketing communication, respectively. Thus, there is a possibility to exploit the entrepreneurial orientation to develop the marketing capabilities of the travel and tourism companies in which the research was conducted.

Data Availability:
The data used to support the results of this study has been included in the article.

Conflict of Interest:
The authors declare that they have no conflicts of interest.

Funding Sources:
No financial support was received.

Acknowledgments:
None.

References:
Entrepreneurship Journal for Finance and Business (EJFB)  
2023, VOL. 04, NO. 04, 220-237, E-ISSN: 2709-4251. P-ISSN: 2708-8790  
DOI: 


International Business Studies, 31(1). https://doi.org/10.1057/palgrave.jibs.8490907


