

# Learning and Entrepreneurial Market Orientation of exporting SMEs

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**Abstract:** The paper presents the results of a quantitative study of 240 Polish SMEs from the manufacturing sector, surveyed in 2019. It aims at determining whether and to what extent their learning is linked to entrepreneurial marketing orientation. As learning is a key element of both traditional and rapid internationalisation models, the second aim of the study is to show whether these relationships differ between exporting SMEs and the ones serving mainly the domestic market. Statistical analysis with the use of SEM modelling was applied to find out about the structure and relationships between variables. The results of the analysis indicate that company learning is related to firms' strategic orientation. Moreover, significant differences between the exporting and non-exporting enterprises regarding their approach to learning were found, however, the strength of relationships between learning orientation and entrepreneurial marketing is similar in both groups.

**Keywords:** Learning orientation, market sensing, entrepreneurial marketing orientation, SMEs

**JEL Classification codes:** D83 , F23, M31

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## INTRODUCTION

The study aims at determining whether and to what extent the learning orientation of SMEs, and their market -sensing are linked to their entrepreneurial marketing orientation. Moreover, it is interesting to check if such relationships differ in exporting and non-exporting SMEs.

## 1 LITERATURE REVIEW

### 1.1 Market sensing of SMEs

According to Hagen and Zucchella (2018), the key functions of entrepreneurial marketing are concentrated on the market-sensing and boundary-spanning activities, innovation and business development, leveraging, extending and enriching scarce resources, and customer relationship building in connection with value chain management. Thus, when faced with environmental uncertainty, the internationalizing firms should be prepared to read all signals, especially those

related to market information. The translation of these signals into opportunities leads to faster internationalization, and also exemplifies “doing more with less” – i.e. obtaining information at a cheaper cost.

The market-sensing capability involves substantive activities and routines needed to obtain knowledge from various sources (Salojärvi et al., 2015). Thus, these authors have suggested that market-sensing capabilities are expressed not only by the firm’s propensity to perform certain activities, but also by the concrete “routines” needed for acquiring valuable knowledge about and from the foreign markets (p. 7). Day, 1994 pointed out that market sensing should lead not only to the assessment of the current environment, but also to forecasting the future stage of the market. This author identified the following types of market sensing: (1) sensing activities, (2) interpreting sensed information, and (3) evaluating activities, related to monitoring and assessment (Ardayan, 2016; Day, 2002).

According to Miocevic and Morgan (2018) the market-sensing capabilities belong to the group of absorptive operational capabilities which are necessary for export marketing success (see also: Teece et al., 1997). Miocevic and Morgan define the market-sensing capability as “the firm’s propensity to actively and purposefully monitor the customers, competition, technology, and general environment”, which helps SMEs “generate valuable knowledge that is essential in initial stages of value creation”.

Since the beginning of studies on entrepreneurial and marketing orientations (EO and MO), information gathering had an important place in these concepts. Kohli et al. based the whole concept of MO and the MARKOR scale on different activities concerning market information processing (Kohli et al., 1993). In the models elaborated by next authors this approach has been broadened and developed.

## **1.2 Entrepreneurial marketing concept**

One of the concepts connected with the development of marketing discipline has been the entrepreneurial marketing (EM) concept, which has been evolving for the last three decades. At first it was treated as an approach to marketing typical for SMEs (see: Toghraee et al., 2017). Later it started to be associated with the particular features of entrepreneurship (Morris et al., 2002; Sethna, 2013), and it was associated also with internal activities of larger firms. In this study we approach this concept from the perspective of internationalized SMEs. There have been several publications treating entrepreneurial marketing as especially useful for quickly developing SME exporters (Hallbäck & Gabrielsson, 2013; Knight & Liesch, 2016; Weerawardena et al., 2012; Yang & Gabrielsson, 2017). The reason for this approach is that the EM features, such as concentration on opportunities and customer focus make it helpful in fast expansion.

The characteristic approach to information gathering, associated with EM (Ionita, 2012; Stokes, 2000) consists of activities concentrated on learning from networks and customer intimacy connected with co-creation (Morrish, 2011). In EM formal marketing research is rather not popular (Stokes 2000). On the other hand SMEs tend to scan opportunities in the environment via participating in fairs, collecting information from agents and learning from mistakes of others. The proposed operationalizations of EM include such dimensions as (Ionita, 2012; Morris et al., 2002): customer intimacy, resource leveraging, proactiveness, opportunity focus, value creation, innovation focus and low-risk marketing. Some of these dimensions were combined to form an entrepreneurial marketing orientation (EMO) concept (Jones & Rowley, 2011).

As it was already mentioned, market sensing is considered a crucial activity for entrepreneurial marketing (Hagen and Zucchella, 2018). Moreover, according to Foley (2004) the market-sensing capability is an antecedent of market orientation. Therefore the hypothesis is proposed for this study:

H1: Market sensing intensity is positively correlated with the entrepreneurial marketing orientation of SMEs.

In this study market-sensing intensity is understood as the number and importance of the routines performed to acquire knowledge about the markets in which the firm operates.

In the international market setting such "architectural marketing capabilities" as market information gathering, information distribution and strategic analysis (Vorhies et al., 2009) are necessary to develop the "Learning Advantage of Newness", contributing to the venture's success (Autio et al., 2000). Therefore the main goal of market sensing may be the exploitation of market niches, due to quick identification of opportunities.

On the other hand, the studies on international entrepreneurship also underline the importance of learning to the firm success. In studies by Dimitratos et al. (2012) and Gabriellsson et al. (2014) the construct of international entrepreneurial orientation, applied in relation to internationalizing SMEs, includes the learning orientation construct.

### **1.3 Learning orientation of SMEs**

Learning orientation is a relatively new concept explaining the success of SMEs. It "refers to corporate behaviors and activities related to creating, acquiring, and using knowledge to develop or enhance a competitive advantage" (Lonial & Carter, 2015, p. 97). Learning-oriented companies encourage, or even require, employees to constantly question the organizational norms that guide their market information processing activities and organizational actions. The values associated with the firm's learning capabilities refer to a commitment to learning, open-mindedness and shared vision (Baker & Sinkula, 1999a).

The learning orientation is perceived to be one of the factors determining the positional advantage and therefore also the performance of SMEs (Lonial & Carter, 2015), as learning-oriented companies gather knowledge more quickly than their competitors, are able to introduce innovations (Baker & Sinkula, 1999a, 1999b; Sheng & Chien, 2016) and adopt faster to evolving business environment, providing improvements in both their marketing tools and other managerial solutions.

Weerawardena, Mort, Liesch & Knight (2007) state that the owner's global mindset, prior international experience and learning orientation shape a set of three distinctive capabilities comprising market-focused learning capability, internally-focused learning capability and networking capability. They support the marketing capability and the introduction of knowledge-intensive products and therefore contribute to the accelerated internationalisation. These authors interpret learning orientation as a construct related more to the values represented by the company's managers, than just to activities connected with knowledge-gathering.

According to the studies mentioned above, both market sensing and learning orientation are crucial in the development of firms' competitive advantage and international presence. Thus we propose a hypothesis for study:

H2: The learning orientation of SMEs is positively correlated with their market-sensing intensity.

As shown in the study of Lonial and Carter, the best results are obtained by the companies, who simultaneously attend to the entrepreneurial orientation defined as „entrepreneurial strategy-making processes that key decision makers use to enact their firm’s organizational purpose, sustain its vision, and create competitive advantage(s)” (Rauch et al., 2009, p. 763) and market orientation conceptualized as “company behaviors focusing on the generation of market intelligence through decision support systems, information systems, and market research; dissemination of that intelligence across company departments; and responding to changes in the competitive environment based on this intelligence” (Lonial & Carter, 2015, p. 96). All the three orientations, MO, EO and LO, seem to support each other and to be the necessary prerequisites of the company’s success.

The relationship between market orientation and learning orientation is still not clear. For example, Baker and Sinkula (1999a) argue that while both market and learning orientation are needed to maximize the effectiveness of innovation, the strong learning orientation may be more important to the firm performance than a strong market orientation. However, in their other study published in the same year (Baker & Sinkula, 1999b, p. 422) they show that “In the absence of one or the other, it would be better for a firm to have a strong market orientation. A strong market orientation is likely to breed the type of adaptive learning that can keep a firm competitive in a dynamic market. A strong learning orientation may lead to an occasional "home run," but the beneficial effect of breakthrough innovations may be shortlived if they are not followed up by market-oriented processes that enable firms to make necessary strategic and tactical adjustments in responses to changes in the external market”. The higher importance of market orientation was also confirmed by Farrell and Oczkowski (2002). The other studies show that learning orientation is a mediator between market orientation and innovativeness (Lin et al., 2008).

The above studies treat learning and market orientations as rather independent phenomena, not taking into consideration their potential interrelatedness, however, the studies on dynamic capabilities show, that learning about both customers and competitors is essential for effective marketing mix strategies and solving the marketing problems (Weerawardena et al., 2007). The argumentation of Slater and Narver is the other way round: they claim that market orientation is the basic cultural foundation of the learning organization (Slater & Narver, 1995).

Therefore we suggest to test another hypothesis in the current study:

H3: The learning orientation in SMEs is correlated with their entrepreneurial marketing orientation.

Moreover, it is interesting for us to find out if such relationships differ between internationalized firms, and those who are only active locally. This research question was inspired by the studies on internationalized ventures underlying that small and medium companies need to gather knowledge not only at the beginning of their internationalization but also to support their expansion within existing foreign markets (Fletcher & Harris, 2012). Therefore their learning should be strongly related to market orientation. On the other hand, the previous studies have yet not compared the LO of INVs and SMEs operating mainly locally, therefore we are not attempting to hypothesize about the potential differences regarding these firms.

## 2 METHODOLOGY

### 2.1 Sample and data gathering

The data for study were collected between May and June 2019 with use of the mixed-mode method, including 207 interviews collected with the CATI (computer assisted telephone interviews) and 33 applying CAWI (computer assisted web interviews) technique. The sample was drawn from the database comprising 2969 companies. 1038 companies have not fulfilled the selection criteria and 1691 refused to participate in the study or interrupted the interview. The data was collected by an independent market research company AMS.

The final sample included 240 companies fulfilling the following criteria: existing and active Polish manufacturing firms with 10-249 employees; firms incepted after 2003, not being a result of a merger or takeover, never being a subsidiary of a foreign company. 120 companies were strongly internationalised companies having at least 25% export share in total sales (hereinafter referred to as exporters). The other 120 companies were not internationalised companies with the export share not exceeding 25% (hereinafter referred to as non-exporters). The respondents were persons responsible for cooperation with foreign partners, mainly sales/export/marketing directors or firm owners. Almost 67% of the sample were small companies with 10-49 employees. The remaining 33% of the companies in the sample employed between 50 and 240 people. Most of the companies under study (almost 59%) did not reach the yearly turnover of 2 Mio Eur. 29% of the companies declared the total sales value between 2 and 10 Mio Eur and 12% - of 10-50 Mio Eur. Almost 73% of the internationalised companies started exporting after three years from inception and only 16% began exporting within the first one. 44.2% of the sample were companies serving both the B2B and B2C market. 30.5% served B2C clients only and 25.4% operated exclusively on the B2B market.

### 2.2 Applied scales

#### Company learning scale

Market-sensing measurement was based on market-sensing scale developed by Salojarvi et al. (2015), based on Day (2002) and Achtenhagen et al. (2013). It encompassed three statements (1 to 3 in Table 1). Furthermore, the learning orientation was assessed by the scale developed by Sinkula et al. (1997) and Galer et al. (1992), encompassing four statements - from 4 to 7 in Table 1. Summing up, seven statements described on 7-point Likert scales were used to evaluate companies' learning (Table 1). Before asking these questions, the following definition of learning was presented: „Company learning is understood as all forms of employee education (company-sponsored or individual) and acquisition of external knowledge“.

**Table 1 Company learning scale items used in the study of the Polish SMEs (n=240)**

Question	Variable label
1 We have systematic processes, with which we interpret prevailing trends in the market environment	CL_1
2. We actively follow our competitors' procedures	CL_2 CL_3

3 Our company's employees regularly discuss the effect of market trends and new products on our activities	CL_4
4 We quickly analyse and interpret changes taking place in market demand	CL_5
5 The sense around here is that employee learning is an investment, not an expense	CL_6
6 Learning in my organization is seen as a key commodity necessary to guarantee organizational survival	CL_7
7. In our corporate culture, the employees' learning is seen as very important	

Note: For questions 1-7 Likert-type seven-point scales were used with 1 – definitely disagree, 2 - disagree, 3 – rather disagree, 4 – neither agree nor disagree, 5 – rather agree, 6 - agree, 7 – definitely agree.

Source: Own elaboration based on: Salojarvi et al. (2015), Sinkula et al. (1997) and Galer et al. (1992).

First, we run the exploratory factor analysis (EFA) for items regarding company learning (CL) to check the unidimensionality of the CL scale. The EFA provided 2 factors with eigenvalues higher than 1. First factor explains 51% of variance and consists of three items with factor loadings above 0.9. The second factor explains 20% of variance and comprises 4 items with factor loadings from 0.67 to 0.79. Both scales proved to be reliable (Cronbach's alpha >0.7). The results of EFA and reliability statistics are presented in table 2.

**Table 2 Exploratory factor analysis and reliability statistics of the company learning scale**

Items	Loadings		Communalities	Company learning dimension	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items
	Component [% of Variance]					
	1 [51%]	2 [20%]				
CL_1		.721	.478	Market sensing	0.714	0.716
CL_2		.785	.585			
CL_3		.747	.597			
CL_4		.673	.522			
CL_5	.929		.876	Learning orientation	0.954	0.955
CL_6	.970		.926			
CL_7	.973		.943			

Source: Own elaboration.

Next, we estimated the measurement model for learning in exporters and non-exporters groups using structural equation modelling (SEM). Then we tested the measurement invariance by means of the multiple group confirmatory factor analysis (MGCFAs) to check whether differences in the means of the observed items result from the differences in the means in market sensing and learning orientation. If measurement invariance doesn't hold, the differences across groups could be due to the different construct configuration or different understanding of questions across the groups.

The same measurement model of company learning was estimated in both groups. The model fitted the data (RMSEA=0.031, NFI=0.970, TLI=0.991, CFI=0,994). All regression weights between the company learning dimensions and their indicators (items) proved to be significant ( $p < 0.05$ ). Configurative invariance was supported, so the same items were connected to each dimension of company learning across the group / construct configuration was the same across the groups. Then we tested whether the factor loadings are the same across groups to check metric invariance. Chi square difference test indicated that constraints didn't worsen model fit significantly ( $p = 0,996$ ), so the metric invariance holds as well. We concluded that exporters and non-exporters understood the market sensing and learning orientation similarly.

Scalar invariance is supported if the intercepts in regressions for items are equal across the groups, but it wasn't the case in our study ( $p=0.016$ ). Lack of scalar invariance indicates that the observed differences in items' means can result both from different level of underlying company learning dimension and indicator intercepts.

**Table 3. Reliability and validity assessment of the company learning model**

item		Company learning dimension	exporters			non-exporters		
			Standardized estimate	CR	AVE	Standardized estimate	CR	AVE
CL_1	<---	Market sensing	0.446	0.630	0.301	0.626	0.783	0.478
CL_2	<---	Market sensing	0.544			0.643		
CL_3	<---	Market sensing	0.588			0.815		
CL_4	<---	Market sensing	0.604			0.665		
CL_5	<---	Learning orientation	0.895	0.963	0.897	0.858	0.947	0.856
CL_6	<---	Learning orientation	0.949			0.955		
CL_7	<---	Learning orientation	0.994			0.959		
Discriminant validity			max $ r_{ij} =0.382$ ; MSV=ASV=0.146			max $ r_{ij} =0.574$ ; MSV=ASV=0.329		

Source: Own elaboration. Note: CR – Composite reliability, AVE – average variance extracted, max $|r_{ij}|$  - maximum inter-construct correlation, MSV - maximum shared variance, ASV-average shared variance.

As table 3 shows, the learning orientation scale is reliable in both groups (composite reliability  $>0.7$ ). High factor loadings and average variance extracted indicate convergent validity and discriminant validity (max $|r_{ij}|<0.85$ , MSV $<$ AVE) and as a result also construct validity. Similarly, the reliability and validity of the market sensing scale for non-exporters are supported (for convergent validity AVE could be below the 0.5 if value of CR is accepted). When it comes to market sensing scale for exporters, the reliability is lower than recommended standards, but still acceptable, discriminant validity is supported, however, low value of AVE indicates low convergent validity.

**Table 4 Company learning measurement model fit**

Indices	Recommended standards		Model fit
	Good fit	Acceptable fit	Company learning model, exporters, N=120, non-exporters, N=118
$\chi^2$ ; df; p-value			32.404; 31; 0.397
Bentler-Bonnet fit index (NFI)	$>0.95$	$>0.90$	0.97
Bentler-Bonnet nonnormed fit index NNFI/TLI			0.998
Comparative fit index (CFI)			0.999
GFI			0.965
AGFI	$>0.90$	$>0.85$	0.936
RMSEA	$<0.05$	$<0.08$	0.014 (0; 0.051)

Source: own elaboration. Note: RMSEA: Root mean square error. GFI: goodness of fit index. AGFI: adjusted goodness of fit index. df: degrees of freedom.

As table 4 shows, the company learning model prepared for this study, presented a good fit with the data.

### Entrepreneurial marketing orientation scale

To measure the entrepreneurial marketing orientation we used a five-dimensional construct, based on Fiore et al. (2013), which had been adapted and tested on a sample of Polish SME-exporters (Kowalik, 2020, forthcoming). The model includes five dimensions of EMO: Proactive orientation, Opportunity focus, Customer Orientation, Value Creation, and Low-risk marketing. These dimensions are consistent with the description in (Kowalik, 2020, forthcoming), therefore we provide here only the data regarding the model's quality.

**Tab. 5 Reliability and validity assessment of the EMO model (n=240)**

Construct	AVE	CR	Cronbach's Alpha
Proactive orientation (P)	0.777	0.913	0.913
Opportunity focus (OP)	0.692	0.818	0.818
Customer Orientation (CO)	0.669	0.858	0.857
Value Creation (VC)	0.907	0.951	0.951
Low-risk marketing (RM)	0.555	0.789	0.788
Discriminant validity	max $ r_{ij} $ = 0.827, MSV = 0.684, ASV = 0.433		

Source: Own elaboration. Note: CR – Composite reliability, AVE – Average variance extracted, max $|r_{ij}|$  - maximum inter-construct correlation, MSV - maximum shared variance, ASV-average shared variance.

As it can be seen from Table 5 above, the constructs making up the EMO model present acceptable reliability and validity levels.

**Table 6 Entrepreneurial marketing orientation model fit, 2019 study**

Indices	Recommended standards		Model fit
	Good fit	Acceptable fit	EMO model, N=240
$\chi^2$ ; df; $p$ -value			140.975; 55; 0.000
Bentler-Bonnet fit index (NFI)	>0.95	>0.90	0.939
Bentler-Bonnet nonnormed fit index NNFI/TLI			0.946
Comparative fit index (CFI)			0.962
GFI			0.923
AGFI	>0.90	>0.85	0.873
RMSEA	<0.05	<0.08	0.081; (0.065; 0.097)

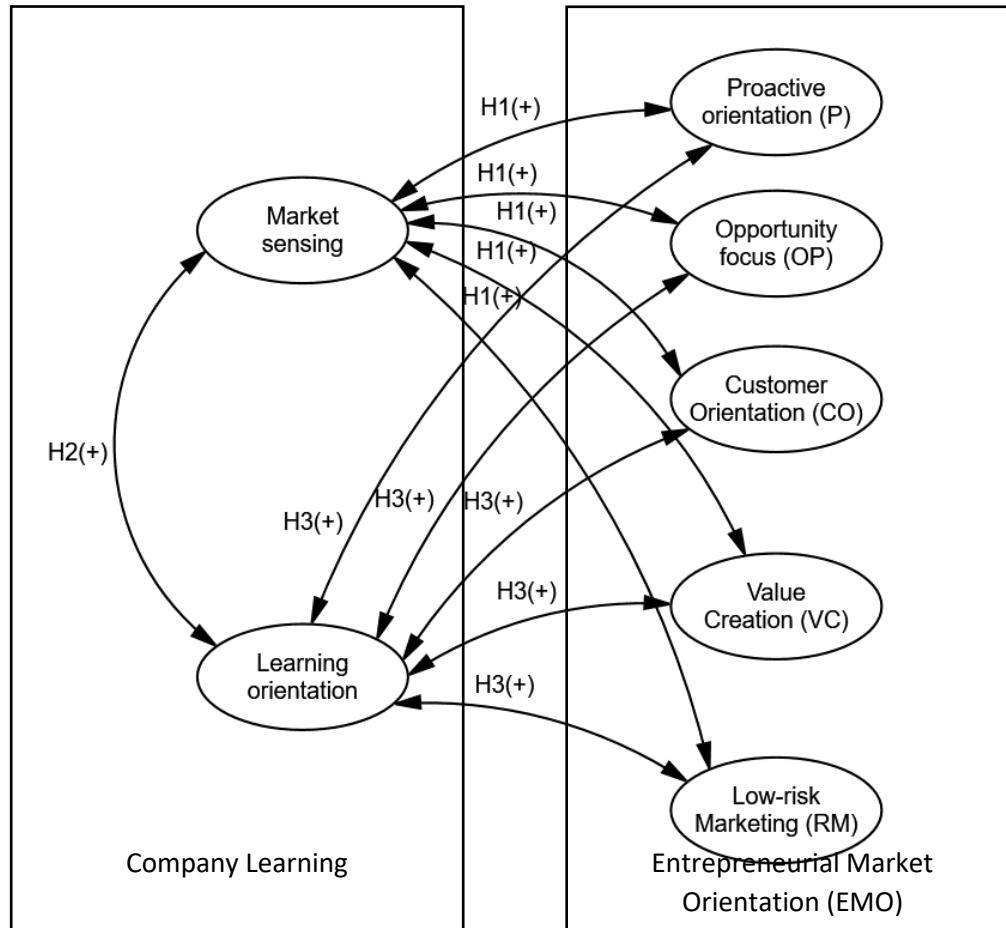
Source: own elaboration. Note: RMSEA: Root mean square error. GFI: goodness of fit index. AGFI: adjusted goodness of fit index. df: degrees of freedom.

As table 6 shows, all indicators of model quality are within the acceptable standards.



The final conceptual model of relationships between company learning and entrepreneurial market orientation is presented in figure 1.

**Figure 1 Conceptual model of relationships between company learning and entrepreneurial market orientation of SME**



Source: Own elaboration.

### 3 RESULTS AND DISCUSSION

#### 3.1 Company learning - variables distribution

Descriptive statistics of the variables referring to market sensing and learning orientation are shown in table 7.

**Table 7 Company learning– descriptive statistics**

Variable label		CL_1	CL_2	CL_3	CL_4	CL_5	CL_6	CL_7
N	Valid	239	239	239	239	238	238	238
	Missing	1	1	1	1	2	2	2

Mean		4.02	5.05	4.64	5.60	4.91	4.87	4.99
Median		4.00	5.00	5.00	6.00	5.00	5.00	5.00
Mode		4	5	5	7	6	5	5
Std. Deviation		1.647	1.620	1.689	1.353	1.590	1.562	1.566
Skewness		-0.277	-0.841	-0.624	-1.078	-0.585	-0.606	-0.638
Std. Error of Skewness		0.157	0.157	0.157	0.157	0.158	0.158	0.158
Kurtosis		-0.529	0.194	-0.258	1.203	-0.239	-0.080	-0.109
Std. Error of Kurtosis		0.314	0.314	0.314	0.314	0.314	0.314	0.314
Percentiles	25	3.00	4.00	4.00	5.00	4.00	4.00	4.00
	50	4.00	5.00	5.00	6.00	5.00	5.00	5.00
	75	5.00	6.00	6.00	7.00	6.00	6.00	6.00

Source: Own elaboration. Note: As a result of factor analysis, items CL\_1, CL\_2, CL\_3, CL\_4 make up the market sensing construct and items CL\_5, CL\_6, CL\_7 make up the learning orientation construct.

The companies under study declare both to perform market sensing activities, as well as attach importance to learning. However, the means for the responses representing learning orientation and market sensing activities only slightly exceed the middle of the scale (4.0). The mean answers vary between 4.02 in case of variable CL\_1 (We have systematic processes, with which we interpret prevailing trends in the market environment) and 5.6 for CL\_4 (We quickly analyse and interpret changes taking place in market demand). The variable CL\_4 is also characterised by the highest skewness (31% of the respondents choose answer 7, and 27.6% – answer 6, indicating strong agreement).

The exporting companies attached greater importance to learning orientation and market sensing than non-exporters. The Student t-test for independent samples revealed that most of the differences were significant (variables CL\_1 and CL\_3 are the only exceptions) – see table 8.

**Table 8 Company learning– the results of Student’s t-test for independent samples**

Variable label	Levene's Test for Equality of Variances		t-test for equality of means						
	F	Sig/	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
CL_1	1.295	0.256	0.470	237	0.639	0.100	0.213	-0.320	0.521
CL_2	1.117	0.292	2.960	237	0.003	0.611	0.206	0.204	1.017
CL_3	0.819	0.366	1.241	237	0.216	0.271	0.218	-0.159	0.701
CL_4	2.391	0.123	2.435	237	0.016	0.422	0.173	0.081	0.763
CL_5	0.006	0.937	2.777	236	0.006	0.565	0.203	0.164	0.965
CL_6	0.166	0.684	1.846	236	0.066	0.372	0.201	-0.025	0.769
CL_7	0.147	0.702	1.874	236	0.062	0.378	0.202	-0.019	0.776

Source: Own elaboration.

The fact that most of the indicators of learning orientation and market sensing activities are at significantly higher levels in case of exporters, compared with non-exporters, stays in line with the previous studies indicating that the learning needs, priorities and approaches vary depending on the internationalization stage (Anderson et al., 1998). The higher importance of learning in strongly internationalized companies may be explained with the need to overcome the liability of foreignness (Oviatt & McDougall, 2005). Moreover, the internationalizing companies, except gaining the market knowledge, have to learn the market entry strategies and international market management (Fletcher et al., 2018), therefore their required scope of learning and also their learning orientation have to be higher.

### 3.2 Company learning and entrepreneurial marketing

Next we decided to examine the relationships between company learning and EMO. The tables below describe the structural model fits for the groups of exporting and non-exporting SMEs (Table 9) and the correlations between variables referring to hypotheses 1-3 (Table 10).

**Table 9 Company learning - EMO model fit – assessment in groups (metric invariance model)**

Indices	Recommended standards		Model fit
	Good fit	Acceptable fit	Overall model estimated in groups
$\chi^2$ ; df; p-value			534.111; 311; 0.000
Bentler-Bonnet fit index (NFI)			0.863
Bentler-Bonnet nonnormed fit index NNFI/TLI	>0.95	>0.90	0.914
Comparative fit index (CFI)			0.936
RMSEA	<0.05	<0.08	0.055 (0.047; 0.063)

Source: Own elaboration. Note: RMSEA: Root mean square error, df: degrees of freedom.

As table 10 shows, all indicators of model quality are within the acceptable standards. Next we evaluated the relationships between company learning and entrepreneurial market orientation in groups of SME exporters and non-exporters.

**Table 10 Relationships between company learning and entrepreneurial market orientation of SME<sup>a</sup>**

Relationships			exporters		non-exporters		hypothesis
			Correlation	p-value	Correlation	p-value	
Market sensing	<-->	P	0.384	0.003	0.577	***	H1(+) supported
	<-->	OP	0.509	***	0.696	***	
	<-->	CO	0.514	***	0.562	***	
	<-->	VC	0.628	***	0.678	***	
	<-->	RM	0.561	***	0.608	***	
Market sensing	<-->	Learning orientation	0.432	0.003	0.489	***	H2(+) supported
Learning orientation	<-->	P	0.340	***	0.463	***	H3(+) supported
	<-->	OP	0.390	***	0.494	***	

<-->	CO	0.427	***	0.496	***	LO-RM supported only for non-exporters
<-->	VC	0.434	***	0.536	***	
<-->	RM	0.158	0.143	0.278	0.008	

\*\*\*p<0.001, <sup>a</sup> The table shows only the correlations referring to hypotheses 1-3.

Source: Own elaboration.

Both the model for exporters, as well as the one concerning non-exporters, are well established to realize discriminant validity. The positive link between market-sensing and learning orientation (H2) may be explained with the idiosyncrasy of these constructs. The LO motivates companies to gather and utilize market information, but also to question the current business models for explaining the market situation and to try to “unlearn” obsolete market knowledge (Baker & Sinkula, 1999b). In order to achieve this, a high intensity of market sensing is needed. Moreover, some of the scholars (for example Foley & Fahy, 2004) indicate strong relationships between these constructs, claiming even that learning orientation is a component of market-sensing capability.

The positive relationships between company learning and entrepreneurial market orientation have been identified and are significant (H1 and H3). The comparison of these relationships shows they are stronger for non-exporting enterprises (although the differences are not statistically significant), which is rather surprising in the context of the studies on accelerated internationalization, underlying the role of learning orientation in developing superior marketing capability. Authors claim that it enables to position the firm rapidly in global niche markets, and these findings concern firms coming from both emerging and established markets (Kocak & Abimbola, 2009; Weerawardena et al., 2007). Thus, further studies should be carried out to interpret the results we obtained. However the likely explanation may be related to high importance of networking in case of international market entry. The early internationalizing SMEs as opposed to “traditional” SME exporters often learn mainly through their channels/network partners or through cooperation with larger initial customers (Gabrielsson et al., 2008). The network helps to acquire local market knowledge and customers, to diminish market barriers caused by firms’ small size, and to assess the market situation (Gilmore, 2011; Rocks et al., 2005; Vasilchenko & Morrish, 2011). Therefore the exporting SMEs’ learning may be more network- and not market-oriented, what weakens the relationship between entrepreneurial market orientation and company learning.

It is also worth noting that in both studied groups the correlations between both dimensions of company learning and value creation dimension of EMO are relatively the strongest among EMO components. The value creation construct includes statements: “We expect that every employee will create more value for customers” and “In our business, employees contribute the ideas to create value for customers”. Thus the emphasis on continuous learning about customers, and market sensing of firms seems to be strongly connected with the intention of customer value creation. This shows that the company learning in SMEs is backed by a strong customer focus. Such a result is in line with the research of Morrish (2011), who argues that the customer-centric view is important for small exporters to achieve a competitive advantage. It is also in-line with earlier qualitative studies of the Polish-based international new ventures (Kowalik & Danik, 2019),

where the dimension called “understanding and delivering customer value” had a central role in marketing of such firms. The present study shows that this dimension is also crucial for the locally focussed SMEs.

Finally, the relationship between learning orientation and low-risk marketing dimension of EMO is not significant in case of exporting SMEs and weak in non-exporters. Low-risk marketing indicates a cautious, step-by step approach to marketing innovations, and lack of willingness to invest a lot in new marketing activities (Fiore et al., 2013). Therefore it seems to be unrelated or even contradictory to an emphasis on learning, which explains this result.

#### **4 CONCLUSIONS**

The presented study has provided evidence for the strong relation between small and medium-sized firms’ learning and their marketing. Both environmental scanning, and an emphasis on continuous employee learning, seem to be important for such firms, and the exporting ones put more emphasis on learning than the locally active ones. The relationship between CL and EMO might however be bidirectional – as these concepts seem to influence each other. Therefore further studies are necessary to explore this link, especially that learning constitutes an important point for creation of a competitive advantage of SMEs.

Apart from examining the - relatively unexplored - relationships between the strategic orientations in SMEs, we have tested a company learning measurement tool on the Polish SMEs. It proved to be reliable and valid, and thus may be applied in other firms from CEE markets. This study’s limitation is the reliance on a Polish sample, caused by its exploratory character. Thus in future, comparative studies of this topic, both across the CEE, and including markets with different background and structure, are advised.

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