

# **The contingent role of customer orientation and entrepreneurial orientation on product innovation and performance**

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## **Abstract**

This paper synthesizes marketing and entrepreneurship literature and postulates the complementary nature of a customer orientation with that of an entrepreneurial orientation, then explores their relationships with product innovation and performance. A path analysis was used to test the hypotheses based on data collected from a sample of 159 strategic business units in 15 different industries. The results show that an entrepreneurial orientation does not have a relationship with product innovation unless it is coupled with the complementary effect of a customer orientation. This study also indicates that product innovation mediates this complementary effect on new product and firm performance. In addition, a customer orientation is found to exert a direct positive effect on both new product and firm performances. Although most hypotheses were supported, two out of five were not. As such, the findings present valuable practical insights as well as interesting contributions to the theoretical advancements in marketing and entrepreneurship.