FAMILINESS, SOCIAL CAPITAL AND MARKET ORIENTATION IN THE FAMILY FIRM

JD Martín-Santana, MK Cabrera-Suárez, MC Déniz-Déniz

FAMILINESS, SOCIAL CAPITAL AND MARKET ORIENTATION IN THE FAMILY FIRM

Abstract

Purpose: This paper aims to analyse if the family influence on the firm and the relational dynamics inside the family and the firm could create specific familiness resources which lead to a stronger market orientation (MO) of the family firms (FFs).

Design/methodology/approach: The study is based on a cross-industry sample of 374 managers in 174 Spanish FFs. Structural Equation Modelling (SEM) is used to test the research hypotheses.

Findings: The climate of family relationships is going to affect the firm's MO through the influence that this climate has on two relational social capital variables, one in the family area (the identification of the family managers with the FF) and the other in the business area (the level of trust between the members [family and non-family] of the top management teams [TMTs]).

Research implications: This study contributes to the literature on the under-researched topic of MO in the FFs by going beyond earlier studies focusing on FFs' explicit attributes, such as their names, as potential explanatory variables of their marketing behaviour. This research also proposes and analyses new internal antecedents of MO based on the social capital of the firm.

Practical implications: Business families should promote the adequate governance mechanisms to enhance the quality of family social capital in order to promote the firms' social capital and ultimately their MO. With the same aim family managers should try to orientate their leadership behaviour in order to transmit their own organizational identification to the rest of the firm's employees. Also, open communication and shared values should be promoted within TMTs to reinforce firms' social capital that leads to MO.

Originality/value: This paper integrates social capital literature with MO literature. It also contributes to the literature on FFs, and specifically to the issue of familiness, by analysing the effect of specific FF characteristics on MO.

Keywords: market orientation, social capital, organizational identification, trust, familiness, family firms.

Paper type: Research paper

Introduction

Family firms (FFs) are unique in terms of their organizational characteristics and culture, and these particular features are considered to affect their competitive behaviour (Chua *et al*., 1999; Zellweger *et al*., 2010). Specifically, the literature includes references to FFs as being market oriented as the basis of their competitive advantage (*e.g*., Cooper *et al*., 2005; Orth and Green, 2009). Market orientation (MO) can be defined as the organizational culture that creates the necessary behaviours for developing superior value for buyers and thus continuous superior performance (Narver and Slater, 1990). In this sense, Poza *et al*. (2004) state that a unique resource to some FFs is the capacity to create value for customers through an organizational culture that values close interpersonal relationships and fosters strategies based on high quality and high customer service. On similar lines, recent literature reviews on FF branding and the related issue of reputation state that FFs are usually described as trustworthy and customer oriented (Sageder *et al*., 2018), and that several authors have identified FFs above average on customer and quality orientation (Binz Astrachan *et al*., 2018).

However, not all FFs seem to have the same level of MO (Reuber and Fischer 2011), and they have also been considered to be too inwardly focused, not giving sufficient attention to external factors, such as competitors (Harris *et al*., 1994). Also, FFs may be characterized as being conventional and slow to respond to competition in the market place (Zahra *et al*., 2008), and may be less competitively aggressive and less inclined to adopt risk-taking behaviour (and therefore potentially less innovative and proactive) than non-family businesses (Naldi *et al*., 2007; Short *et al*., 2009). Similarly, in a study on S&P 500, Zachary *et al*. (2011) find that FFs are less market oriented than non-FFs, and Sageder *et al*. (2018) find literature references to FFs in which they are negatively perceived by customers for being limited in product selection, for setting comparatively high prices and for tending to be secretive.

MO is influenced by an organization's characteristics and culture (Narver and Slater, 1990) and therefore the particular features of FFs have been suggested to affect their level of MO (Beck *et al*., 2011; Zachary *et al*., 2011). More concretely, Tokarczyk *et al*. (2007) focus on the issue of familiness as a potential factor explaining the ability of FFs to be market oriented. The construct of familiness has been developed on the basis of the theory of social capital (Arregle *et al*., 2007; Pearson *et al*., 2008). FFs are unique in this respect because they include two types of social capital: the family's and the firm's (Arregle *et al*., 2007), with the climate of family relationships playing a pivotal role in explaining FFs culture and performance (Björnberg and Nicholson, 2007).

On these bases, recent research on family business has shown that a positive family climate (i.e. relationships characterized by open communication, cohesion and intergenerational attention) is an antecedent of two important variables of relational social capital: the identification of the family members with the firm (Cabrera-Suárez *et al*., 2014) and the interpersonal trust between the members of top management teams (TMTs) (Cabrera-Suárez *et al*. 2015). In turn, these two variables have been suggested as potential antecedents of MO (e.g., Merlo et al., 2006; Wieseke *et al*., 2007, 2009).

Based on the above, the following research questions arise: Are family identification with the firm and trust between the members of the TMT antecedents of the market orientation of FFs? Can identification and trust be considered as distinctive (familiness) resources as long as they are enhanced by a positive family climate? Or, in other words: Are identification and trust full mediators in the relationship between the climate of family relationships and the level of market orientation of the FFs?

In order to answer these questions this work proposes a full mediation model of relationships between the variables positive family climate, identification, trust and market orientation in the FF (see Figure 1). This implies that a positive climate of family relationships influences MO of the FFs through the effect that this climate has on family identification with the firm and the level of trust between the members of the TMT. Thus, the aim of this work is to test if these familiness resources (that is, identification and trust derived from a positive family climate) are antecedents of MO for FFs.

Therefore, this work makes a relevant contribution to the scarcely researched area of MO in the FF going beyond earlier research focusing on FFs' explicit attributes, such as their names (e.g. Deephouse and Jaskiewicz, 2013; Kashmiri and Mahajan, 2010). At the same time this research contributes to the broader literature on MO by adopting the theoretical framework of social capital, considered to have great potential in this field (Merlo *et al*., 2006). In a related way this work is also contributing to the research stream focusing on top management factors (e.g. emphasis on MO, risk aversion, and cohesion and heterogeneity in TMTs) as antecedents of MO (*e.g*. Jaworski and Kohli, 1993; Kirca *et al*., 2005). Here the focus is put on the under-researched aspects related to relational variables of the TMT such as organizational identification and trust.

This paper is organized as follows. First, the theoretical background section begins by summarizing the research on the topic of MO in the FF. Then the theoretical arguments supporting the two research hypotheses linking identification and trust with MO are presented. Next, the theoretical antecedents supporting the premise that a positive climate of family relationships is an antecedent of both family identification with its firm and the level of trust between the members of the TMT support the mediation hypothesis. The next section describes the research methodology, the statistical analyses carried out and its main results. Finally, the discussion of the results, the contributions to both MO and FF literature, and the implications both for practice and for future research are presented.

Theoretical Background and Hypotheses Development

Research on the issue of the MO in the FF is scarce. Some of this works focus on MO consequences in terms of performance of FFs and their results are mixed (e.g. Frank *et al*., 2012; Subramanian and Gopalakrishna, 2009; Zachary *et al*., 2011). Another line of research focuses on certain antecedents of MO in the FF such as generation (Beck *et al*., 2011). However, previous research says little about the effect that the unique features of FFs derived from the interaction between family and firms (familiness) have on MO. To the best of our knowledge, the study by Tokarczyk *et al*. (2007) is the only one addressing the link between the issue of familiness and MO. Through a case study approach, these authors conclude that it is reasonable to expect that the close relations and frequent interactions among family members provide the cultural background conducive to MO. However, in Tokarczyk *et al*.'s study, familiness is defined in broad terms as a construct involving multiple and intangible resources derived from the family nature of the firm. In the present study, the issue of familiness is addressed in a more concrete way by proposing that family identification with the FF and trust between the members of the TMT are direct antecedents of the FF's MO (hypotheses 1 and 2). In turn, these two variables have been identified in previous research as consequences of a positive climate of family relationships. Therefore, our third hypothesis suggests a full mediation model of relationships between these three variables and MO. That is, a positive climate of family relationships fosters the FF's market orientation through its influence on the identification of the family members with the FF and the trust between the members of the TMT. In the following subsections the arguments sustaining these three hypotheses are developed.

Family identification with the FF and market orientation

Organizational identification is defined as the process by which individuals perceive themselves as part of an organization, which serves as a frame of reference by accepting its values, goals and behavioural standards (Ashforth *et al*., 2008; Nahapiet and Ghoshal, 1998). Consequently, those who identify with the organization will try to enhance organization identity because by doing so they reach self-enhancement (Binz Astrachan *et al*., 2018; Kashmiri and Mahajan, 2010, 2014; Maxham *et al*., 2008; Wieseke *et al*., 2009). In those FFs where there is an identity overlap between the family members and the business, there will be high levels of affection and concern for the firm and its perception by the public, which in turn implies that controlling families will strive to uphold the firm's image and prestige as part of their socioemotional wealth endowment (Cabrera-Suárez *et al*., 2014; Zellweger *et al*., 2013). One of the main dimensions of this socioemotional wealth is the family members' identification with the FF (Berrone *et al*., 2012), which is linked to a concern for the FF's reputation given that customers and other stakeholders often associate the family name with the FF's products, particularly when the family name is intertwined with the corporate brand identity (Gallucci *et al*., 2015; Kashmiri and Mahajan, 2010, 2014; Sageder *et al*., 2018; Zellweger *et al*., 2013).Thus, for highly identified family members, the firm serves as a mirror that reflects their self-esteem and self-concept, and a threat to the firm's reputation will be considered a hazard to individual identity (Cennamo *et al*., 2012).

Therefore, the family members who identify with the firm will try to ensure that the firm's behaviour is positively valued by outsiders so as to maintain a positive image of the firm and of themselves (Cennamo *et al*., 2012; Deephouse and Jaskiewicz, 2013; Zachary *et al*., 2011; Zellweger *et al*., 2012). They will take particular care to make business decisions that protect the corporate image and reputation (Deephouse and Jaskiewicz, 2013; Zellweger *et al*., 2012). This can increase the efforts and investments to provide a high quality offer which helps FFs to develop enduring customer relationships that translate into positive perceptions in consumers' mind (Galluzi *et al*., 2015). They will go an "extra mile" to satisfy customers and will make extra efforts to favourably represent the firm to customers by improving service and responding to customer queries (Maxham *et al*., 2008; Wieseke *et al*., 2009).

Additionally, the identification with an organization fosters concern about collective processes and results, having a powerful effect on member's willingness to restrict personal gain in order to preserve the organizational good (Wieseke *et al*., 2007). In this sense, organizational identification has been linked to organizational citizenship behaviour and particularly to voice behaviour, which involves offering suggestions and constructive ideas to improve organization (Fuller *et al*., 2006; Van Dick *et al*., 2006). Thus, some organizational outcomes derived from identification are cooperation, participation, information sharing, coordinated action and organizationally beneficial decision-making (Ashforth *et al*., 2008). This can help family managers to develop a MO given that two of the most important values for a market-driven culture are collaboration and openness. Thus, when members of the organization identify strongly with it, cooperation should be enhanced, and they will engage in helping behaviours which foster service quality and the creation of value for customers (Wieseke *et al*., 2009). Therefore,

H1: The higher the identification of family members with the FF the higher the level of market orientation in the FF.

Trust between the members of the TMT and market orientation

Trust between the members of the TMT can be defined as believing in each other's capability, reliability, good intent and concern (Mayer *et al*., 1995). Trust is central in building interpersonal relationships because it determines the quality of the organizational interactions (Inkpen and Tsang, 2005; Land *et al*., 2012; Tsai and Ghoshal, 1998). Specifically, trust contributes to interpersonal relationships through three dimensions (Mayer *et al*., 1995): *capability*, which refers to the trustor's belief that the trustee has the required expertise and skills to perform the job effectively; *honesty or integrity*, or the trustor's belief that the trustee will keep his/her promises and adhere to a set of principles that the trustor finds acceptable; and *benevolence*, which pertains to the belief that the trustee is interested in the trustor's welfare.

A high level of competence-based trust is conducive to the development of intimacy and closeness in relationships that could contribute to increase interactions that facilitate resource exchange and effective evaluation of existing information (Tsai and Ghoshal, 1998). Also, benevolence-based trust among the members of the TMT facilitates the acquisition and sharing of new information (Casimir *et al*., 2012) and fosters organizational creativity, providing an atmosphere in which people are willing to support and pursue highly innovative ideas (Land *et al*., 2012), even proposing new alternatives (Kemper *et al*., 2011) that can provide superior value for consumers.

Moreover, trust within TMTs is a key psychological state that enables members to engage in learning from failures. Thus, trust is likely to increase members' sense of confidence that speaking up is accepted and expected, and allows them to admit and take responsibility for errors and problems and discuss them openly. Trust also enables TMT members to handle conflicts that can emerge while discussing problems and errors associated with work tasks and processes (Carmeli *et al*., 2011). Interpersonal trust can also be considered a promoter of mutual cooperation to achieve the common goals of groups or organizations, enabling spontaneous collaboration (Jin, 2015; Nahapiet and Ghoshal, 1998) and improving relationships among departments (Sanzo *et al*., 2011).

In the particular context of FFs, the interpersonal trust that emerges from healthy familiar relationships allows to avoid costly monitoring mechanisms (Dyer, 2006). Specifically, competence and integrity-based trust will be positively associated with relationships effectiveness among peer managers (Massey and Kyriazis, 2007), and benevolence-based trust is especially relevant both in reducing feelings of vulnerability and in mitigating the fear that the other party will be exploitative or opportunistic (Casimir *et al*., 2012; Cruz *et al*., 2010; Tsai and Ghoshal, 1998). Thus, a high level of interpersonal trust between the members of the TMT will grant the formal and informal connection and cooperation among the functional areas they manage. Also, it will increase organizational and interpersonal citizenship behaviours (Massey and Kyriazis, 2007; McAllister, 1995) of top managers resembling generosity, reciprocity, commitment, empathy and assistance, factors that firms have to promote if they seek to develop a market orientation (Cuevas-Rodríguez et al., 2014). Finally, the process of resource exchange and combination evolving from high levels of interpersonal trust will facilitate a corporate culture that is more receptive to new product innovation (Massey and Kyriazis, 2007; Wang and Chung, 2013), which, in turn, could be considered a measure of value creation for consumers (Tsai and Ghoshal, 1998).

In sum, in those FFs with strong relational social capital built on interpersonal trust, the quality of information exchanges increases, and the relationships among departments improves. People are more inclined to cooperate and to ask for help, and take risks with new and creative ideas. Interpersonal trust in FFs can also foster the development of high quality learning and sensitive behaviour. Therefore,

H2: The higher the level of trust among the members of the TMT the higher the level of market orientation in the FF.

The climate of family relationships as the base of familiness resources: the mediation hypothesis

The family nature of a business is determined by the cultural and behavioural aspects introduced by long-term family-oriented relationships (Chua *et al*., 1999; Zellweger *et al*., 2010). This link between the family and the firm is the origin of idiosyncratic resources and capacities, or familiness, which may represent a source of competitive advantage for the FF (for a review and recent developments of the concept of familiness see for example Daspit *et al*., 2019; Dawson and Mussolino, 2014; and Frank *et al*., 2016). The construct of familiness has been approached from a social capital perspective (e.g. Arregle *et al*., 2007; Pearson *et al*., 2008). From this point of view, family relationships are integral to social capital (Danes *et al*., 2009) and therefore family social capital is defined as the strength of the relationship linking parents, children and every other individual living together (Coleman, 1988). The focus is on the notion of internal or bonding social capital, which considers social capital sources to be in the linkages among the members of a collectivity in order to pursue collective goals (Adler and Kwon, 2002). In this sense, since FFs are organizations characterized by socially intense interactions, the specificities of the strategies they develop may rest in their underlying idiosyncratic social capital (Salvato and Melin, 2008).

There are three dimensions of internal social capital: structural, cognitive and relational (Nahapiet and Ghoshal, 1998; Pearson *et al*., 2008). The structural dimension refers to the internal network of ties inside a family resulting from the established patterns of interaction, involvement and strength of ties among relatives. The strength of these ties depends on the degree of emotional intensity, intimacy and frequency of relations between the members of the (family) network (Rostila, 2010). This structural dimension includes those resources that facilitate interaction and communication between the members of the network (Carr *et al*., 2011). As a result of these interactions, the family can develop shared representations, interpretations and systems of meanings among its members (the cognitive dimension of social capital). Based on earlier research (Cabrera-Suárez *et al*., 2014, 2015), in this paper the construct of positive family climate (Björnberg and Nicholson, 2012) is considered a measure of the structural and cognitive dimensions of family social capital. This construct includes several dimensions that measure positive aspects of family climate, such as open communication, emotional cohesion, and intergenerational attention, which are related to the quality of the ties between the members of the business families. The construct also includes the cognitive cohesion dimension which refers to the shared views, values, interests and tastes between the members of the family.

Moreover, earlier research shows that a positive family climate is an antecedent of the two relational social capital resources considered in this study as potential antecedents of market orientation. On the one hand, Cabrera-Suárez *et al*. (2014) show that a positive family climate is an antecedent of the identification of the owning family with the firm. The authors support this relationship on the literature on FFs which states that a positive family climate fosters the socialization of family members to accept family norms and values, a high degree of integration between family and business identities, and the possibility for the family members to achieve high levels of identity confirmation within the firm. On the other hand, Cabrera-Suárez *et al*. (2015) show that a positive family climate is also an antecedent of the level of trust between the members of the FF's TMT. Particularly, they establish that, as a consequence of isomorphic pressures, FFs will tend to resemble the business families in terms of climate. As family members occupy key positions in the TMT, familiarity, strong cohesion, and high levels of open and honest communication between family members will form the basis of interpersonal trust inside the FF's TMT.

Therefore, it can be suggested that these two relational resources, that is, identification of the family members with the family firm and trust between the members of the TMT, are familiness resources as long as they depend on the climate of family relationships and, as suggested in the previous two hypotheses, they could promote the MO of the FFs. Therefore, a third hypothesis is proposed in the following terms:

H3: The climate of family relationships will influence the market orientation of the FF, and this influence is fully mediated by the family members' identification with the firm and the level of trust between the members of the TMT.

INSERT FIGURE 1 ABOUT HERE

Methods

Research context and population

The population of this study is composed of the family and non-family members of the TMTs (directors and top executives) of Spanish non-listed FFs. Private FFs correspond to what the literature considers typical FFs, with a concentrated shareholder base and family member insiders active in management and on the board (Lane *et al*., 2006). The existence of non-family shareholders is very unlikely and there is a strong presence of family members in TMTs (Cabrera-Suárez and Santana-Martín 2004; Lane *et al*., 2006). Thus, the context of private FFs is particularly appropriate for studying the influence of family ties and relationships on the functioning of the firm.

In Spain there is no official database of non-listed FFs, so the research team created this database by indirectly identifying FFs from a database provided by *Informa Dun and*

Bradstreet. This company was asked to list all the firms on its database whose board of directors and/or executive team included a minimum of two individuals with different first names and the same two surnames in common. As all individuals in Spain receive two surnames, one from each parent, people whose two surnames are identical are very likely to be siblings. This initial database comprised 4,217 potential FFs.

On completion of the database, firms in which any of the following circumstances occurred were deleted: (1) full general data (*e.g*., address, contact data) was not available; (2) an insolvency administrator had been appointed; (3) the firm was a subsidiary company of another firm already included in the database; (4) the firm included two or more families that were not related in any way; (5) the firm was chaired by a company or (6) the firm belonged to the financial sector or was listed on the stock market. After this selection the number of firms was 2,541.

Lastly, to ensure that the characteristics of the companies would enable the objectives of the study to be achieved, firms in which the following conditions existed were selected:

- The TMT included at least three members.
- The number of employees was at least 10 with the aim of excluding micro-firms.
- The chairman of the board, the CEO, or the general manager was a member of the family. This ensured that the companies studied were those in which family members held the highest positions of responsibility.

All this information was verified through phone calls during the filtering process and after applying these criteria, 693 firms were finally selected for this study.

Consequently, a firm is considered to be a FF if at least two people on the board of directors and/or executive team have different first names and two identical surnames (i.e.

they are siblings); and if some (or several) of the people occupying top management positions have at least one of these two surnames (i.e. he/she is a family member). This process ensured that the identified firms are in essence FFs. On the one hand, these two criteria guarantee that there is a real family influence on decision making, which is an essential form of family involvement that shapes the distinctiveness of a FF (Chua *et al*., 1999; Fiegener, 2010). On the other hand, the presence of siblings in the governing bodies implies an intention, or in fact, the transmission of leadership between generations in the family; this, in turn, is another key factor in the definition of FFs (Chua *et al*., 1999; Zellweger *et al*., 2010).

Data collection

The information gathered for this empirical investigation was obtained by using structured surveys administered to the family and non-family members of the TMTs of the selected firms. The initial draft of the survey was pretested to ensure that the questions were properly understood. The surveys were conducted face to face, or sent by post or e-mail, according to the method preferred by the interviewee. The field work was carried out from October 2010 to October 2011. The result was a sample of 374 valid questionnaires from members of the TMTs of 173 FFs (24.96% response rate) located across Spain. The response rate is high for a Spanish survey, as it more than doubles the rates obtained in previous studies also focused on private FFs in Spain (*e.g*. Cruz *et al*., 2010). This high response rate is mainly due to the collaboration of a market research enterprise and to the telephone tracking of FFs by the researchers.

Measures

The survey included more than one informant per firm, as a way of reducing the impact of individual perceptions and obtaining more objective evaluations (Simons and Peterson, 2000). The average number of respondents per firm was 2.16, with a minimum of 1 and a maximum of 8.

Positive family climate was measured using the scale developed by Björnberg and Nicholson (2007). The reason for choosing this scale is that it is the only one that includes aspects of family culture and processes applicable to the specific context of FFs (Litz *et al*., 2012). A reduced version of the original Family Climate Scale was used, including dimensions that measure positive aspects of family climate (Björnberg and Nicholson, 2012) and that are related to family ties. These dimensions are open communication, emotional cohesion, cognitive cohesion and intergenerational attention. This construct was only evaluated by the respondents who were members of the families owning the firms, that is, by 207 respondents.

Identification with the family firm was measured using the F-PEC Scale of Family Influence (Klein *et al*., 2005). This scale was developed to assess the extent and the quality of family influence on a FF. More specifically, some of the items of the dimension related to the firm's culture were included, which reflect the concept of organizational identification, and particularly its corporate identification dimension as described by Podnar *et al*. (2011). The literature has linked this concept to aspects such as the pride of belonging to the organization; a shared fate with the organization and concern about this fate; and the self-sacrifice on behalf of the organization and the willingness to work hard for it (*e.g*., Ashforth *et al*., 2008). This construct was only evaluated by the respondents who were members of the owner families, that is, by 207 respondents.

Trust within the TMT was measured through 17 items adapted from the scales suggested by Mayer and Davis (1999) and Tzafrir and Dolan (2004). These items were grouped into the three key theoretical dimensions suggested by Mayer *et al*. (1995): ability, integrity and benevolence, and contextualized for the specific case of TMTs. This construct was evaluated by the 374 TMT members who indicated their believing in capability, reliability, and concern (Mayer et al., 1995) within their teams. This scale has been used to measure trust in peers or co-workers (e.g. Knoll and Gill, 2011) and to evaluate CEO perception about trusting behaviour of TMT in FFs (Cruz et al., 2010).

Market Orientation was measured through 6 items adapted from the scale suggested by Narver and Slater (1990), which measures the three fundamental dimensions of MO from a cultural perspective: consumer orientation, competitor orientation and interfunctional coordination. This construct was also evaluated by the 374 respondents.

Finally, the *size of the firm* was included as a control variable given that in the marketing literature firm size has been found to influence its culture of MO (*e.g.*, Kohli and Jaworski, 1990). The natural logarithm of the variable "number of employees" was applied to minimize asymmetry, given the high variability of this variable.

Furthermore, according to some authors' recommendations (e.g. Podsakoff *et al*., 2003), the following procedures were used before collecting data to minimize the likelihood of common method variance (CMV) bias: (1) anonymity and confidentiality of the participants were ensured; (2) the questions measuring the different constructs were separated in the questionnaire; (3) there was no introduction informing respondents about what the items were attempting to measure; (4) the items were written clearly and precisely, avoiding complex wording and syntax, as well as double-barrelled questions or words with multiple meanings, so they are less subject to bias; (5) the participants were informed about the preference to obtain their honest appraisal of each item and not a preferred or correct answer, thus avoiding the problem of social desirability; (6) all answers required the same effort; and (7) clear instructions for answering the questionnaire were provided at the beginning.

Appendix shows the final items in the scales, which were seven-point Likert scales ranging from “totally disagree” to “totally agree”.

Demographic characteristics of the firms and the participants

The demographic profile of the firms in the study (see Table 1) indicates that most of them are more than 30 years old and are in their second generation. They belong to the secondary sector, followed by the service sector, and have between 50 and 249 employees. The majority of the firms (92.4%) have a TMT size ranging from 3 to 10 members and the percentage of firms with more than 50 percent of family managers is 50.3. The percentage of firms with a family ownership higher than 50% is 97.8, with 79.3% of the firms being wholly family-owned.

The sample size obtained was 374 valid questionnaires. The Table 2 summarizes the demographic profile of the interviewees. The data show that the majority are men (81.8%), aged between 36 and 55 (66.3%), who hold university degrees (80.0%), with seniority between 11 and 30 years (57.2%) and members of the family that owns the firm (55.3%). They hold positions of responsibility in the top executive team (97.9%) and/or the board of directors (44.7%). Focusing on family members, 96.1 % of them are on the executive team and 77% of them are on the board of directors.

INSERT TABLES 1 AND 2 ABOUT HERE

Analysis and results

Validity and reliability analyses of the measurement scales

Firstly, an initial database was prepared to validate the measurement models. This database included the answers offered by the participants to the different questions in the questionnaire. Family managers assigned a value to each of the items measuring the four constructs in the model and non-relatives assigned a value to those items measuring "Interpersonal trust" and "Market orientation". From this database, two new databases were created. Database 1 included the values assigned by the 374 respondents to the items measuring "Interpersonal trust" and "Market orientation". This database has been used to validate the scales of these two constructs. Database 2 included the average values given by the family managers (207) belonging to each of the participant firms (173 firms) to each of the items measuring "Positive family climate" and "Identification with the family firm". Therefore, database 2 is formed by 173 cases and has been used to validate the measurement models of these two constructs. Given that this research was carried out using multiple informants per firm, it was necessary to determine the level of within-group agreement for every item of the measurement scales. We used the multi-item index suggested by James, Demaree and Wolf (1993), which analyses the disparity of the scores of every respondent in relation to the mean of the scores of all informants for the same firm. This enables to determine whether there is some agreement among informants regarding a common target versus whether those ratings match a random pattern. The results show satisfactory levels of agreement, since for the familial constructs of the model (positive family climate and identification with the family firm) the percentage of values above 0.7 corresponds to 94.7% and 86.8%, respectively. Therefore, we can state that the survey-takers of each firm constitute a homogeneous group in terms of beliefs and perceptions. Thus, the data can be aggregated to the group (firm) level of analysis using the mean values of the scores given to every item by the different respondents in every firm.

Thus, using Databases 1 and 2, exploratory factor analyses were used to refine and determine the dimensionality of the scales. These analyses were followed by confirmatory factor analyses which showed that (1) positive family climate at the firm level is a construct formed by four of the six dimensions established by Björnberg and Nicholson (2007); (2) identification with the FF at the firm level is a one-dimensional construct; (3) interpersonal trust at the individual level is a construct formed by the three dimensions suggested by Mayer *et al*. (1995); and (4) market orientation at the individual level is also a one-dimensional construct. The results of the models show a high goodness-of-fit, since CFI values are higher than 0.95 and RMSEA values are lower or closer to 0.08 (Mathieu and Taylor, 2006). No additional relationship derived from the modification indices has been included in the different CFAs, since the objective has always been to adjust the models to the population and not to the data.

Convergent validity was determined from the measurement model by examining whether each indicator's estimated loading on its posited underlying construct was large. Anderson and Gerbing (1988) suggest that the estimated parameter should be high in value and t-values should be statistically significant. The measures in the resulting measurement models showed acceptable convergent validity, with each measure being significantly related to its underlying construct and *t*-values being statistically significant (see Table 3). In summary, the results of the CFA indicated that the relationship between each item and its respective construct was statistically significant, with all factor loadings exceeding 0.644 (all $p < 0.05$), thus showing convergent validity.

The construct reliability was estimated by means of the internal consistency, which must reach a minimum value of 0.7 according to the recommendations of Nunnally (1978). In this regard, the results allow us to confirm the internal consistency in all the cases since the values exceed the minimum. Moreover, the construct convergent validity of the scales was estimated by calculating the average variance extracted (AVE). Since it was above or very close to the critical value of 0.5, the convergent validity of the constructs related to the measurement models can be accepted.

INSERT TABLE 3 ABOUT HERE

Table 4 presents the means, standard deviations and correlations between the items measuring the four constructs included in the proposed model.

INSERT TABLE 4 ABOUT HERE

Furthermore, the discriminant validity of the four constructs was tested, which is obtained if the correlations between each of the constructs and the rest of them are lower than the square root of its average variance extracted (AVE). The results of Table 5 indicated that the four constructs possess discriminant validity.

INSERT TABLE 5 ABOUT HERE

The size of the sample called for the creation of as many observed variables as dimensions of the constructs measuring "Positive family climate" and "Interpersonal trust". Therefore, four indicators were created for the first construct and three for the second. These seven variables were labelled the same as the dimensions obtained from the confirmatory factor analysis: "Open Communication", "Cognitive Cohesion", "Emotional Cohesion", "Intergenerational Attention", "Ability", "Integrity" and "Benevolence". These new variables correspond to the means of the items in each dimension, which were weighted with the standardized estimators obtained from the confirmatory factor analysis. Subsequent analyses were carried out with these new variables.

To continue with the subsequent analyses, it was necessary to build a new database in which the unit of analysis is constituted by the family and non-family members of the TMTs (374 respondents) and not by FFs (173 firms). As previously indicated, the items of the constructs "Interpersonal trust" and "Market orientation" were evaluated by all the participants (374 respondents) and the items of the constructs "Positive family climate" and "Identification with the family firm" were evaluated only by the members of the family owning the firms (207 respondents). In all the FFs analysed there was at least one respondent who belonged to the owning family. Starting from these previous considerations, in this new database the values of the items related to "Interpersonal trust" and "Market orientation" were those given by each participant in the study, but the value of the items related to "Positive family climate" and "Identification with the family firm" is the average of the values assigned by the family members. In this way, for the items of the first two constructs, each participant was assigned their own value while for the items of the other two, the participants of the same FF had the same value.

Analysis of common method variance (CMV)

Before to test the hypotheses, the existence of CMV was analysed to test for spurious internal consistency that occurs when the apparent correlation among indicators or even constructs is due to their common source. So, and using Database 3, three methods have been used: (1) Harman's single-factor test, which is one of the most widely used techniques to address the issue of CMV; (2) confirmatory factor analysis of Harman's unique factor and (3) the unmeasured latent method construct (ULMC) technique.

The first method was applied by jointly including the items of the different constructs to detect the existence of a single factor or several, one of which would explain most of the total variance. Three factors emerged explaining 75.6% of the variance. However, the first factor only explained 32.6%, while the two remaining explained 43.0%. Therefore, CMV does not seem to be a problem, since no method factor emerged.

The second method is a more sophisticated version of the first and consists of using a confirmatory factor analysis (CFA) to test the hypothesis stating that a single factor can account for all of the variance in the data. The model of the single factor shows a $\chi^2(104)=1217.834$, CFI=0.632 and RMSEA=0.169 (compared to a $\chi^2(98)=189.407$, CFI=0.970 and RMSEA= 0.050 for the global measurement model). The adjustment of the unidimensional model is worse, which suggests that the CMV does not threaten the interpretation of the results.

According to Podsakoff *et al.* (2003), these procedures have limitations. That is why the additional CFA techniques for assessing CMV are recommended. These techniques may be applied by the inclusion of a new latent variable representing the CMV and the relationships between this latent variable and the indicators of the substantive latent variables. Williams and McGonagle (2016) indicate that currently used CFA techniques for CMV vary based on whether (a) a presumed source of CMV is not included in the data (commonly referred to as the unmeasured latent method construct- ULMC), (b) an included source is an indirect measure of some variable presumed to underlie CMV (Marker Variable) or a direct measure (Measured Cause Variable), and (c) multiple types of latent method variables are included in the same design (e.g., Hybrid Method Variables Model). In this work, ULMC technique was used because it does not require the identification and measurement of a specific factor responsible for the method effects, and at the questionnaire of this research there is no factor that can be used as marker variable. ULMC technique consists of adding a first order factor to all measures (indicators) in the model and comparing the factor loadings before and after the inclusion. No differences higher than 0.20 were found in the results obtained, which indicates that the CMV bias is not a threat to the data (Podsakoff *et al*., 2003). Also, and according to Ding and Jane (2015), another model was fitted (restricted ULMC CFA) by stating the restriction that trait loadings and trait correlations were established as the values resulting from those obtained from the basic CFA model (without the ULMC). The ULMC CFA model was then compared with the unrestricted ULMC CFA model. Since the difference between the χ^2 fit statistics of the restricted and the unrestricted ULMC CFA models was non-significant ($\Delta\chi^2(6)$=1,125, p=0.980), CMV does not cause a significant bias. Therefore, CMV does not seem to be a problem in this study.

Hypotheses testing

To test the hypotheses, Structural Equation Modelling (SEM) was applied to the data in Database 3, using the variance-covariance matrix as input data. The results show a good goodness-of-fit [$\chi^2(100)$=189,473, p=0.021; CFI=0.970; RMSEA=0.049], since CFI value is higher than 0.95 and RMSEA value is lower than 0.08 (Mathieu and Taylor, 2006). The results in Figure 2 indicate that: (1) identification of family members with the FF is a direct antecedent of MO (β=0.195, p=0.013), thus accepting H1; and (2) interpersonal trust is a direct antecedent of MO (β=0.621, p=0.000), thereby accepting H2. The model explains 50.8% of MO.

INSERT FIGURE 2 ABOUT HERE

To test H3, it is needed to demonstrate the existence of a full mediation model explaining the effect of the positive family climate on the MO through the identification of the family with the FF and the interpersonal trust inside the TMT. The procedure by Mathieu and Taylor (2006) was followed and ‘only direct (no mediation)’ and ‘partial mediation’ models were fitted to verify that the model is indeed a full mediation model.

The direct model estimates a direct path from the positive family climate to MO, with no path leading to or stemming from the identification of the family with the FF or the interpersonal trust (although both constructs remain as latent variables in the model). Results demonstrate that the positive family climate influences MO (*β*=0.385, *p*=0.000), but this direct model exhibited deficient fit indices [$\chi^2(103)=624.585$, *p*=0.000; CFI=0.838; RMSEA=0.117] and significantly differed from the full mediation model [$\Delta\chi^2(3)=435.112$, *p*<0.000]. The relevance of the mediator variables is confirmed.

The partial mediation model estimates paths from the positive family climate to both the identification of the family and the interpersonal trust, and from the identification of the family and the interpersonal trust to MO. This model also includes a direct effect of positive family climate on MO. Results indicate that (1) the change in the adjustment of the model is not significant [$\delta\chi 2(1)=0.032$, p=0.858] and the values of the rest of the indicators remain the same (CFI=0.970; RMSEA=0.049), and (2) the positive family climate does not have a significant effect on MO (*β*=-0.036, *p*=0.865). Therefore, these results provide us with valuable information about the significance of the relationships and are consistent with the assumption of a full mediation model by which positive family climate influences MO but only through both the identification of the family and the interpersonal trust. Thus H3 is accepted.

In relation to the size of the firm as a control variable, a new model was fitted. Although this model exhibited good fit indices [$\chi^2(115)=201.043$, *p*=0.000; CFI=0.972; RMSEA=0.045], the size of the firm did not influence MO (*p*=0.589). Also, and with an exploratory aim, the influence of firm age and generational stage as control variables was analysed. We found that none of them exerts an influence on the model that seeks to explain the level of perceived MO. Specifically, for the firm age we obtained a *β*=0.119 (*p*=0.068) and for the generational stage a *β*=0,061 (*p*= 0.356).

Finally, it could be interesting to analyse the average values of the four constructs in the model, as well as if there are differences depending on the family character of the manager. Results in Table 6 indicate that (1) managers of FFs perceive a high presence of familiness resources, since the variables “Positive family climate”, “Identification with the family firm” and “Interpersonal trust” reach values higher than 3; (2) managers of FFs perceive that their firms have a high level of MO; (3) family managers perceive a higher level of interpersonal trust than non-family members (M=4.10 vs M=3.88); and (4) family managers also perceive a superior level of FFs’ market orientation than that perceived by non-relatives (M=4.10 vs M=3.73).

INSERT TABLE 6 ABOUT HERE

Contributions, limitations and implications

The main research contributions and managerial implications of the study are presented below as well as its limitations and future research that could derive from this work.

Research contributions

This study contributes to the literature on the under-researched topic of MO in the FFs, and also to the literature on familiness (*e.g.* Arregle *et al*., 2007; Pearson *et al*., 2008) by showing how the family influence on the business may determine its strategic orientation in terms of MO. Concretely it has been shown that the climate of family relationships (as an expression of the structural and cognitive dimensions of the family's social capital) is going to affect the firm's MO through the influence that this climate has on two relational social capital variables, one in the family area (the identification of the family managers with the FF) and the other in the business area (the level of trust between the members [family and non-family] of the TMTs). Thus, this research goes beyond earlier studies focusing on FFs’ explicit attributes, such as their names (e.g. Deephouse and Jaskiewicz, 2013; Kashmiri and Mahajan, 2010) as potential explanatory variables of their marketing behaviour.

The present research also contributes to the broader literature on MO given that it proposes and analyses new internal antecedents for this construct. Traditionally, internal antecedents of MO have been classified in three wide categories related to top management factors (the top management emphasis on MO, the risk aversion of top management, the cohesion and heterogeneity in TMTs), interdepartmental factors (interdepartmental conflict and connectedness), and organizational systems (formalization, centralization, departmentalization, market-based reward systems and market-oriented training) (*e.g.* Avlonitis and Gounaris, 1999; Jaworski and Kohli, 1993; Kirca *et al*., 2005). However, our results suggest that other important determinants of MO are the feeling of collective identification with the firm shared by those managers who are members of the owning families, and the interpersonal support that all TMT members can provide each other by virtue of the relational social capital in the firm.

In relation to the first relational variable, the results showing the influence the identification of the family managers with the FF has on MO are in line with previous research in the marketing field, which suggests the importance of the organizational identification of employees for them to be customer oriented (Podnar *et al*., 2011; Wieseke *et al*., 2007). It is worth noting that the organizational identification has shown a positive influence on MO but smaller than that of trust within TMT. Since the organizational identification in this study makes reference to business families identification with the firm, this information could only be obtained from family managers because it refers to the family area. Maybe that is why its influence on the MO of the FF, although positive, has shown to be smaller than that of trust within the TMT, which constitutes a relational social capital variable at the business area. These findings should be object of additional research maybe by comparing a sample of FFs with totally familiar TMTs with other with mix TMTs.

The strong influence of trust on MO can be explained attending to the joint personal and operational nature of a trusting behaviour. In this line of thought, Sirdeshmukh *et al.*, (2002), and Orth and Green (2009) state that qualities of the TMT members such as their competence or benevolence derive into operational competence and operational benevolence, respectively, in such a way that management policies and practices resemble this individual competence and benevolence, this way enhancing the motivation to safeguard consumer's interests (Sirdeshmukh *et al.*, 2002). The acquisition of skills and mind-sets to put into practice a FF market orientation can be perceived as challenging and risk-taking. Therefore, its adoption will be perceived as easier when the quality of relationships between co-members of the TMT makes them to feel comfortable because of their believing about each other' competence, integrity and benevolence (Fowlie and Wood, 2008).

The methodology adopted in this research allowed including multiple respondents to measure MO in each of the FFs in the study as suggested by Jaworski and Kohli (1993) to avoid confusing the biases of a single respondent as the orientation of the entire business. Also, the informants were all top executives of the firms, which is adequate to capture high level constructs such as MO (Zachary *et al.*, 2011). Additionally, a specific scale for the construct measuring the family identification with the firm has been used. This also represents a contribution, given that earlier research has used the family branding of the firm as a proxy of the family's identification with it (e.g. Deephouse and Jaskiewicz 2013; Kashmiri and Mahajan, 2014; Sageder *et al.*, 2018).

Managerial implications

This research has showed that family dynamics such as open communication, cohesion and intergenerational attention are a reflex of the kind of positive family climate needed to reach the levels of identification and trust in the business leading to a market orientation. This implies that business families should be vigilant and alert to detect any sign of problems in terms of these family dynamics which could mean the climate of family relationships is deteriorating and/or to prevent that deterioration. Therefore, it is important that the family members have opportunities to know each other, interact, and freely express feelings and ideas. With this aim the issue of family governance becomes fundamental particularly in bigger families. Thus, the development of governance tools such as family meetings, family councils and family protocols could be a good way to both enhancing the quality of the relationships between family members and the strength of their emotional link (identification) with the business.

Also, family managers' identification with the FF and its influence on the development of MO have significant implications in terms of internal marketing. Thus, family managers should be aware of how their own behaviour influences the modelling of the followers' market oriented behaviour (e.g. Wieseke *et al*., 2007). Our descriptive results show that family managers perceive higher levels of trust and MO than their non-family counterparts. Therefore, they should make sure that they transmit their identification with the firm to the non-family managers and to lower levels employees. Also, they should behave as benevolent and competent leaders in order to promote trust and ultimately a market oriented behaviour at all levels in the organization.

However, there may also be a risk in this "familial" kind of support to MO because of the possibility of FFs becoming too conservative and avoiding risk taking. A high identification of family members with their FFs may derive in a commitment with the firm's means and not so much with the firm's ends. Again, the role of family governance is key to avoid this kind of behaviour and promote the development of steward behaviour of family members towards the FF. This kind of responsible behaviour could help to avoid problems related to the existence of blind faith, amoral familyism, and complacency (Eddleston *et al*., 2010) in the FF. Thus it could aid in developing higher levels of trust between family and non-family members in the TMTs which has been shown by this study as key to develop a MO.

Since in this study trust has shown to be a holistic construct of three reflective and highly correlated dimensions, FFs have to continually pay attention not only to the specialized capabilities inside the TMTs that lead them to successfully develop their work, but also to the importance of integrity and benevolence in behaviours that as a whole will manifest teams' dynamic based on trust. Therefore, the alignment of values among TMT members, which will likely mirror the business families' values, will also be a good symptom of trust in co-members of that team (Sekhon et al., 2014). Further, and in order to reinforce the influence that trust may have on MO, FFs' management will have to monitor that benevolent motivation of the TMT members is visible to unambiguously favour consumer interest, as well as the operational ability of the firm to efficiently execute visible behaviours that indicate a ''service in action'' (*e.g.*, response speed) (Sirdeshmukh *et al*., 2002). This trusting practices will reinforce a FF's MO because although top executives may be technically competent, benevolent and show integrity, consumers (and other stakeholders) would likely lack information to make judgments in terms of the firm's motivation to safeguard their interests unless this motivation is indicated by visible practices.

Limitations

Several of the methodological choices in this study may be the origin of certain limitations of the research. Firstly, the cross-sectional design of the study does not allow us to strictly affirm that the conditions of causality are met, in as much as it cannot be strictly ensured that changes in the cause imply changes in the effect. In structural models, causality must be understood in terms of statistical association and not by the conditions of an experimental design. However, causal relationships in this study are theoretically supported on the basis of the theoretical foundations.

Secondly, we defined a holistic construct of trust by integrating the three dimensions recommended by the literature and validating a second-order model for this construct. However, a question may arise in terms of whether important and informative relationships between those separated dimensions and the MO of the FF might have been hidden. Therefore, as stated below, new research that would require additional empirical evidence could provide information about the differential contributions of dimensions of trust on MO.

Finally, the procedure followed to identify the FFs in this study (looking for coincidences in executives' and directors' surnames) gives rise to the possibility that some FFs were not included in the database, such as those with subsequent successions of female children.

Future research

First of all, future research might be carried out to test whether strong interpersonal trust among the TMT members and their organizational identification strengthen a culture of MO that will unequivocally translate in policies and practices that favour service to customers. Therefore, it could be interesting to include the behavioural perspective of MO (Jaworski and Kohli, 1993) so as to confirm whether a FFs' culture of MO founded on relational social capital results in FFs' market oriented behaviours. Specifically, future research could analyse if those FFs actively generate market intelligence about customers' current and future needs and about competitors, disseminate intelligence across all areas of the organization, and are responsive to such intelligence.

Secondly, additional research could be carried out to know if in FFs with a totally familiar TMT organizational identification has a strong influence in the establishment of a culture of MO, being this influence similar or even higher than that exercised by trust within that TMT.

Thirdly, and given that trust can be particularly valued in high-uncertainty-avoidance cultures, such as the case of Spain, because it makes relationships more predictable (Engelen *et al*., 2013), future research should analyse if MO in low-uncertainty-avoidance cultures is so strongly built on interpersonal dynamics or if some other financial, environmental or industrial elements are its key determinants.

Fourth, and given that both trust and distrust could emerge in the FF, future research should be carried out to check if the combination of family and non-family members on key positions in the TMT and even in the ownership of the FF will avoid the family use of firm assets from an instrumental perspective mainly focused on securing family control, influence and dynastic succession at the expense of the stakeholders' welfare which would lead to distrust within the TMT (Dyer, 2006; Lewicki *et al*., 2006). The participation of non-family members at key executive positions would be a control mechanism or "trust catalyst" that provides a checking system and prevents "blind trust", thus offering credibility for TMTs (Sundaramurthy, 2008) which in turn, will affect the family business context in this case through a higher level of MO.

Fifth, the issue of family-based brand identity is a very relevant one. As the literature suggests, having the family name in the firm name could influence the relationship between the identification with the FF and MO, or maybe this family brand identity could be an antecedent of the family's identification with the firm. Another interesting issue is the effect that the family business brand could have on the owning family level of cohesion, harmony, entrepreneurial orientation and other key variables that could influence the MO, as suggested by Binz Astrachan *et al*. (2018).

From a methodological point of view, future research could include the competence, integrity and benevolence of the TMT members as separated constructs in the model of relationships to be analysed, in order to know if each of these dimensions has a differential effect on MO. Moreover, research could adopt a longitudinal perspective to determine whether in the long-term some dimensions of trust could affect others. Research suggests that once a peer manager is perceived to be competent and reliable, benevolence based trust is more likely to emerge (e.g. McAllister, 1995). Therefore, a time-lagged effect of the competence and integrity based trust could be found on the benevolence based trust (Schaubroeck *et al*., 2013) and of each of them on MO.

Also future research could combine survey methods with qualitative methods such as ethnographies and case studies, to provide richer data on how MO develops and changes in FFs (Zachary *et al*., 2011). In addition, the inclusion in the analysis of lower levels of management (*e.g*. sales managers) and first-line employees could be a way of taking into account other relevant perspectives in the study or relational dynamics influencing the development of MO (Wieseke *et al*., 2009). As a complementary line of research, larger-scale empirical studies comparing family and non-family firms could contribute to clarifying the relationship between trust, identification, the familial/non-familial nature of the TMTs and the MO of the firms.

References

Anderson, J.C., & Gerbing, D.W. (1988), "Structural equation modeling in practice: A review and recommended two-step approach", *Psychological Bulletin*, Vol. 103, pp. 411–423.

Arregle, J.L., Hitt, M.A., Sirmon, D.G., and Very, P. (2007), "The development of organizational social capital: Attributes of family firms", *Journal of Management Studies*, Vol. 44 Nº 2, pp. 73-95.

Ashforth, B.E., Harrison, S.H., and Corley, K.G. (2008), "Identification in organizations: An examination of four fundamental questions", *Journal of Management*, Vol. 34 Nº 3, pp. 325-374

Avlonitis, G. and Gounaris, S. (1999), "Marketing orientation and its determinants: An empirical analysis", *European Journal of Marketing,* Vol. 33 Nº 11/12, pp. 5-28.

Beck, L., Janssens, W., Debruyne, M., and Lommelen, T. (2011), "A study of the relationships between generation, market orientation, and innovation in family firms", *Family Business Review*, Vol. 24 Nº 3, pp. 252-272.

Berrone, P., Cruz, C., and Gomez-Mejia, L.R. (2012). Socioemotional wealth in family firms: Theoretical dimensions, assessment approaches, and agenda for future research. *Family Business Review*, 25 Nº 3, pp. 258-279.

Binz Astrachan, C., Botero, I., Astrachan, J.H., and Prügl, R. (2018), "Branding the family firm: A review, integrative framework proposal, and research agenda", *Journal of Family Business Strategy*, Vol.9 Nº1, pp. 3-15.

Björnberg, Å. and Nicholson, N. (2007), "The family climate scales—Development of a new measure for use in family business research", *Family Business Review*, Vol. 20 Nº 3, pp. 229-246.

Björnberg, Å. and Nicholson, N. (2012), “Emotional ownership: The next Generation’s relationship with the family firm”, *Family Business Review,* Vol. 25 Nº 4, pp. 374-390.

Cabrera-Suárez, K. and Santana-Martín, D.J. (2004), “Governance in Spanish family business”, *International Journal of Entrepreneurial Behaviour and Research*, Vol. 10, pp. 141-163.

Cabrera-Suárez, M.K., Déniz-Déniz, M.C., and Martín-Santana, J.D. (2011), "Familiness and market orientation: A stakeholder approach", *Journal of Family Business Strategy*, Vol. 2 Nº1, pp. 34-42.

Cabrera-Suárez, M.K., Déniz-Déniz, M.C., and Martín-Santana, J.D. (2014), "The setting of non-financial goals in the family firm: The influence of family climate and identification", *Journal of Family Business Strategy*, Vol. 5 Nº 3, pp. 289-299.

Cabrera-Suárez, M.K., Déniz-Déniz, M.C., and Martín-Santana, J.D. (2015), "Family social capital, trust within the TMT, and the establishment of corporate goals related to nonfamily stakeholders", *Family Business Review*, Vol. 28 Nº 2, pp. 145-162.

Carmeli, A., Tishler, A., and Edmondson, A.C. (2011), "CEO relational leadership and strategic decision quality in top management teams: The role of team trust and learning from failure", *Strategic Organization,* Vol.10 Nº 1, pp. 31–54.

Casimir, G., Lee, K. and Loon, M. (2012),"Knowledge sharing: influences of trust, commitment and cost", *Journal of Knowledge Management*, Vol. 16 Nº 5 pp. 740-753.

Carr, J.C., Cole, M.S., Ring, J.K., and Blettner, D.P. (2011), “A measure of variations in internal social capital among family firms”, *Entrepreneurship Theory and Practice,* Vol. 35 Nº 6, pp. 1207-1227.

Cennamo, C., Berrone, P., Cruz, C., and Gomez–Mejia, L. R. (2012), "Socioemotional wealth and proactive stakeholder engagement: Why family–controlled firms care more about their stakeholders", *Entrepreneurship Theory and Practice*, Vol. 36 Nº6, pp.1153-1173.

Chua, J.H., Chrisman, J.J., and Sharma, P. (1999), "Defining the family business by behavior", *Entrepreneurship: Theory and Practice,* Vol. 23 Nº4, pp.19-39.

Coleman, J.S. (1988), “Social capital in the creation of human capital”, *American Journal of Sociology,* Vol. 94 pp. S95–S120.

Cooper, M.J., Upton, N., and Seaman, S. (2005), "Customer relationship management: A comparative analysis of family and nonfamily business practice", *Journal of Small Business Management*, Vol. 43 Nº 3, pp. 242-256.

Cruz, C.C., Gómez-Mejia, L.R., and Becerra, M. (2010), “Perceptions of benevolence and the design of agency contracts: CEO-TMT relationships in family firms”, *Academy of Management Journal*, Vol. 53 Nº 1, pp. 69-89.

Cuevas-Rodríguez, G., Cabello-Medina, C., and Carmona-Lavado, A. (2014), "Internal and external social capital for radical product innovation: Do they always work well together?" British Journal of Management, Vol. 25, pp. 266–284.

Danes, S.M., Stafford, K., Haynes, G., and Amarapurkar, S.S. (2009), "Family capital of family firms: Bridging human, social, and financial capital", *Family Business Review*, Vol. 22 Nº3, pp.199-215.

Daspit, J.J., Long, R.G., and Pearson, A.W. (2019), "How familiness affects innovation outcomes via absorptive capacity: A dynamic capability perspective of the family firm", *Journal of Family Business Strategy*, Vol.10 Nº2, pp.133-143.

Dawson, A., & Mussolino, D. (2014), "Exploring what makes family firms different: Discrete or overlapping constructs in the literature?", *Journal of Family Business Strategy*, Vol.5 Nº2, pp.169-183.

Deephouse, D.L. and Jaskiewicz, P. (2013), "Do family firms have better reputations than non-family firms? An integration of socioemotional wealth and social identity theories", *Journal of Management Studies*, Vol. 50 Nº 3, pp.337-360.

Deshpandé, R., Farley, J.U., and Webster Jr, F.E. (1993), "Corporate culture, customer orientation, and innovativeness in Japanese firms: A quadrad analysis", *The Journal of Marketing*, pp. 23-37.

Ding, C.G. and Jane, T.D. (2015), "Reexamining the effectiveness of the ULMC technique in CMV detection and correction", paper presented at the 2015 Academy of Management Annual Meeting, Vancouver, August, pp. 7-11.

Dyer Jr, W.G. (2006), "Examining the family effect on firm performance", *Family Business Review*, Vol. 9 Nº 4, pp. 253-273.

Eddleston, K.A., Chrisman, J.J., Steier, L.P., and Chua, J.H. (2010), "Governance and trust in family firms: an introduction", *Entrepreneurship Theory and Practice*, Vol. 34 Nº 6, pp. 1043-1056.

Engelen, A., Lackhoff, F., and Schmidt, S. (2013), "How can chief marketing officers strengthen their influence? A social capital perspective across six country groups", *Journal of International Marketing,* Vol. 21 Nº 4, pp. 88–109.

Fiegener, M.K. (2010), “Locus of ownership and family involvement in small private firms”, *Journal of Management Studies,* Vol. 47, pp. 296-321.

Fowlie, J.A. and Wood, M. (2008). “Getting emotional about social marketing: why and how people change behavior”, *Proceedings in ANZMAC Conference, 1-3 December, Sydney.*

Frank, H., Kessler, A., and Korunka, C. (2012), "The impact of market orientation on family firm performance", *International Journal of Entrepreneurship and Small Business,* Vol. 16 Nº 4, pp. 372-385.

Frank, H., Kessler, A., Rusch, T., Suess–Reyes, J., & Weismeier–Sammer, D. (2017), "Capturing the familiness of family businesses: Development of the family influence familiness scale (FIFS)", *Entrepreneurship Theory and Practice*, Vol.41 Nº5, pp.709-742.

Fuller, J.B., Hester, K., Barnett, T., Frey, L., Relyea, C., and Beu, D. (2006), “Perceived external prestige and internal respect: New insights into the organizational identification process”, *Human Relations*, Vol. 59, pp. 815-846.

Gallucci, C., Santulli, R., and Calabrò, A. (2015), "Does family involvement foster or hinder firm performance? The missing role of family-based branding strategies", *Journal of Family Business Strategy*, Vol. 6 Nº 3, pp. 155-165.

Harris, D., Martinez, J.I., and Ward, J.L. (1994), "Is strategy different for the family-owned business?”, *Family Business Review*, Vol. 7 Nº2, pp.159-174.

Inkpen, A.C. and Tsang, E.W.K. (2005), "Social capital, networks, and knowledge transfer", *Academy of Management Review*, Vol. 30 Nº1, pp.146–165.

James, L.R., Demaree, R.J., and Wolf, G. (1993), “rwg. An assessment of within-group interrater agreement”, *Journal of Applied Psychology,* Vol. 28, pp. 306-309.

Jaworski, B.J. and Kohli, A.K. (1993), "Market orientation: antecedents and consequences", *The Journal of Marketing*, pp. 53-70.

Jin, CH.H. (2015), "The moderating effect of social capital and cosmopolitanism on marketing capabilities", *Chinese Management Studies*, Vol. 9 Nº 3, pp. 441-466.

Kashmiri, S. and Mahajan, V. (2010), "What's in a name?: An analysis of the strategic behavior of family firms", *International Journal of Research in Marketing*, Vol. 27 Nº3, pp. 271-280.

Kashmiri, S. and Mahajan, V. (2014), "A rose by any other name: are family firms named after their founding families rewarded more for their new product introductions?, *Journal of Business Ethics*, Vol. 124 Nº1, pp. 81-99

Kemper, J., Engelen, A., and Brettel, M. (2011), "How top management’s social capital fosters the development of specialized marketing capabilities: A Cross-Cultural Comparison", *Journal of International Marketing,* Vol. 19 Nº 3, pp. 87-112.

Kirca, A.H., Jayachandran, S., and Bearden, W.O. (2005), "Market orientation: a meta-analytic review and assessment of its antecedents and impact on performance", *Journal of Marketing,* Vol. 69 Nº 2, pp. 24-41.

Klein, S.B., Astrachan, J.H., and Smyrnios, K.X. (2005), “The F-PEC scale of family influence: Construction, validation, and further implications for theory”, *Entrepreneurship Theory and Practice,* Vol. 29, pp. 321-339.

Knoll, D. L. and Gill, H. (2011). “Antecedents of trust in supervisors, subordinates, and peers”. *Journal of Managerial Psychology*, Vol 26 Nº 4, pp. 313-330.

Kohli, A.K. and Jaworski, B.J. (1990), "Market orientation: The construct, research propositions, and managerial implications", *Journal of Marketing*, Vol. 54 Nº 2, pp. 1–18.

Lane, S., Astrachan, J., Keyt, A., and McMillan, K. (2006), “Guidelines for family business boards of directors”, *Family Business Review,* Vol. 19 Nº 2, pp. 147-167.

Land, S. Engelen, A., and Brettel, M. (2012), "Top management's social capital and learning in new product development and its interaction with external uncertainties", *Industrial Marketing Management,* Vol. 41 Nº 3, pp. 521-530.

Lewicki, R.J., Tomlinson, E.C., and Gillespie, N. (2006), “Models of interpersonal trust development: Theoretical approaches, empirical evidence, and future directions”, *Journal of Management*, Vol. 32 Nº 6, pp. 991-1022.

Litz, R.A., Pearson, A.W., and Litchfield, S. (2012), “Charting the future of family business research: Perspectives from the field”, *Family Business Review,* Vol. 25 Nº 1, pp. 16-32.

Massey, G.R. and Kyriazis, E. (2007), "Interpersonal trust between marketing and R&D during new product development projects", *European Journal of Marketing*, Vol. 41 Nº 9/10, pp. 1146–1172.

Mathieu, J.E. and Taylor, S.R. (2006), "Clarifying conditions and decision points for mediational type inferences in Organizational Behavior", *Journal of Organizational Behavior,* Vol. 27 Nº8, pp. 1031-1056.

Maxham, J.G., Netemeyer, R.G., and Lichtenstein, D.R. (2008), "The retail value chain: Linking employee perceptions to employee performance, customer evaluations, and store performance", *Marketing Science,* Vol. 27 Nº 2, pp. 147–167.

Mayer R.C., Davis J.H., and Schoorman F.D. (1995), "An integrative model of organizational trust. *Academy of Management Review* Vol. 20 Nº 3, pp. 709–734.

Mayer, R.C. and Davis, J. (1999), "The effect of the performance appraisal system on trust for management: A field quasi-experiment", *Journal of Applied Psychology*, Vol. 84, pp. 123-136.

McAllister, D.J. (1995), "Affect- and cognition-based trust as foundations for interpersonal cooperation in organizations", *Academy of Management Journal*, Vol. 38 Nº 1, pp. 24-59.

Merlo, O., Bell, S.J., Mengüç, B., and Whitwell, G. J. (2006), "Social capital, customer service orientation and creativity in retail stores" *Journal of Business Research*, Vol. 59 Nº 12, pp. 1214-1221.

Nahapiet, J. and Ghoshal, S. (1998), "Social capital, intellectual capital, and the organizational advantage", *Academy of Management Review,* Vol. 23 Nº 2, pp. 242-266.

Naldi, L., Nordqvist M., Sjöberg, K., and Wiklund, J. (2007), "Entrepreneurial orientation, risk taking, and performance in family firms", *Family Business Review*, Vol. 20 Nº 1, pp. 33-47.

Narver, J. and Slater, S. (1990). "The effect of a market orientation on business profitability", *Journal of Marketing*, Vol. 54 Nº 4, pp. 20-35.

Nunnally, J.C. (1978), *Psychometric theory* (2nd ed.). New York: McGraw-Hill.

Orth, U.R. and Green, M.T. (2009), "Consumer loyalty to family versus non-family business: The roles of store image, trust and satisfaction", *Journal of Retailing and Consumer Services*, Vol. 16 Nº 4, pp. 248-259.

Pearson, A.W., Carr, J.C., and Shaw, J.C. (2008), "Toward a theory of familiness: A social capital perspective", *Entrepreneurship Theory and Practice*, Vol. 32 Nº 6, pp. 949-969.

Podnar, K., Golob, U., and Jančič, Z. (2011), "Identification with an organisation as a dual construct", *European Journal of Marketing*, Vol. 45 Nº 9/10, pp.1399-1415.

Podsakoff, P.M., MacKenzie, S.B., Lee, J.Y., and Podsakoff, N.P. (2003), “Common method biases in behavioral research: A critical review of the literature and recommended remedies”, *Journal of Applied Psychology*, Vol. 88 Nº 5, pp. 879-903.

Poza, E.J., Hanlon, S., and Kishida, R. (2004), "Does the family business interaction factor represent a resource or a cost?" *Family Business Review*, Vol. 17 Nº 2, pp. 99-118.

Reuber, A.R. and Fischer, E. (2011), “Marketing (in) the family firm”, *Family Business Review*, Vol. 24, pp. 193–196.

Rostila, M. (2010), “The facets of social capital”, *Journal for the Theory of Social Behaviour,* Vol. 41 Nº 3, pp. 308-326.

Sageder, M., Mitter, C., and Feldbauer-Durstmüller, B. (2018), "Image and reputation of family firms: A systematic literature review of the state of research", *Review of Managerial Science,* Vol.12 Nº1, pp. 335-377.

Salvato, C. and Melin, L. (2008), "Creating value across generations in family-controlled businesses: The role of family social capital", Family Business Review, Vol. 21, Nº3, pp. 259-276.

Sanzo, M.J., Santos, M.L., García, N., and Trespalacios, J.A. (2011), "Trust as a moderator of the relationship between organizational learning and marketing capabilities: Evidence from Spanish SMEs", *International Small Business Journal,* Vol. 30 Nº 6, pp. 700–726.

Schaubroeck, J.M., Peng, A.C., and Hannah, S.T. (2013), "Developing trust with peers and leaders: Impacts on organizational identification and performance during entry", *Academy of Management Journal*, Vol. 56 Nº 4, pp. 1148-1168.

Sekhon, H., Ennew, C., Kharouf, H., and Devlin, J. (2014). "Trustworthiness and trust: Influences and implications". *Journal of Marketing Management*, Vol 30 Nº 3-4, pp. 409-430.

Short, J.C., Payne, G.T., Brigham, K.H., Lumpkin, G.T., and Broberg, J.C. (2009), "Family firms and entrepreneurial orientation in publicly traded firms: A comparative analysis of the S&P 500", *Family Business Review*, Vol. 22 Nº 1, pp. 9-24.

Simons, T.L. and Peterson, R.S. (2000), "Task conflict and relationship conflict in top management teams: The pivotal role of intragroup trust", *Journal of Applied Psychology*, Vol. 85 Nº 1, pp. 102–111.

Sirdeshmukh, D., Singh, J., and Sabol, B. (2002), "Consumer trust, value and loyalty in relational exchanges", *Journal of Marketing,* Vol. 66 Nº 1, pp. 15–37.

Subramanian, R. and Gopalakrishna, P. (2009), "Relationship between market orientation and performance in family owned firms: a context-specific investigation", *International Journal of Business Innovation and Research*, Vol. 3 Nº 5, pp. 500-514.

Sundaramurthy, C. (2008), "Sustaining trust within family businesses". *Family Business Review*, Vol. 21 Nº1, pp. 89–102.

Tokarczyk, J., Hansen, E., Green, M., and Down, J. (2007), "A resource-based view and market orientation theory examination of the role of "familiness" in family business success", *Family Business Review*, Vol. 20 Nº 1, pp. 17-31.

Tzafrir, S. and Dolan, S. (2004), "Trust me. A scale for measuring manager–employee trust", *Management Research*, Vol. 2, pp. 117–134.

Van Dick, R., Grojean, M. W., Christ, O., and Wieseke, J. (2006), "Identity and the extra mile: Relationships between organizational identification and organizational citizenship behavior". *British Journal of Management*, Vol. 17 Nº 4, pp. 283-301.

Tsai, W. and Ghoshal, S. (1998), "Social capital and value creation: The role of intrafirm networks", *Academy of Management Journal,* Vol. 41 Nº 4, pp. 464–476.

Wang, CH.L. and Chung, H.F.L. (2013), "The moderating role of managerial ties in market orientation and innovation: An Asian perspective", *Journal of Business Research,* Vol. 66*,* pp. 2431–2437.

Wieseke, J., Ahearne, M., Lam, S.K., and Dick, R.V. (2009), "The role of leaders in internal marketing", *Journal of Marketing*, Vol. 73 Nº 2, pp. 123-145.

Wieseke, J., Ullrich, J., Christ, O., and Van Dick, R. (2007), "Organizational identification as a determinant of customer orientation in service organizations", *Marketing Letters*, Vol. 18 Nº 4, pp. 265-278.

Williams, L. and McGonagle, A. (2016), "Four research designs and a comprehensive analysis strategy for investigating common method variance with self-report measures using latent variables", *Journal of Business & Psychology*, Vol. 31 Nº 3, pp. 339–359.

Zachary, M.A., McKenny, A., Short, J.C., and Payne, G.T. (2011), "Family business and market orientation: Construct validation and comparative analysis", *Family Business Review*, Vol. 24 Nº 3, pp. 233-251.

Zahra, S.A., Hayton, J.C., Neubaum, D.O., Dibrell, C., and Craig, J. (2008), "Culture of family commitment and strategic flexibility: The moderating effect of stewardship", *Entrepreneurship Theory and Practice*, Vol. 32 Nº 6, pp. 1035-1054.

Zellweger, T.M., Eddleston, K.A., and Kellermanns, F.W. (2010), "Exploring the concept of familiness: Introducing family firm identity", *Journal of Family Business Strategy,* Vol.1 Nº1, pp. 54-63.

Zellweger, T.M., Kellermanns, F.W., Eddleston, K.A., and Memili, E. (2012), "Building a family firm image: How family firms capitalize on their family ties", *Journal of Family Business Strategy*, Vol. 3 Nº4, pp. 239-250.

Zellweger, T.M., Nason, R.S., Nordqvist, M., and Brush, C.G. (2013), "Why do family firms strive for nonfinancial goals? An organizational identity perspective", *Entrepreneurship Theory and Practice,* Vol. 37 Nº2*,* pp. 229-248.

FIGURE 1. Proposed model

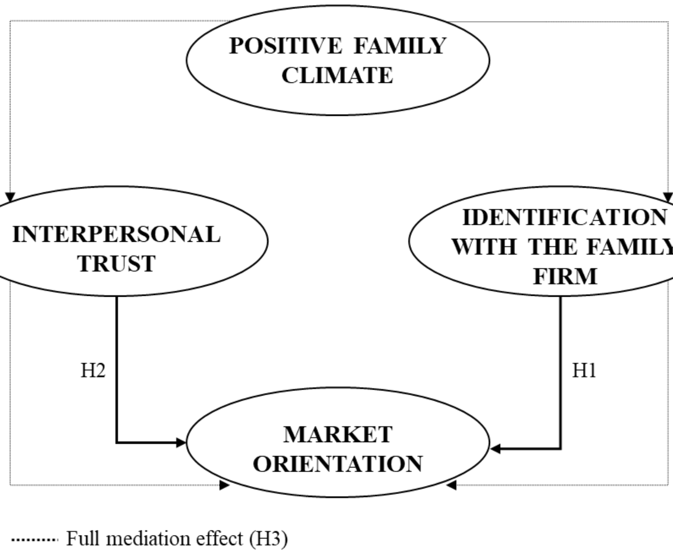
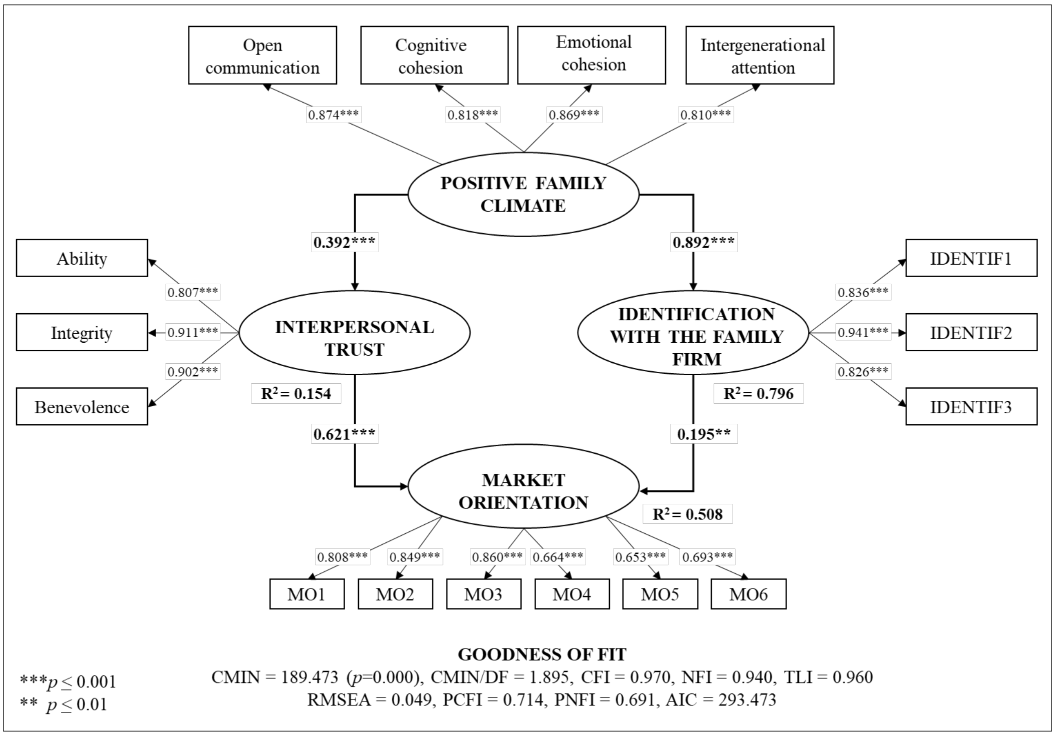


FIGURE 2. Results of the proposed model



APPENDIX. Final items of the measurement scales

POSITIVE FAMILY CLIMATE (questions posed to the family members)		
Open communication	COMMUN1	In this family we openly express our opinions
	COMMUN2	In this family we regularly talk about the things that concern us.
	COMMUN3	In this family we take time to listen to each other.
Cognitive cohesion	COGCOH1	In this family we have similar views on things.
	COGCOH2	In this family our values are very similar.
	COGCOH3	In this family we have shared interests and tastes.
Emotional cohesion	EMOCOH1	In this family the emotional bond between us all is very strong.
	EMOCOH2	In this family its members make each other feel secure.
	EMOCOH3	In this family we usually feel happy to be with each other.
Intergenerational attention	INTATTEN1	In this family the older generation takes a close interest in the activities of the younger generation.
	INTATTEN2	In this family the older generation is very responsive to the needs of the younger generation
	INTATTEN3	In this family the older generation is highly supportive to the goals of the younger generation
IDENTIFICATION WITH THE FAMILY FIRM (questions posed to the members of the family members)		
IDENTIF1		The members of this family are proud to say they belong to the family firm
IDENTIF2		The members of this family are concerned about the fate of the family firm
IDENTIF3		The members of this family are willing to make an extra effort to help in the success of the family firm
INTERPERSONAL TRUST (questions posed to all the survey takers)		
Ability	ABIL1	I feel very confident about TMT members' capabilities to develop their work
	ABIL2	TMT members are successful at the things they try to do
	ABIL3	TMT members have specialized capabilities that can contribute to improve the decision making process.
Integrity	INTEGR1	TMT members will always stick to their word
	INTEGR2	TMT members are fair in dealing with others
	INTEGR3	TMT members' actions and principles are very consistent.
	INTEGR4	Sound principles seem to guide TMT members' behaviour
Benevolence	BENEV1	TMT members are open and up front with me
	BENEV2	TMT members would not knowingly do anything to hurt me
	BENEV3	TMT members really know what is important to me
	BENEV4	I can count on my TMT partners to help me if I have difficulties
	BENEV5	If I make a mistake, my TMT partners are willing to forgive and forget
MARKET ORIENTATION (questions posed to all the survey takers)		
MO1		Our business objectives are driven primarily by customer satisfaction
MO2		Our strategy for competitive advantage is based on the satisfaction of customers' needs.
MO3		Our business strategies are driven by our beliefs about how we can create greater value for customers.
MO4		Top management regularly discusses competitors' strengths and strategies
MO5		All of our functions are integrated and coordinated in serving target markets
MO6		We quickly respond to competitive actions that threaten us