

THE INFLUENCE OF MARKET ORIENTATION, INNOVATION, AND COMPETITIVE ADVANTAGE AS INTERVENING VARIABLE ON MARKETING PERFORMANCE OF CULINARY MSMEs IN PURWOKERTO

Nur Choirul Afif¹

¹ *Departement of Business Management Faculty of Economics and Business
Universitas Jenderal Soedirman
Indonesia
nur.choirul.afif@gmail.com*

Hanifah Faradina²

² *Departement of Business Management Faculty of Economics and Business
Universitas Jenderal Soedirman
Indonesia
hanifafrdn12@gmail.com*

ABSTRACT

This research aims to find out whether market orientation and innovation with a competitive advantage as mediation have a positive influence towards the marketing performance of Culinary MSMEs in Purwokerto. In this research, a questionnaire was used to perform a quantitative type of data analysis on 100 respondents from four sub-district in Purwokerto, and this research used a purposive sampling method. The data analysis used in this research is SEM-PLS. By using these variables, it concludes the output data of this research that: (1) there is positive and significant influence from market orientation and innovation towards competitive advantage, (2) there is positive and significant influence from market orientation, innovation, and competitive advantage towards marketing performance, (3) competitive advantage mediates the influence of market orientation and innovation towards marketing performance.

Keywords: *Market Orientation, Innovation, Competitive Advantage, Marketing Performance*

INTRODUCTION

MSMEs are one of the sectors that contribute significantly to the structure of the Indonesian economy. The role of MSMEs in economic development is important as it contributes to economic growth and foreign exchange acquisition, the formation of Gross National Product (GDP), national export value, and national investment. Small and medium enterprises play an essential role in economic growth, just as they are fundamental to job creation in many other developing countries (Porter & Kramer, 2011).

Banyumas Regency has a large number of MSMEs consisting of food processing, handicraft workshops, and various others that require licenses, and the legality of aspects is not optimally organized, so the total number of MSMEs is not known. The potential of a large number of MSMEs in Banyumas must be tapped to become a highly competitive enterprise.

Although the MSMEs have great potential, it still faces many obstacles. According to the Indonesian Statistic of Central Java 2019-2021, MSMEs in the Banyumas Culinary field shows that the number of restaurant unit has decreased significantly. In order to beat the market, MSMEs often need to be able to adopt several alternative strategies. The company's strategy is always aimed at achieving the company's performance, including financial performance and marketing performance (Ferdinand, 2000).

Market orientation may be particularly important for SMEs, as they can translate their potential advantages in terms of flexibility, adaptability, and proximity to their customers into excellent services (Pelham,1999). Kharisma (2017), Marlizar et al., (2020), and Nurcholis (2020) show that market orientation can improve marketing performance, assuming that market orientation enables companies to better understand the company's environment and its customers, thus enabling companies to understand and improve customer satisfaction. However, this conclusion is inconsistent with the findings of Hatta (2015), Jamaludin et al., (2022), and Winarso et al., (2020) argue that market orientation factors do not determine marketing performance.

Most MSMEs are usually unstable and cannot survive beyond 3 years. As a result, in today's uncertain environment, business innovation is critical for enterprises to survive. MSMEs must seek out new opportunities and become highly innovative in terms of products and services to achieve effectiveness and excellence in terms of performance. Fatach Ichwan & Nursyamsiah (2019), Fitriati et al., (2020), and Suryaningsih et al., (2018) prove that innovation has a significant effect on marketing performance. However, Boermans & Roelfsema (2015), Darmanto (2015), and Shiva et al., (2017) presented different results that innovation shows a negative and insignificant effect on marketing performance.

It's not easy for developers and entrepreneurs in the same circle to maintain dominant performance in the industry and with the development of technology and changing consumer preferences, consumers may switch and look for other alternatives. Every business in a market where there is competition needs to have a competitive advantage. Competition between MSMEs leads to attracting as many customers as possible (Mardikaningsih et al., 2022). A company was able to have a competitive advantage if a business has an advantage over its rivals and can thrive in the market. Not only large companies but also MSMEs must do this in order to guarantee business continuity.

Based on the results and descriptions of previous studies, the researchers identified differences in outcomes (research gaps) for variables that affect marketing performance. This study will attempt to discuss some of the findings of previous research on the business phenomena that occur in Culinary MSME in Purwokerto, where the

variables of market orientation, innovation, and competitive advantage are selected for this research because the variables may support companies in their efforts to achieve better and sustainable marketing performance.

LITERATURE REVIEW

Market Orientation

In the past few years, the concept of market orientation has been highly appreciated by scholars and practitioners in many countries. However, many companies have not fully understood this concept. This is evident in the low levels of service delivery and productivity in developing and developed countries. Thus, a market-oriented culture is the first step toward high organizational performance.

Market orientation is a business viewpoint that focuses on the activities of the company as a whole. According to Narver & Slater (1990), the dimensions of market orientation are customer orientation, competitor orientation, and inter-functional coordination which must be the primary concern of all firms to continuously create superior value for customers in order to achieve sustainable competitive advantage and marketing performance. Marketers need to not only understand the entire consumer value chain but also needs to be developed it according to the dynamics of domestic market conditions. The gathered information about competitors also helps the company to rearrange its strategies for future company survival. It makes sense that all departments of the company must align well with each other in all aspects of the business.

In today's modern market, companies must exceed consumer expectations if they want the company to have a competitive advantage over their competitors. The results of research conducted by Herman et al., (2018); Udriyah et al., (2019); and Winarso et al., (2020) prove there is a positive influence between market orientation and competitive advantage. Based on the previous research, then the hypothesis proposed:

H1: Market orientation has a positive influence towards competitive advantage.

Then, understanding market orientation will inspire organizations to formulate better strategies that will impact marketing performance. The previous research by Kharisma (2017), Marlizar et al., (2020), and Nurcholis (2020) shows market orientation has a positive influence on marketing performance. Based on the previous research, then the hypothesis proposed:

H4: Market orientation has a positive influence towards marketing performance.

Innovation

Innovation is critical to the success of a company. Innovation plays an important role in how well a business entity improves its performance and customer satisfaction efforts. The emergence of innovation is mainly to meet market demand. Innovation defines as the introduction of a new or significantly improved product or process (good or

service), a new marketing method, or a new organizational method to running business practices, workplace organization, or external relations (OECD, 2005).

In addition to creating new products, companies still need to improve the quality, improve the shape or develop product packaging to create a premium product. Thus, product innovation is an innovation that can be used as a competitive advantage for an organization. Several studies find a positive influence between innovation and competitive advantage (Aziz & Samad, 2016; Herman et al., 2018; and Kamboj & Rahman, 2017). Based on the description above, the hypotheses proposed:

H2: Innovation has a positive influence towards competitive advantage.

Process innovation requires organizations to introduce intelligent manufacturing processes or services instead of existing processes to achieve better performance (Yu Sheng & Ibrahim, 2020). In other words, process innovation refers to a new and innovative way of doing business that would create positive customer engagement, thereby triggering better sales performance that will impact marketing performance. Previous research by Fatach Ichwan & Nursyamsiah (2019), Fitriati et al., (2020), and Suryaningsih et al., (2018) show innovation has a positive influence on marketing performance. Based on the description above, the hypotheses proposed:

H5: Innovation has a positive influence towards marketing performance.

Competitive Advantage

Porter (1994) stressed the concept of competitive advantage cannot be understood by looking at companies as a whole, while it must come from a source of competitive advantage, which are various activities where the company operates in terms of designing, manufacturing, marketing, supplying and supporting the company's products. In other words, competitive advantage is a competition that differs in terms of skills and resource advantages (Day & Wensley, 1988).

The dimensions of competitive advantage include cost leadership strategy, differentiation strategy, and focus strategy (Porter, 1985). Focus strategy is characterized by the company being focused on a small market share to avoid competitors using cost leadership or differentiation. Most cost leadership focuses primarily on producing low-cost products to satisfy price-sensitive customers. Differentiation focuses on providing a unique product or service that sets it apart from others in the industry, but with a broader customer base that is quite insensitive to price.

A company that has an advantage in doing business will benefit the performance of the company itself. According to previous research by Hidayatullah et al., (2019) and Yasa et al., (2020) shows competitive advantage has a positive influence on marketing performance. Based on the description above, the hypotheses proposed:

H3: Competitive advantage has a positive influence towards marketing performance.

Competitive advantage can be considered a partial mediator of the relationship between market orientation and performance (Talaja et al., 2017). Thus, competitive

advantage stems from market orientation have a positive effect on improving performance. Based on the description above, the hypotheses proposed:

H6: Competitive advantage mediate the influence of market orientation on marketing performance.

Previous research by Bernadeta Dewi Kusuma Jati and Ngatno, (2016) also found that competitive advantage mediates the influence of innovation on marketing performance. Based on the description above, the hypotheses proposed:

H7: Competitive advantage mediate the influence of market innovation on marketing performance.

Marketing Performance

Marketing performance is a form of measurement of the success that can be achieved from the overall activities of a business, especially in the area of marketing for the business or organization (Vorhies & Morgan, 2005). Marketing performance is also seen as a result of concepts that companies use. The dimensions of sales volume, sales growth, and profitability are used to measure the degree to which a company's products are successful and its target market.

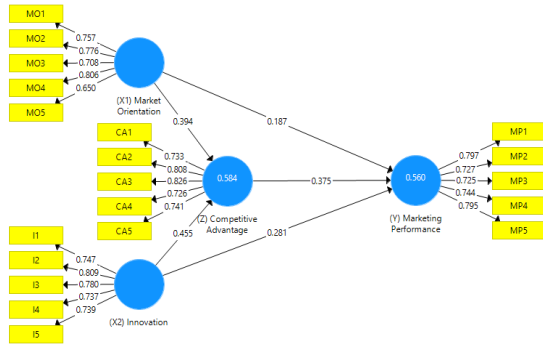
RESEARCH METHOD

This research was held on May 2023 and used a questionnaire with a measurement scale namely a 5-point Likert scale to obtain the quantitative type of data and analysis. The sampling technique used was purposive sampling. In this case, the research was conducted in four sub-regions of Purwokerto, namely North Purwokerto, East Purwokerto, West Purwokerto, and South Purwokerto.

The population in this research was the culinary MSMEs in Banyumas with the amount of population 36.227 units. Therefore, to obtain the minimum sample size, it used the statistical approach with the Slovin formula with a margin of error is 10 %, so the number of samples who became respondents is 100 Culinary MSME managers/owners. This research uses the SEM-PLS method as a data analysis technique.

DATA ANALYSIS AND DISCUSSIONS

Figure 1 Full Model of Measurement Model



Validity and Reliability Test

The data processing results for convergent validity show that all statements in the questionnaire are valid because the loading factor value is >0.60 . Therefore, the questionnaire can be used. The results for all variables also have an HTMT value <0.90 , which implies good discriminant validity or has a difference with other constructs (constructs are varied).

Table 1 The Result of the Reliability Test

| | Cronbach's Alpha | rho_A | Composite Reliability | AVE |
|---------------------------|------------------|-------|-----------------------|-------|
| (X1) Market Orientation | 0.794 | 0.807 | 0.858 | 0.550 |
| (X2) Innovation | 0.821 | 0.826 | 0.874 | 0.582 |
| (Y) Marketing Performance | 0.815 | 0.821 | 0.871 | 0.575 |
| (Z) Competitive Advantage | 0.825 | 0.830 | 0.878 | 0.590 |

Source: Primary Data

From Table 1, it can be interpreted that all constructs meet the reliability criteria. This is evidenced by Cronbach's alpha value >0.60 , composite reliability >0.70 , and AVE >0.50 as recommended criteria.

Result of F-Square

The formula for estimating the relative influence of the reliable endogenous variable on an influencing exogenous variable is a measure of the effect size F or F^2 . According to Cohen, 1988, the F-square criterion of >0.02 is weak, >0.15 is moderate, and >0.35 is strong.

Table 2 The Result of F-Square

| | (X1) Market Orientation | (X2) Innovation | (Y) Marketing Performance | (Z) Competitive Advantage |
|---------------------------|-------------------------|-----------------|---------------------------|---------------------------|
| (X1) Market Orientation | | | 0.040 | 0.231 |
| (X2) Innovation | | | 0.085 | 0.307 |
| (Y) Marketing Performance | | | | |
| (Z) Competitive Advantage | | | 0.133 | |

Source: Primary Data

The conclusion of the F-square value is shown in Table 2 as follows:

- The value of the market orientation variable of the competitive advantage variable is $F^2 = 0.231$, stating that the effect of exogen variables on endogen variables is moderate;
- The value of the innovative variable for the competitive advantage variable is $F^2 = 0.307$, stating that the influence of the exogen variables on the endogen variables is moderate;
- The value of the market orientation variable of marketing performance $F^2 = 0.040$, which indicates that exogen variables have little influence on the endogen variables;
- The value of the innovation variable of marketing performance variable $F^2 = 0.085$, which indicates that the exogen variable has little influence on the endogen variable;
- The value of the competitive advantage variable of the marketing performance variable is $F^2 = 0.133$, which indicates that the exogen variables have little influence on the endogen variables.

Hypotheses Testing

Direct Effect

The criteria for testing the direct effect hypothesis are as follows:

- If the value of the path coefficient is positive, the effect of this variable on other variables is unidirectional, if the value of one variable increases or added, the values of other variables increase or added, and
- If the path coefficient value is negative, the variable will have an opposite effect on the other variables, and if the value of one variable increases or is added, the value of the other variable will decrease
- Significant if P-value > 0.05
- Not significant if P-value < 0.05

Table 3 Direct Effect Result

| | Original Sample | P-Value |
|---|-----------------|---------|
| (X1) Market Orientation → (Y) Marketing Performance | 0.187 | 0.044 |
| (X1) Market Orientation → (Z) Competitive Advantage | 0.394 | 0.000 |
| (X2) Innovation → (Y) Marketing Performance | 0.281 | 0.020 |
| (X2) Innovation → (Z) Competitive Advantage | 0.455 | 0.000 |
| (Z) Competitive Advantage → (Y) Marketing Performance | 0.375 | 0.001 |

Source: Primary Data

From the data presented in Table 3 the following conclusions can be drawn:

1. Market Orientation towards Competitive Advantage
Path Coefficient = 0.394 and P-value = 0.000 (<0.05), indicating that the influence of market orientation is positive and significant on competitive advantages;
2. Market Orientation towards Marketing Performance
Path coefficient = 0.187 and P-value = 0.043 (>0.05), indicating that the influence of the market orientation is positive and significant on marketing performance;
3. Innovation towards Competitive Advantage
Path coefficient = 0.455 and P-value = 0.000 (<0.05), indicating that the effect of innovation is positive and significant on competitive advantage;
4. Innovation towards Marketing Performance
Path coefficient = 0.281 and P-value = 0.022 (<0.05), indicating that the innovation has a positive and significant effect on marketing performance;
5. Competitive Advantage towards Marketing Performance
Path coefficient = 0.375 and P-value = 0.001 (<0.05), which means that the effect of competitive advantage is positive and significant on marketing performance.

Indirect Effect

The criteria for determining the indirect effect are:

- If P-values <0.05, then it is significant, stating that the intervening variable mediates the influence of exogenous variables on endogenous variables. Thus, the influence is indirect; and
- If P-values > 0.05, then it is not significant, stating that the intervening variable does not mediate the influence of exogenous variables on endogenous variables. Thus, the influence is direct.

Table 4 Indirect Effect Result

| | Original Sample | P-Value |
|---|-----------------|---------|
| (X1) Market Orientation → (Z) Competitive Advantage → (Y) Marketing Performance | 0.148 | 0.007 |
| (X1) Innovation → (Z) Competitive Advantage → (Y) Marketing Performance | 0.170 | 0.008 |

Source: Primary Data

From the data presented in Table 4 the following conclusions can be drawn:

- Market orientation → competitive advantage → marketing performance is 0.148 and P-value is $0.007 < 0.05$ (significant), so competitive advantage mediates the influence of market orientation on marketing performance;
- Innovation → competitive advantage → marketing performance is 0.170, P-value is $0.008 < 0.05$ (significant), so competitive advantage mediates the impact of innovation on marketing performance.

Discussion

1. The Influence of Market Orientation Towards Competitive Advantage

This research result reveals that market orientation has a positive significant influence on the competitive advantage of 0.394 with a significance level of 0.000, means that when market orientation increases, it will affect the increase in competitive advantage.

This is reinforced by the results of the questionnaire that was distributed to Culinary MSMEs in Purwokerto. The majority of respondents filled out the questionnaire with a scale of agreeing or strongly agreeing which proves that respondents pay attention to market orientation in running their business.

In addition, a company that understands its customer's requirements and wants will undoubtedly be able to establish strategies that optimize its strength, allowing the company to achieve a competitive advantage by utilizing existing opportunities and avoiding external threats. The strategy is intended to provide a competitive advantage.

The result observed in this study is empirically consistent with the research formerly carried out by Herman et al., (2018); Udriyah et al., (2019); and Winarso et al., (2020) which stated market orientation has a positive influence on competitive advantage.

2. The Influence of Innovation Towards Competitive Advantage

This research result reveals that innovation has a positive significant influence on the competitive advantage of 0.455 with a significance level of 0.000, means that when innovation increases it will affect the increase in competitive advantage.

In this important competition, innovation becomes a strategic tool to improve, create and expand businesses, create competitive advantages equal to or greater than those competitors, and achieve sustainable development. The more innovative the product, the more value customers get and the higher the level of differentiation

offered. Therefore, the higher the innovative performance of a firm, the higher its competitive advantage.

This perception of innovation shows that the majority of Purwokerto Culinary MSME participants agree with the statement presented that they are innovative. The indicators that dominate or who have the greatest value in innovation variables are product innovation. Hence, this research found that the competitive advantage is being built upon the act of renewing products. The developed innovations by Purwokerto Culinary MSME can give companies a competitive advantage.

The result observed in this research is empirically consistent with the research formerly carried out by Aziz & Samad, (2016); Herman et al., (2018); and Kamboj & Rahman, (2017) demonstrating that innovation has a positive influence on competitive advantage.

3. The Influence of Competitive Advantage Towards Marketing Performance

This research result reveals that competitive advantage has a positive significant influence on marketing performance of 0.375 with a significance level of 0.001, means that when competitive advantage increases, marketing performance will also increase.

The competitive advantage calls for a continuous attempt to improve aspects of the business in order to create advantages in the services and products offered to consumers. A business that has a competitive advantage in its business activities will show great performance. In other words, this competitive advantage can support marketing performance.

The result observed in this study is empirically consistent with the research formerly carried out by Hidayatullah et al., (2019) and Yasa et al., (2020), in which stated competitive advantage has a positive influence on marketing performance.

4. The Influence of Market Orientation Towards Marketing Performance

This research result reveals that market orientation has a positive significant influence on marketing performance of 0.187 with a significance level of 0,043, means that when market orientation increases, marketing performance will also increase.

This explains that in this research most respondents gave answers agreeing in determining and reviewing market orientation factors, such as customer orientation, competitor orientation, and inter-functional coordination, through their items, including customer satisfaction, customer needs, competitors' weaknesses and strengths, and good cooperation, so that businesses can improve marketing performance

The result observed in this study is empirically consistent with the research formerly carried out by Kharisma (2017), Marlizar et al., (2020), and Nurcholli (2020) in which stated market orientation has a positive influence on marketing performance.

5. The Influence of Innovation Towards Marketing Performance

This research result reveals that innovation has a positive significant influence on marketing performance of 0.281 with a significance level of 0.022. means that when innovation increases it will affect the increase in marketing performance.

Reviewing the situation of market tastes that always change from time to time, MSMEs need to make adjustments to always produce new ideas that are following the trend in the market so that the situation can support the number of sales.

This research found not only that businesses can survive in intense competition when entrepreneurs have an innovation, but will also have a good marketing performance because the demand for innovative products can increase sales volume.

The result observed in this study is empirically consistent with the research formerly carried out by Fatach Ichwan & Nursyamsiah (2019), Fitriati et al., (2020), and Suryaningsih et al., (2018) in which stated innovation has a positive influence on marketing performance.

6. Mediating Effect of Competitive Advantage between Market Orientation and Marketing Performance

This research result reveals that competitive advantage has a positive significant influence on market orientation and marketing performance of 0.148 with a significance level of 0.008. In other words, competitive advantage partially mediates the influence of market orientation on marketing performance.

Marketing performance is improved when the product fits the market and provides a competitive advantage. The result observed in this study is empirically consistent with the research formerly carried out by Puspaningrum, (2020); and Talaja et al., (2017) in which stated competitive advantage mediates the influence of marketing orientation on marketing performance.

7. Mediating Effect of Competitive Advantage between Innovation and Marketing Performance

This research result reveals that competitive advantage has a positive significant influence on innovation and marketing performance of 0.170 with a significance level of 0,000. In other words, competitive advantage partially mediates the influence of innovation on marketing performance.

These findings demonstrate that the better a business innovates in response to consumer wishes, the greater the company's business performance is, hence a competitive advantage is necessary so that it carries greater value in the perspective of customers. The result observed in this study is empirically consistent with the research formerly carried out by Bernadeta Dewi Kusuma Jati and Ngatno, (2016), in which stated competitive advantage mediates the influence of innovation on marketing performance

CONCLUSIONS AND SUGGESTIONS

Based on the research and data processing that has been conducted, several conclusions are obtained, as follows:

1. There is a positive and significant influence between market orientation and competitive advantage of MSMEs in Purwokerto.
2. There is a positive and significant influence between innovation and the competitive advantage of MSMEs in Purwokerto.
3. There is a positive and significant influence between competitive advantage and marketing performance of MSMEs in Purwokerto,.
4. There is a positive and significant influence between market orientation and marketing performance of MSMEs in Purwokerto.
5. There is a positive and significant influence between innovation and marketing performance of MSMEs in Purwokerto,.
6. Competitive advantage partially mediates the influence of market orientation on marketing performance.
7. Competitive advantage partially mediates the influence of innovation on marketing performance.

IMPLICATION

This research is expected to be used as a review and insight for MSMEs and the Indonesian government as a facilitator in the development of the MSME, to study these specifically four variables to seek into the achievement and improvement MSME has or has to do, which will contribute to economic growth.

1. In terms of market orientation, companies can periodically survey customer wants and needs, offer discounts to loyal customers that will build customer engagement, and ask for feedback by providing criticism and suggestions from customers to understand the situation which is also capable of measuring customer satisfaction. In addition, companies also need to regularly monitor the strengths and weaknesses of competitors, and maintain good and coordinated relations with everyone in the company, such as employees, suppliers, and distributors.
2. In terms of innovation, companies can develop products or produce new products that are unique in the market so that buyers will be interested in these products. Develop new marketing methods through digital marketing to promote products more widely. Companies also need to bring employees together to come up with new ideas that can be implemented into new products or processes. Organizational innovation is also needed to improve organizational performance, by conducting surveys on opportunities and threats, so that MSMEs can make the right decisions in seeing new opportunities.
3. In terms of competitive advantage, companies must emphasize an understanding of market orientation and innovation, which can increase a company's competitive

advantage. Because this can also provide good value and perceptions of consumers towards the company.

4. In terms of marketing performance, companies must understand market orientation, continue to innovate in every element, and maintain the company's competitive advantage. From the perspective of these three points, companies can get excellent marketing performance and can survive in the increasingly fierce market competition.
5. In this era of digitalization, the government can support MSMEs to develop their business by introducing or providing training on digitalization to MSMEs.

LIMITATION

1. For future researchers, it is hoped that they can continue to develop this research more broadly by adding other variables that can affect marketing performance.
2. In this research, the research was limited to MSMEs in the culinary sector located in four sub-districts of Purwokerto, so that further researchers could conduct research with different objects and research settings in order to get maximum results.
3. The results of this study cannot be generalized as a whole to every MSME sector in Purwokerto.

REFERENCES

- Aziz, N. N. A., & Samad, S. (2016). Innovation and Competitive Advantage: Moderating Effects of Firm Age in Foods Manufacturing SMEs in Malaysia. *Procedia Economics and Finance*, 35, 256–266. [https://doi.org/10.1016/s2212-5671\(16\)00032-0](https://doi.org/10.1016/s2212-5671(16)00032-0)
- Boermans, M. A., & Roelfsema, H. (2015). Small firm internationalization, innovation, and growth. *International Economics and Economic Policy*, 13(2), 283–296. <https://doi.org/10.1007/s10368-014-0310-y>
- Darmanto. (2015). *Keterkaitan Antar Dimensi Orientasi Strategi dan Kinerja Pemasaran*. 96–110. <https://publikasiilmiah.ums.ac.id/xmlui/handle/11617/5131>
- Day, G. S., & Wensley, R. (1988). Assessing Advantage: A Framework for Diagnosing Competitive Superiority. *Journal of Marketing*, 52(2), 1–20. <https://doi.org/10.1177/002224298805200201>
- Fatach Ichwan, & Nursyamsiah, S. (2019). *The Effect of Responsive and Proactive Market Orientation on Product Innovation and Company Performance: A Case Study on MSMEs in the Culinary Field in D.I. Yogyakarta*.
- Ferdinand, A. (2000). *Manajemen Pemasaran: Sebuah Pendekatan Stratejik*.
- Fitriati, T. K., Purwana, D., & Buchdadi, A. D. (2020). The role of innovation in improving small medium enterprise (SME) performance. *International Journal of Innovation, Creativity, and Change*, 11(2), 232–250. https://api.elsevier.com/content/abstract/scopus_id/85081255705

- Hatta, I. H. (2015). Orientasi Pasar, Orientasi Kewirausahaan, Kapabilitas Pemasaran dan Kinerja Pemasaran I. *Jurnaljam.Ub.Ac.Id*. <https://jurnaljam.ub.ac.id/index.php/jam/article/view/815>
- Herman, H., Hady, H., & Arafah, W. (2018). The Influence of Market Orientation and Product Innovation on the Competitive Advantage and Its Implication toward Small and Medium Enterprises (Ukm) Performance. *International Journal of Science and Engineering Invention*, 4(08). <https://doi.org/10.23958/ijsei/vol04-i08/02>
- Hidayatullah, S., Firdiansjah, A., Patalo, R. G., & Waris, A. (2019). The Effect Of Entrepreneurial Marketing And Competitive Advantage On Marketing Performance. *INTERNATIONAL JOURNAL OF SCIENTIFIC & TECHNOLOGY RESEARCH*, 8(10). www.ijstr.org
- Jamaludin, M., Busthomi, H., Gantika, S., Rosid, A., Sunarya, E., & Nur, T. (2022). Market orientation and SCM strategy on SME organizational performances: the mediating effect of market performance. *Cogent Economics & Finance*, 10(1). <https://doi.org/10.1080/23322039.2022.2157117>
- Kamboj, S., & Rahman, Z. (2017). Market orientation, marketing capabilities, and sustainable innovation: The mediating role of sustainable consumption and competitive advantage. *Management Research Review*, 40(6), 698–724. <https://doi.org/10.1108/MRR-09-2014-0225>
- Kharisma, B. (2017). *Implikasi Inovasi Produk, Orientasi Pasar, Dan Kualitas Pelayanan Terhadap Kinerja Pemasaran (Studi Empirik Pada Umkm Berbasis Kuningan Di Kecamatan Tapen*. <https://repository.unej.ac.id/handle/123456789/82017>
- Mardikaningsih, R., Darmawan, D., & Anastasya Sinambela, E. (2022). *PENGEMBANGAN KEUNGGULAN KOMPETITIF UMKM MELALUI STRATEGI ORIENTASI PASAR DAN INOVASI PRODUK* (Vol. 5, Issue 2).
- Marlizar, M., Harahap, T. H., Alda, M. F., & Marwiadi, M. (2020). The Role of Market Orientation and Creativity in Affecting the Marketing Performance of Market Traders in Aceh Market Banda Aceh City. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 3(2), 1114–1127. <https://doi.org/10.33258/birci.v3i2.950>
- Michael Porter, & Kramer, M. R. (2011). *Creating Shared Value How to reinvent capitalism-and unleash a wave of innovation and growth*.
- Narver, J. C., & Slater, S. F. (1990). The Effect of a Market Orientation on Business Profitability. *Journal of Marketing*, 54(4), 20. <https://doi.org/10.2307/1251757>
- Nurcholis, L. (2020). The mediating effect of agility at relationship between market orientation and marketing performance. *Jurnal Manajemen Dan Pemasaran Jasa*, 13(1), 65–78. <https://doi.org/10.25105/jmpj.v13i1.5835>

- Organisation for Economic Co-operation and Development., & Statistical Office of the European Communities. (2005). *Oslo manual: guidelines for collecting and interpreting technological innovation data*. Organisation for Economic Co-operation and Development.
- Porter, M. E. (1985). *Technology and Competitive Advantage*.
- Puspaningrum, A. (2020). Market Orientation, Competitive Advantage and Marketing Performance of Small Medium Enterprises (SMEs). *Journal of Economics, Business, & Accountancy Ventura*, 23(1), 19. <https://doi.org/10.14414/jebav.v23i1.1847>
- Shiva, A., Aghazadeh, H., & Heidary, A. (2017). A Survey on the Effect of Exploration and Exploitation Approaches of Market Orientation on Innovation and Business Performance. *Journal of Business Management*, 9(3), 595–616. <https://doi.org/10.22059/JIBM.2017.127516.1805>
- Suryaningsih, L. P., Putu, I., Sukaatmadja, G., Nyoman, N., & Yasa, K. (2018). PERAN KEUNGGULAN BERSAING MEMEDIASI PENGARUH INOVASI PRODUK TERHADAP KINERJA PEMASARAN UMKM PRODUK ENDEK DI DENPASAR. *JUIMA : JURNAL ILMU MANAJEMEN*, 8(1). <https://doi.org/10.36733/JUIMA.V8I1.39>
- Talaja, A., Miočević, D., Alfirević, N., & Pavičić, J. (2017). Market Orientation, Competitive Advantage, and Business Performance: Exploring The Indirect Effect. *Drustvena Istrazivanja*, 26(4), 583–604. <https://doi.org/10.5559/di.26.4.07>
- Udriyah, Tham, J., & Ferdous Azam, S. M. (2019). The effects of market orientation and innovation on competitive advantage and business performance of textile smes. *Management Science Letters*, 9(9), 1419–1428. <https://doi.org/10.5267/j.msl.2019.5.009>
- Vorhies, D. W., & Morgan, N. A. (2005). Benchmarking Marketing Capabilities for Sustainable Competitive Advantage. In *Journal of Marketing* (Vol. 80).
- Winarso, W., Hady, H., Panday, R., & Untari, D. T. (2020). *Competitive Advantage and Marketing Performance on SMEs: Market Orientation and Innovation of Local Product in Bekasi, Indonesian*.
- Yasa, N. N. K., Ketut Giantari, I. G. A., Setini, M., & Rahmayanti, P. L. D. (2020). The role of competitive advantage in mediating the effect of promotional strategy on marketing performance. *Management Science Letters*, 10(12), 2845–2848. <https://doi.org/10.5267/j.msl.2020.4.024>
- YuSheng, K., & Ibrahim, M. (2020). Innovation Capabilities, Innovation Types, and Firm Performance: Evidence From the Banking Sector of Ghana. *SAGE Open*, 10(2). <https://doi.org/10.1177/2158244020920892>