




## The Effect of the Dimensions of Market Orientation and Technology Orientation on the Marketing Performance of SMEs in the Culinary Field in the Market Place

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INFO ARTIKEL	ABSTRAK
<p>Diterima, 6 Juni 2022 Disetujui, 24 Juni 2022 Diterbitkan 27 Juni 2022</p>	<p>Tujuan penelitian ini adalah untuk menganalisis sejauh mana pengaruh dimensi <i>market orientation</i>, <i>technology orientation</i> terhadap <i>marketing performance</i>. Sampel pada penelitian ini adalah UMKM bidang kuliner di Kota Bukittinggi yang ada di <i>market place</i> GO-JEK. Teknik pengambilan sampel pada penelitian ini adalah <i>nonprobability sampling</i> dengan jumlah sampel sebanyak 100 responden. Data yang digunakan adalah data primer yang diperoleh dari hasil tanggapan responden terhadap item pernyataan yang diajukan. Hasil penelitian ini menunjukkan bahwa: (1) Orientasi pelanggan berpengaruh signifikan positif terhadap kinerja pemasaran. (2) Orientasi pesaing berpengaruh signifikan positif terhadap kinerja pemasaran. (3) Orientasi teknologi berpengaruh signifikan positif terhadap kinerja pemasaran</p>
<p><b>Kata Kunci:</b> <i>Market Orientation, Technology Orientation, Marketing Performance</i></p>	<p>ABSTRACT</p>
<p>DOI:10.24036/jsme.xxxxxxxx</p>	<p><i>The purpose of this study is to analyze the influence of dimension market orientation, and technology orientation on marketing performance. The sample in this study is SMEs culinary in Padang city what's on the market place GO-JEK. The sampling technique in this study was non-probability sampling with a sample size of 100 respondents. The data used are primary obtained from the results of respondents' responses to the proposed statement items. The results of this study indicate that: (1) Customer orientation has a significant positive effect on marketing performance. (2) Competitor orientation has a significant positive effect on marketing performance. (3) Technology Orientation has a significant positive effect on marketing performance.</i></p>
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### INTRODUCTION

Economic activity is currently growing very rapidly. This is marked by developments in various MSME sectors. Micro, small and medium enterprises (MSMEs) have experienced good development from

time to time. The business people also produce various types of products. Small and medium enterprises are one of the breakthroughs in increasing economic growth in the midst of society to achieve adequate welfare. Micro, small and medium enterprises are the pillars of the Indonesian economy, because they help the community's economic growth. The development of MSMEs needs to get great attention from both the government and the community so that they can develop more competitively with other economic actors.

Government policies in the future need to be made more conducive to the growth and development of MSMEs. The government needs to increase its role in empowering MSMEs in addition to developing mutually beneficial business partnerships between large entrepreneurs and small entrepreneurs, and improving the quality of their human resources. The government basically has an obligation to help solve three classic problems that often hit MSMEs, namely market access, capital, and technology which have often been discussed at seminars or conferences. Overall, there are several things that must be considered in developing MSME business units, including working conditions, promotion of new businesses, access to information, access to financing, market access, improving product quality and human resources, availability of business development services, cluster development, network business, and competition.

However, due to the Covid-19 pandemic that has hit the whole world, including Indonesia, it has quite affected the performance of the MSME market in Indonesia. The LIPI Economic Research Center has conducted a Rapid Assessment Survey on the Impact of the COVID-19 Pandemic on the Performance of Indonesian MSMEs. The Rapid Assessment Survey on the Impact of the COVID-19 Pandemic on the Performance of Indonesian MSMEs was conducted online from 1 – 20 May 2020, and involved 679 respondents with the main livelihood as business actors. The COVID-19 pandemic has caused operating profits to decrease significantly as production costs remain fixed or even increase while sales decline.

The presence of e-commerce or marketplaces has helped many entrepreneurs with low capital or MSMEs to be able to exist during the Covid-19 pandemic. This is recorded in the results of the Katadata Insight Center (KIC) survey entitled "MSME Study Report 2021. From the survey results it can be seen that the pandemic for more than one year has had an impact on the decline in sales volume and turnover of MSME entrepreneurs who have shops or commonly referred to as offline. This decline in offline sales was experienced by more than 70% of MSMEs. As a result, MSMEs, which before the pandemic only sold offline, began to switch to opening online businesses during the pandemic.

There are also many market places in the Padang city, for example Maxim, Grab, OK-JEK, and GO-JEK. In this study, the market place used is GO-FOOD, a program from GO-JEK. In the Padang city, there are 1,212 MSMEs partnering with GO-JEK. The large number of culinary MSMEs in the city of Padang is very clear, making competition between MSMEs increase which has an impact on the performance of each of these MSMEs. Like SMEs in other fields, SMEs in the culinary field in the Padang city are also in a competitive condition to create value and win the competition. In the context of competition, all MSMEs in the culinary field in the Padang city must be able to create and exploit culinary business advantages which are expected to be a competitive advantage in facing the existing competitive pressures. All culinary SMEs in the Padang city hope that their competitive advantage can become a sustainable advantage that can affect the performance of every culinary business.

## **LITERATURE REVIEW**

### **Marketing Performance**

Pelham (1997) says three indicators of marketing performance are company effectiveness, sales growth and relative profit growth. The marketing performance variable refers to Song and Parry (1997:3) formed by three indicators, namely sales growth, customer growth and sales volume.

### Customer Orientation

Customer orientation or customer orientation is an approach to customers in order to find out what customers want. Indicators of customer orientation are to be able to obtain information, disseminate information, and implement about consumers (Johnson et al, 1995).

### Competitor Orientation

Competitor orientation or competitor orientation is an approach to competitors, we must be able to understand the strengths and weaknesses of competitors. Indicators of competitor orientation are competitors' weaknesses and strategies (Narver and Slater, 1990).

### Technology Orientation

Technology orientation is the approach and introduction of the latest technology. Indicators of technology orientation are new technology expertise, integrating new technology, new product innovation (Spanjolek et al, 2011). The following is a conceptual framework for this research::

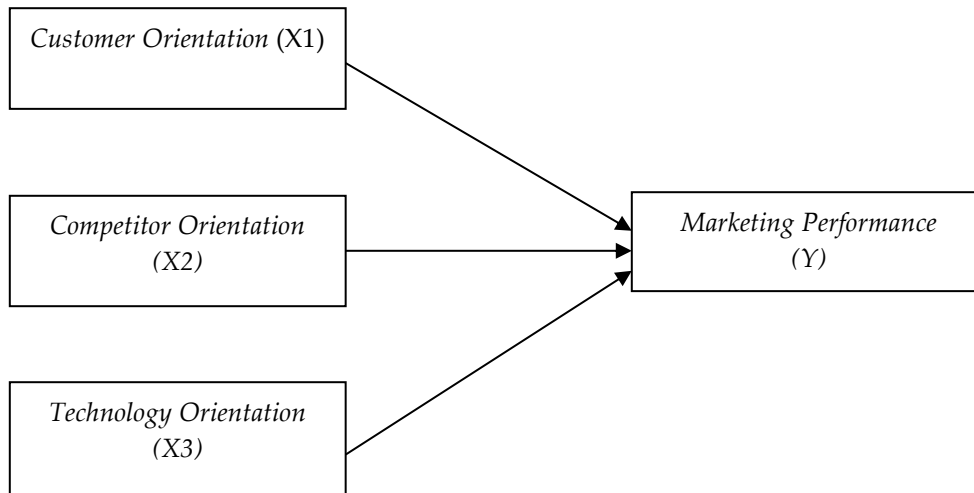


Figure 1. Research Model

## METHOD

The population in this study is MSMEs in the culinary field in the city of Padang in partnership with the GO-JEK market place. The sample method used is a non-probability sampling method. And the number of samples used is 100 respondents. This data collection was carried out by distributing questionnaires directly to MSMEs in the culinary field in the city of Padang in partnership with the GO-JEK market place. The data analysis used in this research is multiple regression analysis technique assisted by using SPSS application.

## RESULT AND DISCUSSION

The data analysis technique used in this study is a multiple regression analysis technique assisted by using the SPSS application. So that research data can be used in data processing with these analytical techniques, it is necessary to test the classical assumptions. Where the normality test was carried out using the Kologrov Smirnov method and obtained significant results from the normality test results of

0.200> greater than the standard significance of 0.05. So it can be concluded that the data in this study were normally distributed.

From the results of the multicollinearity test, information was obtained that the three exogenous variables had VIF scores that met the VIF criteria < 10.00. Furthermore, the three exogenous variables had Tolerance scores that met the Tolerance criteria > 0.10. It can be concluded that there is no high correlation between exogenous variables.

Furthermore, based on the results of the heteroscedasticity test that has been carried out, it can be seen that each independent variable that is regressed with the Abs\_res variable already has a sig value above the 0.05 confidence level so it can be concluded that all research variables that will be formed into a multiple regression model or path analysis have been free from symptoms heteroscedasticity so that further data processing stages can be carried out immediately.

Finally, based on the results of the linearity test, it can be seen that there is a linear relationship between marketing performance and customer orientation because it has a significant deviation from linearity value of 0.221 > 0.05. Then there is a linear relationship between marketing performance and competitor orientation, obtaining a significant deviation from linearity value of 0.249 > 0.05, and there is a linear relationship between marketing performance and technology orientation because it has a significance of 0.413 > 0.05. Based on data analysis using SPSS 25, the results of data processing are as follows:

**Table 1. Coefisien Regresi**

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	.384	1.601		.240	.811
	<i>Customer Orientation</i>	.114	.045	.198	2.554	.012
	<i>Competitor Orientation</i>	.153	.045	.299	3.410	.001
	<i>Technology Orientation</i>	.296	.061	.422	4.815	.000

a. Dependent Variable: KINERJA

Source: Primary Data 2021

Based on table 1. above, the following regression equation results are obtained:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

$$Y = 0.384 + 0.114X_1 + 0.153X_2 + 0.296X_3 + e$$

The regression equation above shows the relationship between the independent variable and the dependent variable partially, from the equation it can be concluded:

1. Constant value is 0.384, which is a constant or state when the marketing performance variable has not been influenced by the customer orientation variable (x1), competitor orientation variable (x2), and technology orientation variable (x3). This means that if there is no change in the variables of customer orientation, competitor orientation and technology orientation (the values of x1, x2 and x3 are 0) then the marketing performance variable will also not change.
2. The value of the customer orientation regression coefficient is 0.114, meaning that if the customer orientation variable (x1) increases by 1% assuming the competitor orientation variable (x2), technology orientation variable (x3) and constant (a) is 0, then the marketing performance at Culinary SMEs in Padang City increased by 11.4%. This shows that customer orientation (x1) makes

a positive contribution to the marketing performance of SMEs in the city of Padang. The better the customer orientation, the marketing performance of SMEs in Padang City will also increase.

3. The value of the competitor orientation regression coefficient is 0.153, meaning that if the competitor orientation variable (x2) increases by 1% assuming the customer orientation variable (x1), technology orientation variable (x3) and constant (a) is 0, then the marketing performance at SMEs in Padang City increased by 15.3%. This shows that competitor orientation (x2) contributes positively to the marketing performance of SMEs in Padang City. The better the competitor orientation, the marketing performance of SMEs in Padang City will also increase.
4. The value of the technology orientation regression coefficient is 0.296, meaning that if the technology orientation variable (x3) increases by 1% with the assumption that the customer orientation variable (x1), competitor orientation variable (x2) and constant (a) is 0, then the marketing performance of SMEs in Padang City increased by 29.6%. This shows that the technology orientation variable (x3) contributes positively to the marketing performance of SMEs in the city of Padang. The better the technology orientation, the marketing performance of SMEs in Padang City will also increase.

Based on the table. 1 above, by observing column t and sig. can be explained as follows:

1. From the results of data processing above, it is obtained that the t count of customer orientation on marketing performance is  $2.554 > 1.97705$  at a significant  $0.012 < 0.05$  meaning that there is a positive and significant influence between customer orientation on marketing performance. Means that the value of is greater than abel ( $2.554 > 1.97705$ ) then  $H_0$  is rejected and, The Effect of Customer Orientation Variables on Marketing Performance ( $H_1$ ) is accepted.
2. In the table above, it can be seen that the t-count value of competitor orientation on marketing performance is  $3.410 > 1.97705$  at a significant  $0.001 < 0.05$  meaning that there is a positive and significant influence between competitor orientation on marketing performance. Means that the value of is greater than abel ( $3.410 > 1.97705$ ) then  $H_0$  is rejected and The Effect of Competitor Orientation Variables on Marketing Performance ( $H_2$ ) is accepted.
3. From the results of data processing above, it is obtained that the t count of technology orientation on marketing performance is  $4.815 > 1.97705$  at a significant  $0.000 < 0.05$  meaning that there is a positive and significant effect between coordination between functions on marketing performance. It means that the value of is greater than abel ( $4,815 > 1,97705$ ) then  $H_0$  is rejected and 3, The Effect of Technology Orientation Variables on Marketing Performance ( $H_3$ ) is accepted.

## Determination Test

**Table 2. Determination Test**

<b>Model Summary<sup>b</sup></b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.654 <sup>a</sup>	.428	.410	1.628
a. Predictors: (Constant), Orientasi Teknologi, Orientasi Pelanggan, Orientasi Pesaing				
b. Dependent Variable: KINERJA				

Source: Primary Data 2021

Based on table 2. above, it is known that the value of the coefficient of determination contained in the R Square value is 0.428. This means that the ability of the independent variables, namely customer orientation (x1), competitor orientation (x2) and technology orientation (x3) in explaining marketing performance variables is 42.8%, the remaining 57.2% is explained by other variables not discussed in this study.

## Discussion

This study examines the effect of customer orientation (x1), competitor orientation (x2) and technology orientation (x3) on marketing performance of SMEs in Padang City. Based on the results of the regression analysis conducted in this study, it can be explained as follows: The results of the analysis of data processing known the value of sig.  $0.012 < 0.05$  then also seen from the value of  $0.114$  which means that the customer orientation variable has a large influence on the marketing performance variable. This means that if the customer orientation variable (x1) increases by 1% with the assumption that the competitor orientation variable (x2), technology orientation (x4 and constant (a) is 0, then the marketing performance of SMEs in Padang City increases by 11.4%. shows that customer orientation (x1) makes a positive contribution to the marketing performance of SMEs in Padang City. The better customer orientation, the marketing performance of SMEs in Padang City will also increase.

Based on previous research, according to Akimova (1999) in Gita (2016), the market orientation dimension has a positive influence on competitive advantage. Because in market orientation there are indicators of customer orientation. The company will provide superior value and level of customer satisfaction. According to Bharadwaj et al, (1993) stated that corporate culture emphasizes the importance of the company in paying attention to the market will lead to strengthening the company's competitive advantage. From the description above, it can be concluded that customer orientation has a positive effect on marketing performance.

In the study Day and Van den Bulte (2002) found that customer-related abilities consisting of customer relationship orientation, information and configuration have positive effects on customer retention, sales growth, profitability, and marketing performance. This is supported by Jayachandran et al. (2005), who found that customer relationship orientation has a positive effect on market performance. Ramani and Kumar (2008), found that the company's ability to interact with individual customers leads to an increase in market performance. According to Hanna Salojärvi et al (2015), Yura and Bambang (2016), Adijati Utaminingsih (2016), Agesti Wulandari (2016) in their research customer orientation has a significant positive effect on marketing performance.

Table 1 shows the value of sig.  $0.001 < 0.05$  then also seen from the value of  $0.153$  which means that the influence of the competitor orientation variable on the marketing performance variable. This means that if the competitor orientation variable (x2) increases by 1% with the assumption that the customer orientation variable (x1), technology orientation (x3) and constant (a) is 0, then the marketing performance of SMEs in Padang City increases by 15.3%. This shows that competitor orientation (x2) contributes positively to the marketing performance of SMEs in Padang City. The better the competitor orientation, the marketing performance of SMEs in Padang City will also increase. Based on the explanation above, it means that the second hypothesis which reads that there is a significant and positive influence between competitor orientation on marketing performance in SMEs in Padang City is partially acceptable. The higher the competitor orientation, the higher the marketing performance of SMEs in Padang City will be. Bharadwaj, et al (1993) in Gita (2016) states that companies emphasize the importance of companies in paying attention to the market which will lead to strengthening the company's competitive advantage. From the description above, it can be concluded that competitor orientation has a positive effect on marketing performance. Sukma and Harniza (2011), Yunita and Bambang (2016), Agesti Wulandari (2016) in their research also show that competitor orientation has a significant positive effect on marketing performance.

The results of data analysis show the value of sig.  $0.000 < 0.05$  and then seen from the value of  $0.296$  which means that the technology orientation variable has a large influence on the marketing performance variable. This means that if the technology orientation variable (x3) increases by 1% assuming the customer orientation variable (x1), competitor orientation variable (x2) and the constant (a) is 0, then the marketing performance of SMEs in Padang City increases by 26.7%. This shows that the technology orientation variable (x3) contributes positively to the marketing performance of SMEs in the

city of Padang. The better the technology orientation, the marketing performance of SMEs in the city of Padang will also increase.

## CONCLUSION

This study was conducted to see whether the dimensions of Market Orientation, Technology Orientation, on Marketing Performance in MSMEs in the culinary field in the city of Padang are in the market place. Based on the introduction, theoretical studies, and data processing as well as discussions related to the results of data processing that have been reviewed in the previous chapter, it can be concluded as follows: Variable customer orientation has a significant and positive direct influence on marketing performance, it can be concluded that customer orientation positive effect on marketing performance.

Furthermore, the competitor orientation variable has a significant and positive direct influence on marketing performance, which means that the higher the competitor orientation, the higher the marketing performance for SMEs in Padang City. Variable technology orientation has a significant and positive influence on marketing performance. So the better the technology orientation, the marketing performance of SMEs in the city of Padang will also increase.

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