

## RESEARCH ARTICLE

## The Effect of Market Orientation, Entrepreneurial Orientation and Learning Orientation on Marketing Innovations and their Implications on the Marketing Performance of Micro Actor in Bandung Metropolitan Area

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## ABSTRACT

Micro, small, and medium enterprises (MSMEs) are pivotal in propelling the global economy forward. However, the ongoing instability in the global and national economic landscape, exacerbated by the far-reaching effects of the COVID-19 pandemic, has cast a shadow over MSMEs, particularly in the realm of marketing performance, which has witnessed a noticeable decline. This study aims to dissect, evaluate, and scrutinize marketing strategy orientation, encompassing market orientation, entrepreneurial orientation, and learning orientation. By embarking on this exploration, we aim to shed light on the intricate relationships between these orientations and their impact on marketing innovation, with far-reaching implications for optimizing marketing performance among micro-actors operating within the dynamic food and beverage business sector of the Greater Bandung Metropolitan area. Our research employs a blend of descriptive analysis and verification. The research focused on food and beverage micro-enterprises in the Bandung Metropolitan Area, with a sample size of 350, and implemented a stratified cluster proportional random sampling technique for effective sampling. The analytical framework we deploy is rooted in multivariate statistics and underpinned by the Structural Equation Modeling Test (SEM). Our findings reveal a generally favorable landscape, with market orientation, entrepreneurial orientation, learning orientation, marketing innovation, and marketing performance residing within the categories of quite good to good. This research also validates certain indicators that wield influence, collectively or individually, over market orientation, entrepreneurial orientation, and learning orientation concerning marketing innovation. Importantly, it underscores the pivotal role of marketing innovation in steering the marketing performance of micro-business actors within the vibrant food and beverage sector of the Bandung Metropolitan Area.

## **INTRODUCTION**

MSMEs (micro, small, and medium enterprises) have a central role in driving the wheels of the global economy. Currently, the global and national economies are in an unstable condition. This is caused by the impact of the COVID-19 pandemic, especially on the marketing aspect (Do Nguyen & Nguyen, 2023). On a global economic level, the COVID-19 pandemic has significantly impacted the world economy, state interest, and the existence of MSMEs. Nonetheless, MSMEs are believed to be the backbone and support of a country's economy because of their dynamic and adaptive nature in a broad range of market states. MSME businesses are a proper choice for start-up business actors facing the global economy's downturn (Kreiser et al., 2023). The Organisation for Economic Cooperation and Development (OECD) mentioned that this pandemic implicates the risk of an immense economic crisis, which is indicated by the stopping of production activity in many countries, the fall of consumption levels, the disappearance of consumer confidence, and the fall of stock exchanges, which in the end leads to uncertainty (Saoula et al., 2023). If it continues, the OECD predicts that there will be an output level decrease of between a fifth and a quarter in many countries, with the potential for consumer expenditure to reduce by up to around a third. (Pata & Samour, 2023). Several international institutions have released their predictions regarding global economic growth in 2020, such as JP Morgan, which claimed that the global economy's progress will be at minus 1,1 percent, and the International Monetary Fund (IMF), which actually foretold that the global economy would grow at minus 1,1 percent (Pata & Samour, 2023). Indonesian MSMEs have only a low level of involvement in the global chain compared to other countries in the Asia-Pacific area. MSME's performance towards Indonesia's economy hasn't appeared to be optimal. As a developing country, Indonesia is included in the top ten ASEAN countries with low economic growth, one of which is caused by less optimal MSME growth. MSMEs support the Indonesian economy for about 99.99% of the business total in Indonesia (Sulastini, 2023). To build the national economy, MSMEs need to be empowered to allow their' objectives to be achieved as a powerful and independent business and to improve

MSMEs' role in regional development, job creation, fair income distribution, poverty alleviation, and economic growth (Saoula et al., 2023). To see the current MSMEs potential and performance, as well as to estimate their prospects in the future, it is required to conduct an analysis of MSMEs performance (Wang et al., 2023).

MSMEs also contribute to Indonesia's Gross Domestic Income (GDI) by combating poverty through high employment and enhancing the economy of underprivileged citizens by equalizing their economic level right up to remote areas. MSMEs also contribute to foreign exchange income for the country because the market reaches the national scale and the international and global markets. In Maheshwari and Kha (2022), CNN of Indonesia stated that MSMEs contribution to GDI has shown an improvement from 57,84% to 60,34%, and job creation as a form of MSMEs participation in Indonesia has improved from 96.66% to 97,22% over the last 5 years. The Ministry of Cooperation and MSMEs, Beliaeva et al. (2020) declared that MSMEs can be considered while improving market competitiveness and existing economic system stability with a high marketing performance. As Indonesia's biggest informal sector operators who consume the largest workforce, MSMEs play an important role in the economic system (Akbar et al., 2020). MSMEs' contribution to the country's economy is massive; the following are MSME's contributions to the Indonesian economy: Pata and Samour (2023), namely MSMEs, engage 89,2% of the total workforce, provide up to 99% of total job creation, supply 60,34% of the total national GDI, contribute 14,17% of total MSMEs exports, and provide 58,18% of total investment. In the Indonesian economy, the MSME's predominance is equally important in contributing to workforce consumption. MSMEs can employ up to 53,6 million people (76,28%). MSMEs participate in workforce consumption, which reaches up to 98.7% (Beliaeva et al., 2020; Dhaouadi, 2021). Of the 99.9% of total MSME business units in Indonesia, this microbusiness dominates the business scale in Indonesia, whose amount reaches 63 million units, whereas small businesses reach 783,000 units (Cruz Rincon et al., 2022). According to publication data of the Ministry of Cooperation and MSMEs, it is stated that the

number of micro-businesses is improving significantly throughout the year 2016 until 2028. Aside from the number of unit developments, MSMEs must have proper performance to contribute to the maximum of the country (Do Nguyen & Nguyen, 2023).

MSMEs will contribute the most if there's an increase in MSMEs performance, which certainly requires support and effort between government, business, community, academia, and the media synchronously (Alhamidi et al., 2021; Damayanti et al., 2022; Gao & Qin, 2022; Idawati & Sumartini, 2020; Kreiser et al., 2023). These various parties will collaborate in a sustainable process of MSME enlargement and improvement called pentahelix collaboration. Government policies are capable of helping MSMEs develop their marketing performance. The degenerated economy caused by the coronavirus outbreaks (COVID-19) significantly impacted MSMEs, particularly in marketing; therefore, the government provided industrial support totaling Rp. 70,1 trillion and business support worth Rp. 150 trillion (Meekaewkunchorn et al., 2021). Assistance from the government will strengthen MSME's competitiveness in the Indonesian economy. As a business whose majority is operated by a middle- to lower-class population, MSMEs number distribution also follows the population distribution. Iwa Soemantri (2020) also specified that most MSMEs are not registered, so they don't have access to either tax or government programs. Those varieties of weaknesses will indeed inhibit MSME's performance in Indonesia, whose role is truly impactful for the Indonesian economy, particularly for the middle- to lower-income population. As a part of the economy, MSMEs should also improve their competitiveness by generating innovation. Innovation-based competitive excellence and creativity must be prioritized because they have resiliency and a longer time frame (Ogbari et al., 2018).

The success of a business can be determined by its operation period, which is the span of time a business or company generates or produces goods or services. A company established for a long time usually has a more solid strategy to survive while doing its economic activity (Poudel et al., 2019). The longer a company functions, the greater the assumption that it has various experiences in terms

of advancement and obstacles encountered. However, only about a quarter of MSMEs in Indonesia have been operating commercially for more than 15 years. About the existing problem, the output of this research is expected to optimize marketing performance for MSMEs (Prabowo et al., 2022). The edge over their competitors for those involved in the world of micro, small, and medium-sized enterprises (SMEs) is not just based on variables such as having an outstanding product and marketing procedure but also on various roles played by business actors in conceptualizing and considering how entrepreneurial activity that is run will continue to operate as time passes (Jatmiko, 2022). To succeed in the world of business, marketing efforts must focus on customer needs and product quality (Kencana & Giantari, 2021). Although market orientation is a key factor influencing company competitiveness and economic viability, it is crucial to investigate and study it as it relates to company success (Morgan et al., 2020). According to a different viewpoint, a market-oriented organizational culture can improve marketing efficacy (Do Nguyen & Nguyen, 2023). Market orientation is built on certain assumptions that categorize the notion as not being a duty of the marketing team but rather including every division in the gathering, propagation, and monitoring market information. An entrepreneurial orientation can promote an increase in MSME effectiveness. Rules, actual work, and fundamental practices are all intimately tied to entrepreneurial-oriented beliefs to produce entrepreneurial activities (GS & Soemantri, 2020). According to Dhaouadi (2021), GS and Soemantri (2020), Iwa Soemantri (2020), Meekaewkunchorn et al. (2021), and Soomro and Shah (2022), entrepreneurship orientation can be used to characterize a business's method of accessing emerging markets through a creative, taking chances, and proactive approach. Individuals need an entrepreneurial attitude to investigate company strategies and seize possibilities that other organizations cannot (Fadli et al., 2022; Hoang et al., 2020; Kencana & Giantari, 2021). Accordingly, the development and attainment of company success are highly associated with entrepreneurial orientation (Dhaouadi, 2021).

Marketing innovation can also be a differentiating strategy (differentiation) in business competition,

resulting in superior competitive MSMEs and a real contribution to the Indonesian economy. In research by Alhamidi et al. (2021), it was stated that marketing performance is very important if supported by an understanding of strategic orientation, where innovation can also be a factor that affects the marketing performance of a business. In the article, Branstad and Solem (2020) specified that market orientation becomes a benchmark of a business's marketing performance. MSMEs make a massive contribution to the Indonesian economy, yet they have less optimal performance. Marketing performance is generally a significant component of a company's performance, as can be observed from the marketing performance that has been done so far (Gao & Qin, 2022).

In this research, three aspects of marketing strategic orientation are elaborated, namely market orientation, entrepreneurial orientation, and learning orientation, which highly support optimal marketing performance for micro actors in the Bandung metropolitan area. This research discusses marketing strategic management, a new and unstudied locus of research concerning marketing performance in terms of the influence of marketing performance and the role of marketing innovation. Between the two, Beliaeva et al. (2020) and Maheshwari and Kha (2022) are based on strategic orientation, including market orientation, entrepreneurial orientation, and learning orientation. According to some previously discussed principal problems regarding MSME's performance that haven't been optimal, MSMEs must improve reorientation (transform mindset from quantity-oriented to quality-oriented), technical, operational, and innovation abilities to achieve optimal marketing performance. Martinez et al. (2018) are interested in conducting research on market-driven strategy in developing the marketing performance of Bandung metropolitan micro actors through a research title analysis of the effect of market orientation, entrepreneurial orientation, and learning orientation on marketing innovations and their implications on the marketing performance of micro actors in Bandung metropolitan area.

Based upon this introduction, it can be formulated several research questions that are wished to be resolved through this research, which are:

- How does market orientation affect the Bandung Metropolitan Area micro actors?
- How is entrepreneurial orientation on the micro actor in the Bandung Metropolitan Area?
- How is learning orientation on micro actors in the Bandung Metropolitan Area?
- How is marketing innovation on the micro actor in the Bandung Metropolitan Area?
- How is the marketing performance of the micro actor in the Bandung Metropolitan Area?
- How much influence do market orientation, entrepreneurial orientation, and learning orientation have on the marketing innovation of micro actors in the Bandung Metropolitan Area?
- How much impact does market orientation have on the marketing innovation of micro actors in the Bandung Metropolitan Area?
- How much influence does entrepreneurial orientation have on the marketing innovation of micro actors in the Bandung Metropolitan Area?
- How much impact does learning orientation have on the marketing innovation of micro actors in the Bandung Metropolitan Area?
- How much influence does marketing innovation have on the marketing performance of micro actors in the Bandung Metropolitan Area?

## **LITERATURE REVIEW**

Analysis of the effect of market orientation, entrepreneurial orientation, and learning orientation on marketing innovations and their implications on the marketing performance of micro actors in the Bandung metropolitan area is the title of the author's research project on market-driven strategy in developing the marketing performance of Bandung metropolitan micro actors, as well as the resource-based theory involved in this research.

### **Resource Based View (RBV) theory**

The Resource-Based View (RBV) theory is a prominent strategic management and organizational theory framework. RBV focuses on how a firm's unique resources and capabilities can provide a sustainable competitive advantage (Beliaeva et al., 2020). It can be integrated with concepts like market orientation, entrepreneurial orientation, learning orientation, market innovation, and market performance to create a comprehensive framework for understanding

how firms can achieve sustainable competitive advantages. A market-oriented company recognizes client preferences as a significant resource when combined with a resource-based view (Cruz Rincon et al., 2022). As one of the company's key competencies, this resource can be created, improved upon, and utilized. Market-oriented businesses frequently have customer and market insights that are difficult for rivals to match, giving them a competitive advantage (Hoang et al., 2020). An important resource for businesses with an entrepreneurial mindset may be their capacity to spot and seize opportunities. In the resource-based view framework, innovative businesses constantly look for new assets and skills that complement evolving market opportunities, enabling them to adjust and flourish in unpredictable circumstances. A learning-oriented company that uses a resource-based approach realizes the value of its capacity to learn and use new information. This resource helps the company maintain its competitive edge by quickly absorbing new technologies, trends, and market information. According to Kreiser et al.'s (2023) framework, market innovation may be seen as a dynamic capability that uses a company's assets and skills to provide distinctive and worthwhile market offerings. By setting the company apart from its competitors in the market, such innovations can give the company a competitive advantage. According to Meekaewkunchorn et al. (2021), a company's market performance results from efficiently using its resources and competencies, including its market orientation, entrepreneurial orientation, learning orientation, and market innovation. A company that successfully integrates these perspectives will likely outperform and maintain a competitive edge (Sahi et al., 2020).

### **Strategic orientation**

According to Sahi et al. (2020), strategic orientation can be defined as a strategic direction applied by a company to establish a proper attitude for constant superior business performance. Ogbari et al. (2018) defined a company's strategic orientation as a process of how an organization views the environment, determines its purpose, allocates resources, arranges the value creation process, and builds organizational and dynamic competency. Determining how businesses express business unit-level strategies is

based on strategic orientations (Iwa Soemantri, 2020). Their significance stems from strategic orientations' capacity to distinguish between various companies according to their tactics. Structured knowledge and insight into how businesses may effectively internally organize and outwardly position their organizations to harmoniously meet the marketplace's needs can be gained by examining basic distinctions in how enterprises strategically orient themselves (Ogbari et al., 2018). To help the organization establish an ongoing competitive edge and enhance performance, strategic orientations are frequently characterized in terms of a company's strategic patterns, which characterize its activities and behaviors (Alhamidi et al., 2021; GS & Soemantri, 2020). Strategic orientation refers to an organization's overall approach and mindset when formulating and implementing its strategic decisions and actions. It reflects the organization's fundamental beliefs, values, and guiding principles regarding how it should compete, create value, and achieve its long-term objectives. The resource-based view theory considers company strategic orientation a vital organizational resource (Alhamidi et al., 2021; Iwa Soemantri, 2020; Shah & Ahmad, 2019). Strategic orientation is valuable, unusual, cannot be traded perfectly, and is a difficult-to-imitate resource. It can transform into a significant source of competitive superiority. Market orientation, entrepreneurial orientation, and learning orientation are three strategic orientations with significant implications for business performance (Beliaeva et al., 2020; GS & Soemantri, 2020).

*Market orientation:* Market orientation is the most important business strategy for improving marketing performance in an organization compared with other strategic orientations (Alhakimi & Mahmoud, 2020). Market orientation is the key to developing business performance. Market orientation is a marketing concept in a company; therefore, it is considered the "heart of management and modern marketing strategy" (Martinez et al., 2018). Market orientation properly measures a company's ability to interact with its clients and react to competitors' moves. Martinez et al. (2018), and from other theoretical perspectives, it has been considered a significant company ability. Market orientation is essential for companies in keeping with the increase of universal

competition and the transformation in customer demand, where enterprises recognize that they need to constantly stay in touch with their market (GS & Soemantri, 2020). Market orientation is a business custom where corporations are devoted to remaining creative in generating superior customer value. Prabowo et al. (2022) and Sulastini (2023) identified market orientation as the most effective organization custom in forming an important attitude to generate superior value for buyers and performance in business. In contrast, Pata and Samour (2023) interpreted a process and activity associated with the production and gratification of customers by evaluating customers' needs and wants as market orientation.

Market orientation implementation will bring out performance enhancements for the company. Martinez et al. (2018) claimed that market orientation comprises three elements: customer orientation, competitor orientation, and inter-functional coordination. Customer and competitor orientation, consisting of its entire activity, is included in gaining information regarding buyers and competitors of the intended market and spreading it through business. At the same time, inter-functional coordination is based on customer and competitor information and consists of organized business (Iwa Soemantri, 2020). Customer orientation is also a sufficient understanding of the customer's purchase target to continuously establish superior value for consumers. Here, it involves the overall buyer value chain, both at the present and at the moment of its development in the future. This attempt can be realized through the information-seeking process regarding the customer (GS & Soemantri, 2020). With that information, a sales company will understand anyone and what its potential client desires at this time or in the future. From this explanation, it can be comprehended that market orientation requires the company's capability to look for market information; therefore, it can be used as a foundation by the enterprise to plan the next decision or strategy, while competitor orientation signifies that the enterprise realizes the short-term strength, weakness, long-term strength, and strategy of its possible competitor (Martinez et al., 2018). The competitor-oriented company is often perceived as

an enterprise with a plan and figuring out how to get and share information concerning competitors, how to respond to competitors' moves, and how top management addresses competitors' strategies (Fadli et al., 2022). Orientation on competitors can be seen when sales force efforts are made to collect information regarding opponents and distribute it to other company functions, for instance, division research and product development, or to discuss with company leaders how competitors' strengths and strategies are perfected (Dhaouadi, 2021).

In prior research, the impact of market orientation on market performance has been determined (Alhamidi et al., 2021; Boso et al., 2013; Dhaouadi, 2021; Fadli et al., 2022; Idrus et al., 2020; Martinez et al., 2018; Prabowo et al., 2022). Idawati and Sumartini (2020) divided three indicators that are applied in measuring market orientation in this research: 1) Customer orientation is the company's will to understand its clients; 2) competitor orientation is the company's will to monitor its competitors. 3) Interfunctional coordination is the use of coordinated company resources to generate superior value for targeted customers, which alludes to specific aspects of the organizational structure that support communication within separate organizational functions.

*Entrepreneurial orientation:* Entrepreneurial orientation can increase information gathering regarding customers, competitors, suppliers, and markets, encouraging company skill development. Entrepreneurial orientation is highly important to enhance innovation, and innovation is an essential booster for MSMEs. Shah and Ahmad (2019) are the people who showed that entrepreneurial orientation is commonly illustrated as a mindset for helping companies grow and do a better job. Jatmiko (2022) specified entrepreneurial orientation as a way of looking at managing a company that assesses the experience of taking risks proactively, being flexible, and being anticipatory. Alhamidi et al. (2021) described entrepreneurial orientation as a method, practice, and decision-making style managers use to act entrepreneurially. It includes processes such as experimenting with new promising technology, being willing to utilize new product market opportunities, and having a tendency to perform risky business. Entrepreneurial

orientation is considered an important company skill (Jatmiko, 2022). Shah and Ahmad (2019) defined entrepreneurial orientation as the degree to which entrepreneurs or managers are prepared to take business hazards, support modifications, develop, and continuously seek novel possibilities. Meekaewkunchorn et al. (2021) stated the degree to which staff members are engaged in entrepreneurial actions that are encouraged (or not supported) by the business's atmosphere and organizational structure. According to Shah and Ahmad (2019) and Song et al. (2021), entrepreneurial orientation influences behavior, executive thought, and the application of entrepreneurial strategic thinking, and it directs businesses to enter either new or current markets with either new or present offerings. According to Wang et al. (2023), entrepreneurial orientation has become a valuable resource that may be widely utilized in the business world.

According to Saoula et al. (2023) and Werastuti (2018), entrepreneurial orientation is a practice used by business units to carry out the business area for the benefit of the company section. Before MSMEs establish market orientation, entrepreneurial orientation serves as an initial foundation. Developing novel goods and innovative products and dealing with market rivals contribute to this entrepreneurial orientation (Shah & Ahmad, 2019; Song et al., 2021). Entrepreneurial orientation includes innovative thinking, taking risks, and being proactive (Soomro & Shah, 2022; Sulastini, 2023). If MSMEs innovate their business practices, business performance will be at its best (Iwa Soemantri, 2020; Kreiser et al., 2023; Maheshwari & Kha, 2022). If MSMEs want to become more competitive, they must be innovative and develop new concepts. In fact, it is a given that SMEs will be rewarded with an entrepreneurial attitude if all these traits are implemented. MSMEs can readily develop market orientation due to entrepreneurial orientation (Samydevan et al., 2021; Saoula et al., 2023; Shah & Ahmad, 2019). Entrepreneurial orientation is an inventive and unfamiliar capability employed as a foundation and resource to look for opportunities for success. The entrepreneurial orientation dimension in this research utilizes four dimensions as follows: Meekaewkunchorn et al. (2021): 1) Risk-taking, 2) Innovativeness,

3) Proactiveness, 4) Autonomy, and Competitive Aggressiveness.

*Learning orientation:* Learning orientation is an organizational feature that affects a company's tendency towards value learning and drives changes in the organization's basic norms. Learning orientation is a consequence of proactive behavior toward organizational learning (Dhaouadi, 2021). Learning orientation is related to knowledge development in organizations to achieve market opportunity (Hoang et al., 2020; Martinez et al., 2018). Some writers assume learning orientation is another important company capability (Meekaewkunchorn et al., 2021; Prabowo et al., 2022). Sawaeen and Ali (2020) defined learning organization as a process where an organization or company learns to possess competence in creation, study, and knowledge transfer, along with an attitude from the company to speculate on learning outcomes. Prabowo et al. (2022) defined Learning orientation as a process where individuals will obtain new knowledge and insight, which will further be conceptualized to develop organizational values that affect the possibility of enterprise to generate and use knowledge. Learning orientation impacts organizational satisfaction levels with the theory used and the level of proactive learning.

Along with self-confidence, learning orientation must also be considered concerning education regarding entrepreneurship and the growth of entrepreneurial plans, particularly from a practical standpoint, because it is likely that overall educational introductions may shift as time passes according to circumstances and situations (Meekaewkunchorn et al., 2021). Learning orientation, therefore, has an individual component, even though it exhibits trait features (Martinez et al., 2018). Because of this, the idea may appeal to entrepreneurial educators as it presents a chance to meditate and aid in job choice, particularly for young people (Dhaouadi, 2021; Hoang et al., 2020). Scholars have been concentrating on learning orientation for many years now. As an important mindset toward education, learning orientation represents the role played by individuals and organizations in promoting organizational methods of learning (Martinez et al., 2018; Sawaeen & Ali, 2020). Similarly, according to Meekaewkunchorn

et al. (2021) and Prabowo et al. (2022), learning orientation is viewed as an organizational value that affects an organization's inclination to create and use knowledge. Learning orientation is a complete understanding of knowledge and abilities via training and experience. It is a crucial operational capacity because it helps organizations preserve their competitive edge by enabling them to alter market trends more than their rivals. According to Martinez et al. (2018), learning orientation is a set of values that determines how satisfied an organization is with its adopting ideas by actively assessing the present values and practices that impact its operations. Learning orientation influences the information, leading to translation, evaluation, and acceptance or rejection (Hoang et al., 2020). Three organizational values regularly associated with a company's predisposition for learning are commitment to the learning process, open-mindedness, and shared vision (Beliaeva et al., 2020). The learning orientation dimension in this research uses three dimensions as follows: Ogbari et al. (2018): 1) Commitment to Learn; 2) Shared Vision; 3) Open Mindedness.

### **Marketing innovation**

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### **Marketing performance**

Marketing performance is an achievement quantification obtained from an enterprise or organization's overall marketing process activity. Marketing performance is a concept utilized to measure to what extent a product a company generates reaches its market accomplishment. Akbar et al. (2020) stated that marketing performance is a constituent often utilized in measuring an enterprise's implemented strategy. If company strategy is consistently directed to generate a good marketing performance (namely selling volume and sales progress level) and also a proper financial performance, then Cruz Rincon et al. (2022) also declared that a proper marketing performance is reflected in three main values, namely selling value, sales growth, and market share. Iwa Soemantri (2020) explained that sales growth will depend on how many clients have a fixed average consumption rate. Research results conducted by Dhaouadi (2021) found a positive effect between competitive superiority and performance estimated through selling volume, profit rate, market share, and return on investment. Competitive superiority can be gained from an enterprise's capability to process and employ its resources and capital. A company capable of demonstrating competitive superiority will possess the force to compete with other enterprises, considering its product will remain favored by customers. Therefore, competitive superiority has a positive impact on company marketing performance improvement. Several indicators used to measure marketing performance are selling volume, customer growth, and profitability. Selling volume is the selling volume of a company's product. Customer growth is a company's customer growth rate. Profitability refers to the profit earned by an enterprise (GS & Soemantri, 2020; Ogbari et al., 2018; Poudel et al., 2019; Sulastini, 2023).

Company performance is an evaluation of a company's success that is assessed over a determined period

of time. This result can be stated as the value of every activity arranged and conducted to identify whether the created strategy and its implementation are adequate or just the opposite. Idawati and Sumartini (2020) and Poudel et al. (2019) defined company performance as the succession of fresh product and market development, where it can be assessed through the growth of sales and market share. Researchers encourage taking sales, workforce, income, and market share growth as the most significant performance measurements (Dhaouadi, 2021). This matter is also based on the argument that growth is a more accurate and easier-to-obtain indicator than accounting measurement. Financial and growth performance needs to be seen as a different aspect from company performance, where each of them has unique and important information. Together, financial and growth indicators provide a stronger description of the company's actual performance if they're compared by using respective measurements (Beliaeva et al., 2020; Ogbari et al., 2018).

According to Alhamidi et al. (2021) and Beliaeva et al. (2020), market performance is a concept frequently used to gauge how strategy orientation affects the firm. According to GS and Soemantri (2020), the market performance factor is widely used to assess how a plan would affect a company. Typically, the business's approach is to provide strong marketing and financial results. The dimension used to measure marketing performance (Ogbari et al., 2018) 1) Profit, which means profitability, is the profit amount of product sales successfully obtained by the company; 2) Market share customer growth is a rate of customer growth managed to be obtained by the company; and 3) Sales growth through selling volume is a volume or amount of product sales managed to be collected by the company.

### **Conceptual framework**

According to past studies, researchers made a conceptual framework;

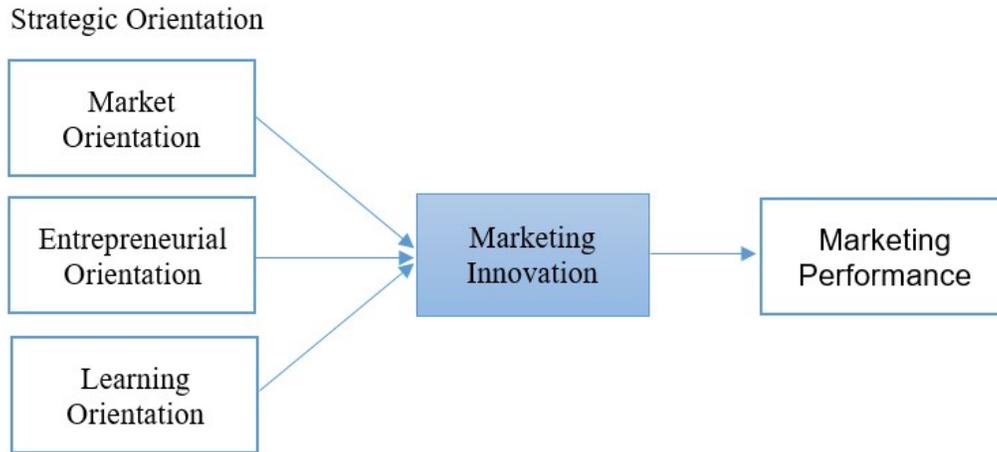


Figure 1: Conceptual framework

## METHODOLOGY

### Research design

This research developed a conceptual research model where market orientation, entrepreneurial orientation, and learning orientation were the predictor variables. The marketing variable was also included in this framework: marketing innovation. The outcome variable of the study was marketing performance, which was dependent on the predictor variables and mediating path. Based on this research model, the study was quantitative and descriptive, based on hypothesis testing. The data was collected using the survey method, where primary data was collected using an adapted questionnaire. The cross-sectional research method was used as a time horizon for collecting data from food and beverage microenterprises in the Bandung Metropolitan Area. 350 food and beverage Micro Enterprises employees in the Bandung Metropolitan Area responded out of the 400 questionnaires distributed. The population was unknown, which is why the non-probability sampling technique and the convenience method were used to approach the respondents to collect primary data. After collecting the data, for statistical analysis, LISREL 8.7 was used. All the statistical tests were performed according to the purposeful hypotheses in this statistical tool.

### Measurement tool

To measure the research assumptions of the study, a survey method was used to record the responses of the employees of food and beverage microenterprises

in the Bandung Metropolitan Area. Under the survey method, questionnaires were used to collect the data, and this instrument was based on adapted items against each variable from different sources. The instrument was a combination of parts, where the first part was a brief introduction of the study and the purpose for which this research was conducted. It was also explained to the respondents in that section how to respond and that the information provided by them will be kept secret and will not be shared or used other than for this response. In the second section of the survey, the demographic questions were asked, which included gender, age, qualification, marital status, and experience. To respond to these demographical questions, closed-ended options were given so that they could choose the right option. In the last and third sections of the instrument, all the items against all the study variables were included in an arranged manner. Market orientation was the first independent variable, and it was measured using the scale of Barinta et al. (2022), with a total of 3 items adapted for this variable. The second viable entrepreneurial orientation was measured by adapting the five items from Barinta et al. (2022), where all the dimensions were covered in the scale. Learning orientation was the third predictor variable, measured by comparing the three items in Calantone et al. (2002). The mediating variable, marketing innovation, was measured using the scale Al-Khatib and Al-Ghanem (2022) developed, and two items were adapted. The outcome variable of the study, Marketing Performance, was measured using the scale of Barinta et al. (2022), and three items

were adapted based on profit, market share, and sales growth. After the adaptation of the instrument, it was used for collecting the data, where respondents explained the questions and purpose of the study for better results.

### Demographics

Based on an initial review of participant data, Table 1 presents the demographic information and descriptive statistics of the sample for the

current study (N = 350). The measurement and structural models were evaluated using LISREL 8.7. In addition to resource-based theory, This study aims to dissect, evaluate, and scrutinize marketing strategy orientation, encompassing market orientation, entrepreneurial orientation, and learning orientation, and focusing on food and beverage micro-enterprises in the Bandung Metropolitan Area. Table 1 shows the demographics of the study.

**Table 1: Demographic profile**

Demography	Description	No. of Responses	%
Gender	Male	220	63
	Female	130	37
Age	20-35	90	26
	35-55	150	43
	Above 55	110	31
Qualification	Diploma	90	26
	Graduate Degree	140	40
	Post-Graduate Degree	120	34
Marital Status	Single	190	54
	Married	160	46
Experience	4-6 Years	120	34
	6-8 Years	140	40
	More than 8 Years	90	26

In the above table, microenterprises employees genders were male (63%) and female (37%). In the table above, microenterprises employees aged 20–35 were 26%, 35–55 were 43%, and above 55 were 31%. Qualifications of micro-enterprise employees were diploma (26%), graduate degree (40%) and post-graduate degree (34%). The marital status of micro-enterprise employees was single (54%) and married (46%). The experience of microenterprise employees was 4-6 years (34%), 6-8 years (40%) and more than 8 years (26%).

## RESULTS

After analyzing the research instruments, scale, and description, the collected data is utilized to examine and test the formulation of hypotheses based on structural equation modeling. According to LISREL estimation results, each research dimension must be elaborated further. This explanation is mandatory because each variable is measured indirectly yet is formed by several indicators indicating that the roles must be examined to form those variables. This will be discussed further in each hypothesis. Based on the results of structural equation modeling utilizing LISREL 8.7, the model is obtained as depicted in Picture 1.

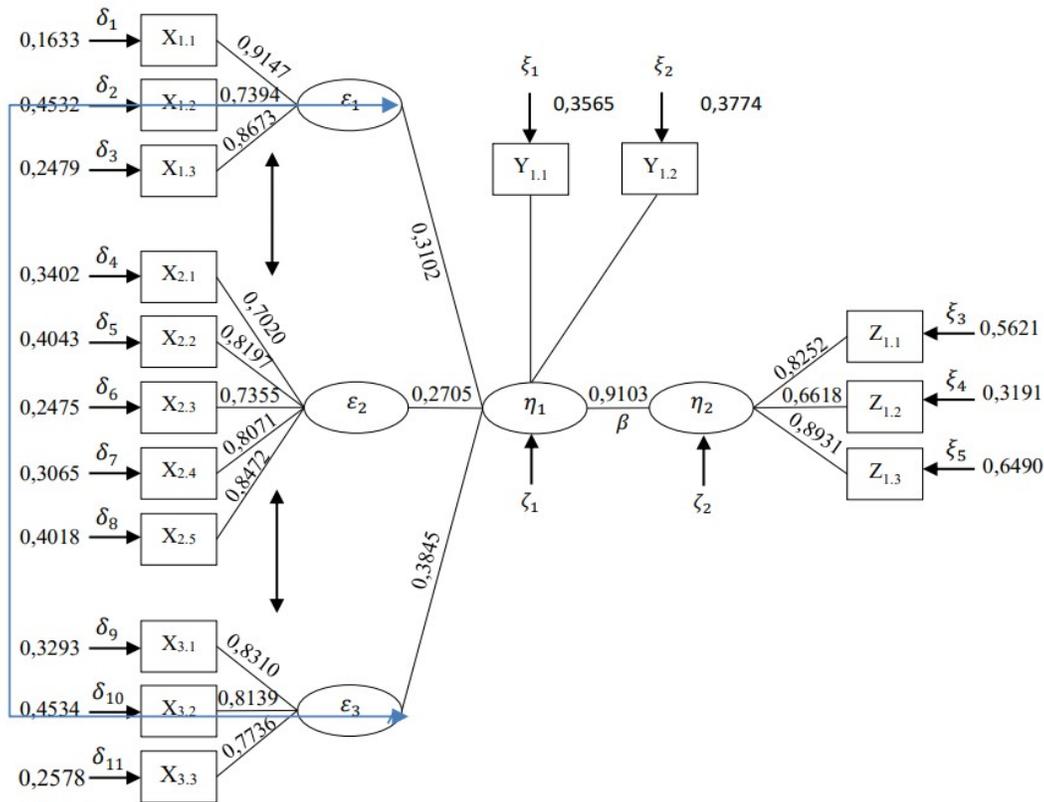


Figure 2: Structural equation modelling utilizing LISREL

**Relationship structure of all research variables**

The first stage is to conduct a correlation analysis to ascertain the degree of closeness among the

free variables. With the assistance of the LISREL application program, the correlation coefficient output is as follows:

**Table 2: Correlation Coefficient between Substructural Independent Variables 1**

		Correlations		
		OPa	OK	OPe
OPa	Pearson Correlation	1	.743**	.775**
	Sig. (2-tailed)		0	0
OK	N	400	400	400
	Pearson Correlation	.743**	1	.691**
OPe	Sig. (2-tailed)	0	0	0
	N	400	400	400
OPe	Pearson Correlation	.775**	.691**	1
	Sig. (2-tailed)	0	0	0
N	N	400	400	400

Based on Table 1, the first and most significant correlation coefficient was between market orientation and entrepreneurial orientation variables, with a correlation value of 0.743, or 74.3%, included in the strong category. Meanwhile, the smallest correlation coefficient was between entrepreneurial orientation

and learning orientation variables, with a correlation value of 0.691, or 69.1%, included in the strong category. The second largest correlation

and learning orientation variables, with a correlation value of 0.691, or 69.1%, included in the strong category.

**Confirmatory Factor Analysis (CFA)**

Once the research instrument and scale are analyzed, the collected data is utilized to investigate and prove the hypothesis testing formulation according to structural equation modeling. To find out the testing of questionnaire data, it is necessary to carry out a constructed test for each variable. A confirmatory factor analysis (CFA) assessment was conducted to determine the constructed model that formed the overall measurement model using the LISREL statistical application program (Tambun, 2022).

This study has five variables: market orientation, entrepreneurial orientation, and learning orientation as exogenous variables; marketing innovation as intervening variables; and marketing performance as endogenous variables. Based on the processing results from the LISREL 8.80 program, the CFA for the connection of each variable and its indicators shown by the loading factor are as follows:

*Market Orientation (ξ1):*

The results of the Work Environment Variable formed by three dimensions, customer orientation, competitor orientation, and inter-functional coordination, are as follows.

**Table 3: Analysis results of measurement model for X1 variable**

Item	Loading Factor	Variabel	Market Orientation	T-value	R <sup>2</sup>	Error
X <sub>11,ξ1</sub>	0,9147			3,3347	0,8367	0,1633
X <sub>12,ξ1</sub>	0,7394			2,9819	0,5469	0,4531
X <sub>13,ξ1</sub>	0,8763			3,5781	0,5957	0,2479

Source: Data processing results from LISREL program

Based on the data processing results from a questionnaire, it was determined that the customer orientation dimension had the highest loading factor value compared to other dimensions, which was 0.9147. This revealed that the customer orientation dimension was the most pivotal factor in forming market orientation and indicated that a suitable customer orientation dimension was an advantage for food and beverage micro-business actors in the Bandung Metropolitan Area. Nevertheless, an inadequate factor could be called a weakness in

the market orientation variable, with the lowest loading factor value of about 0.7395, namely the competitor orientation dimension. This indicated that the competitor orientation dimension for food and beverage micro-business actors in the Bandung Metropolitan Area could have been more optimal.

*Entrepreneurial Orientation (ξ2):*

The results of the Organisation Culture variable formed by five dimensions, which are risk-taking, innovativeness, proactiveness, competitive aggressiveness, and autonomy, are as follows.

**Table 4: Analysis results of measurement model for X2 variable**

Item	Loading Factor	Variabel	Market Orientation	T-value	R <sup>2</sup>	Error
X <sub>21,ξ2</sub>	0,7020			3,9387	0,7522	0,3402
X <sub>21,ξ2</sub>	0,8197			3,9387	0,7521	0,4043
X <sub>22,ξ2</sub>	0,7355			3,6981	0,6518	0,2475
X <sub>23,ξ2</sub>	0,8071			3,5781	0,5957	0,3065
X <sub>24,ξ2</sub>	0,8472			3,3347	0,8267	0,4018

Source: Data processing results from LISREL program

Based on the data processing results from a questionnaire, it was determined that the autonomy dimension had the highest loading factor value compared to other dimensions, which was 0.8472. It indicated that the autonomy dimension was the

most important factor in forming entrepreneurial orientation. A good autonomy dimension was advantageous for food and beverage micro-business actors in the Bandung Metropolitan Area. Nevertheless, an inadequate factor could be called a

weakness in the entrepreneurial orientation variable, with the lowest loading factor value of about 0.7020, namely the risk-taking dimension. This indicated that the risk-taking dimension for food and beverage micro-business actors in the Bandung Metropolitan

Area could have been more optimal.

*Learning Orientation ( $\xi_3$ )*The competence variable is formed by three dimensions of learning commitment, shared vision, and openness, obtained as follows:

**Table 5: Analysis results of measurement model for X3 variable**

Item	Loading Factor	Variabel	Market	T-value	R <sup>2</sup>	Error
X <sub>21</sub> , $\xi_2$	0,8310	Orientation		4,0824	0,6935	0,3293
X <sub>22</sub> , $\xi_2$	0,8139			4,1338	0,6707	0,4534
X <sub>23</sub> , $\xi_2$	0,7736			3,7718	0,5985	0,2578

Source: Data processing results from LISREL program

Based on the data processing results from a questionnaire, it was determined that the commitment to learning dimension had the highest loading factor value compared to other dimensions, which was 0.8328. This showed that the dimension was the most important factor in forming learning orientation and an advantage for food and beverage micro-business actors in the Bandung Metropolitan Area. Nevertheless, an inadequate factor could be called a weakness in the Learning Orientation

variable, with the lowest loading factor value of about 0.7736, namely the open-mindedness dimension. This indicated that the open-mindedness dimension for food and beverage microbusiness actors in the Bandung Metropolitan Area could have been more optimal.

*Marketing innovation ( $\eta_1$ ):*

The results of the commitment variable, formed by two dimensions, which are radical and incremental innovations, are as follows:

**Table 6: Analysis results of measurement model for Y variable**

Item	Loading Factor	Variabel	Market	T-value	R <sup>2</sup>	Error
Y <sub>1</sub> , $\eta_1$	0,3565	Orientation		4,1338	0,6707	0,329 3
Y <sub>2</sub> , $\eta_1$	0,3774			4,0824	0,6935	0,306 5

Source: Data processing results from LISREL program

Based on the data processing results from a questionnaire, the innovation dimension had the highest loading factor value in comparison with other dimensions, which was 0.3774, showing that the dimension was the most important factor in forming marketing innovation and an advantage for food and beverage micro-business actors in the Bandung Metropolitan Area. Nevertheless, an inadequate factor could be called a weakness in the marketing

innovation variable, with the lowest loading factor value of about 0.3565, namely the radical innovation dimension. This indicated that the incremental innovation dimension for food and beverage micro-business actors in the Bandung Metropolitan Area was not optimal.

*Marketing Performance ( $\eta_2$ )*The results of Marketing variable formed by three dimensions, which are profit, market share, and sales growth, are as follows.

**Table 7: Analysis results of measurement model for Z variable**

Item	Loading Factor	Variabel	Market	T-value	R <sup>2</sup>	Error
Z <sub>1</sub> , $\eta_2$	0,8931	Orientation		6,8079	0,4380	0,6490
Z <sub>2</sub> , $\eta_2$	0,6618			6,8139	0,3509	0,3191
Z <sub>3</sub> , $\eta_2$	0,8252			10,9610	0,7976	0,5621

Source: Data processing results from LISREL program

Based on the data processing results from a questionnaire, it was obtained that the profit dimension had the highest loading factor value in comparison with other dimensions, which was 0.8931, indicating that the dimension was the most important factor in forming marketing performance and an advantage for food and beverage micro-business actors in Bandung Metropolitan Area. Nevertheless, an inadequate factor could be called a weakness in the marketing performance variable, with the lowest loading factor value of about 0.7020, namely the market share dimension. This indicated that the market share dimension for food and beverage microbusiness actors in the Bandung Metropolitan Area could have been more optimal. Structural Model 1 depicted the relationship between market orientation, entrepreneurial orientation, and learning orientation toward marketing innovation. According to the data processing results from the LISREL program on structural model 1, it was stated that market orientation, entrepreneurial orientation, and learning orientation towards marketing innovation had an excellent influence both partially and simultaneously. This was in line with the hypothesis:

$$F = \frac{(n - k - 1)R_{y.xk}^2}{k(1 - R_{y.xk}^2)}$$

$$F = \frac{(400 - 3 - 1)0,7704}{3(1 - 0,7704)}$$

$$= 300,9220$$

Derived from the equation above, the marketing innovation variable was undoubtedly influenced by market orientation with a path coefficient of 0.3102, entrepreneurial orientation with a path coefficient

of 0.2705, and learning orientation with a path coefficient of 0.3845. The path coefficient X1 to Y in the amount of 0.3102 meant that if market orientation had increased, then marketing innovation would also increase by 0.3102 units or market orientation contributed to the increase in marketing innovation by 0.3102 units.

The path coefficient X2 to Y in the amount of 0.2705 meant that if entrepreneurial orientation had increased, then marketing innovation would also increase by 0.2705 units or entrepreneurial orientation contributed to the increase in marketing innovation by 0.2705 units. The path coefficient X3 to Y in the amount of 0.3845 meant that if learning orientation had increased, then marketing innovation would also rise by 0.3845 units or learning orientation contributed to the development of marketing innovation by 0.2705 units.

The path coefficient X3 to Y in the amount of 0.3845 meant that if learning orientation had increased, then marketing innovation would also increase by 0.3845 units, or learning orientation contributed to the increase in marketing innovation by 0.3845 units. Therefore, the suggested conceptual hypothesis has been tested and could be accepted. The complete structural model for substructure 1 can be elaborated on in Figure 4.2. The results showed that the marketing innovation variable was partially and simultaneously affected by market orientation, entrepreneurial orientation, and learning orientation. Derived from the path coefficient and correlation value obtained from LISREL 8.80, it could be seen that the direct and indirect impacts of market orientation, entrepreneurial orientation, and learning orientation on marketing innovation are as follows.

**Direct and indirect analysis**

**Table 8: The Direct and Indirect Impacts of Market Orientation, Entrepreneurial Orientation, and Learning Orientation Variables on The Marketing Innovation**

	Path Coefficient		Direct Impact			Indirect Impact	Total
			OPa	OK	OPe	Total	
OPa	0,3102	9,62%		6,24%	9,24%	15,48%	25,10%
OK	0,2705	7,32%	6,24%		7,18%	13,42%	20,74%
OPe	0,3845	14,78%	9,24%	7,18%		16,42%	31,21%
Total		31,72%	15,48%	13,42%	16,42%	45,32%	77,04%

Source: Data Processing Results (Saddam, 2023)

From the table above, marketing innovation was influenced by direct and indirect impacts. The direct impact of the market orientation variable was 9.62%, while the indirect impacts of entrepreneurial and learning orientations were 6.24% and 9.24%, respectively. The direct impact of the entrepreneurial orientation variable on marketing innovation was 7.32%, while the indirect impacts from market and learning orientations were 6.24% and 7,18%, respectively. Furthermore, the direct impact of the learning orientation variable on marketing innovation was 14.78%, while the indirect impacts from market and learning orientations were 9.24% and 7,18%, respectively. The data implied that the most impactful variable in a partial way was learning orientation, with a total influence on marketing innovation of 31.21%. Therefore, a good learning orientation should support improved marketing innovation. Nevertheless, the impact of other variables on marketing innovation in this research is also significant: market and entrepreneurial orientations, with a total partial impact of 25.10% and 20.74%, respectively. Meanwhile, the simultaneous impacts of the market, entrepreneurial, and learning orientation variables on marketing innovation applying the statistical hypothesis are as follows:

$$H_0 : \xi_{yx1} = \xi_{yx2} = \xi_{yx3} = 0$$

There is no significant effect from the Market, Entrepreneurial, and Learning Orientation towards Marketing Innovation.

$$H_a : \xi_{yx1} \neq \xi_{yx2} \neq \xi_{yx3} \neq 0$$

There is a significant effect from the Market, Entrepreneurial, and Learning Orientation towards Marketing Innovation.

Testing criteria: Reject  $H_0$  if  $F_{value} > F_{table}$

In order to test the hypothesis, the calculation are carried out using the following formula:

$$F = \frac{(n - k - 1)R^2}{k(1 - R^2_{yxk})}$$

$$F = \frac{(400 - 3 - 1)0,7704}{3(1 - 0,7704)}$$

$$= 300,9220$$

Formulated on the calculation, the Fvalue of 300.9220 was obtained with the rejection criteria of  $H_0$ : if Fvalue is bigger than Ftable or  $F_0 > F_{table}$ , and the degrees of freedom  $v_1 = 3$  and  $v_2 = 400 - 3 - 1$  with a

confidence level of 95%, then from the distribution of Ftable for  $F_{0,05;3,400} = 2.6382$ . Because 300.9220 is bigger than 2,6382, then  $H_0$  is rejected. It means that a linear relationship can be found among the market, entrepreneurial, and learning orientation variables toward marketing innovation, or it can be interpreted that there is a joint influence from those variables on marketing innovation.

## DISCUSSION

The research findings on the effect of market orientation, entrepreneurial orientation, and learning orientation on the marketing innovation and marketing performance of food and beverage micro-business actors in the Bandung Metropolitan Area reveal several significant insights.

Firstly, the market orientation of these micro-business actors falls within the moderate-to-good range. Customer orientation is the most prominent dimension, while competitor orientation lags behind. Key indicators are information about competitors and targeting strategies in a competitive context. In contrast, commitment to fulfilling customer needs and customer service are areas where improvements are needed. Nevertheless, this result is consistent with Barinta et al. (2022), who found a strong correlation between market orientation and innovation. Iwa Soemantri's (2020) research also demonstrates that market orientation has little bearing on market performance.

Secondly, these actors' entrepreneurial orientation also ranks moderate to good. Autonomy is the strongest dimension, while risk-taking is the weakest. Independent teamwork and opportunity-seeking are robust indicators, while business risk reduction and low-risk approaches could be enhanced. Consequently, if the strategy is to gain from first-mover advantage, Akbar et al. (2020) and Do Nguyen and Nguyen (2023) advise that they devote time and resources to encouraging an entrepreneurial orientation inside the confines of their company.

Thirdly, the learning orientation of these micro-business actors also falls within the moderate-to-good range. Commitment to learning is the dominant dimension, while shared vision is the least emphasized. The ability to learn new concepts and derive insights from values are notable strengths.

However, assessing decision quality in business activities and leveraging learning as a competitive advantage need attention. The results also show that learning orientation positively impacts market innovation. This finding is in line with earlier research by Dhaouadi (2021), Martinez et al. (2018), and Prabowo et al. (2022), which claimed that learning orientation improves high-order productive learning and makes it possible for market performance to advance and outperform its competitors.

Furthermore, marketing innovation is rated as moderate to good, with incremental innovation being more prominent than radical innovation. Creating unique products and offering products not provided by competitors are strong indicators. On the other hand, finding new suppliers and introducing new services are areas where improvements could be made. Additionally, businesses that allow market innovation to be purely influenced by consumer, competition, and supplier input may only make minor adjustments to the current innovation concepts (Alhakimi & Mahmoud, 2020; Fadli et al., 2022; Saoula et al., 2023).

Finally, marketing performance is also in the moderate-to-good category, with profitability being the primary focus while sales growth ranks lower. A noteworthy strength is achieving higher profits compared to competitors and profiting from product sales. However, achieving a higher market share than the target and generating high sales volumes could be further enhanced. According to several studies (Dhaouadi, 2021; Iwa Soemantri, 2020; Prabowo et al., 2022), it also helps to improve their performance and build stronger interaction with them. Keeping track of worker productivity is another of its implementations (Cruz Rincon et al., 2022; Meekaewkunchorn et al., 2021).

The combined influence of market orientation, entrepreneurial orientation, and learning orientation on marketing innovation among food and beverage micro-business actors in the Bandung Metropolitan Area is substantial, accounting for approximately 77.04% of the variance. The remaining 22.96% is attributed to unexamined variables like marketing mix, competition, and brand. Breaking it down further, market orientation notably influences marketing innovation, contributing about 25.10%

to the variance. Within market orientation, the dimensions of competitor and customer orientations are particularly impactful.

While still significant, entrepreneurial orientation has a relatively lower influence on marketing innovation at about 20.74%. Innovativeness and autonomy are the most influential dimensions of entrepreneurial orientation. On the other hand, learning orientation exerts the highest influence on marketing innovation, contributing approximately 31.21% to the variance. Commitment to learning and open-mindedness are the most influential dimensions in this context.

### **Implications of study**

During the pandemic, much research was done on how MSMEs performed in underdeveloped nations. It's because the resilience of MSMEs in times of national crisis is a fascinating topic for discussion. However, only a small amount of research has been conducted in certain regions of poor nations. The results of this study can improve our understanding of how MSMEs perform in particular fields in emerging nations. This study's primary goal is to close a research gap by investigating how entrepreneurial orientation affects market performance as mediated by marketing innovation. A substantial addition to the growth of strategic marketing management research is made by this study. First, marketing performance is directly impacted by an entrepreneurial mindset. In this way, the earlier study (Kencana & Giantari, 2021; Maheshwari & Kha, 2022; Ogbari et al., 2018; Saddam, 2023) has been strengthened by the impact of entrepreneurial orientation on market performance. The entrepreneurial orientation can be leveraged to expand the market you want to serve.

Second, the resource-based theory in the research provides a solid theoretical framework for comprehending how micro-actors use their resources and talents to gain competitive advantages. This can help micro-actors understand the strategic significance of their decisions about using their resources. Third, micro-actors in the Bandung metropolitan area can use the findings to improve their market, entrepreneurial, and learning orientation. For instance, they can prioritize customer-centric strategies, encourage risk-taking and innovation, and spend money on employee training and development. Fourth, policymakers

and regional development organizations can use the research to create targeted assistance programs. This could include networking opportunities, access to resources, and training programs. Finally, the outcomes of the marketplace, rivals, and business identification process can be used to create a strategy that enhances the performance of MSMEs. Finally, yet importantly, this study offers convincing evidence that market orientation mediates the link between entrepreneurial orientation and business success. This result backs up the findings of Samydevan et al. (2021) and Wang et al. (2023), who discovered that marketing innovation is the ideal intermediary in enhancing market performance. Company actors' willingness to adopt an entrepreneurial mindset and the guts to take chances, be creative, and take initiative cannot directly enhance the performance of MSMEs. Therefore, knowledge about customers, rivals, and inter-functional coordination procedures is essential to supporting business actors.

#### **Limitations and future research**

The study focused exclusively on food and beverage microbusiness actors in the Bandung Metropolitan Area. The findings may need to be more generalizable to micro businesses in other regions or industries, as regional factors, cultural nuances, and industry-specific dynamics can influence strategic orientations and performance. The research likely relied on survey responses and self-reported data from the micro-business actors, which can be subject to biases, including social desirability bias. Future studies could consider incorporating additional data sources, such as objective performance metrics or interviews with key stakeholders, to triangulate findings. The research might have employed a cross-sectional design, capturing data at a single point in time. Longitudinal or experimental designs could provide insights into how strategic orientations evolve over time and the causal relationships between orientations, innovation, and performance. Future research could explore how micro businesses develop dynamic capabilities to adapt to changing market conditions, especially in volatile environments. This can involve studying how they reconfigure resources and capabilities to seize new opportunities. Understanding the interplay and synergies between market orientation, entrepreneurial orientation, and

learning orientation, especially in microbusinesses, can provide valuable insights into holistic strategic management. Further research can delve into micro-business actors' specific resource allocation decisions and how these decisions influence their strategic orientations, innovation efforts, and overall performance. According to the results of this research, some important recommendations from the researcher are:

- The food and beverage microbusiness actors need to improve their strategic orientation to holistically understand more structured business strategies.
- The utilization of technology can also improve the innovation of products and support the start of digital marketing.

By improving business performance, marketing performance will also increase, specifically for the food and beverage micro-business actors, whose business risks tend to be low compared to other business sectors.

#### **CONCLUSION**

In conclusion, this research has provided valuable insights into micro-businesses operating in the food and beverage sector within the Greater Bandung Metropolitan Area. In the face of a challenging economic climate exacerbated by the global COVID-19 pandemic, these micro-actors have displayed remarkable resilience. Our examination of marketing strategy orientation, encompassing market orientation, entrepreneurial orientation, and learning orientation, has revealed its pivotal role in sustaining good to good levels of marketing innovation and performance. This study highlights the significance of a holistic approach to strategic management. Market orientation equips micro-actors with the customer and competitor insights needed to craft effective marketing strategies, while entrepreneurial orientation encourages innovation and risk-taking, fueling marketing innovation. With its commitment to continuous improvement and adaptability, the learning orientation enhances the overall strategic orientation.

Moreover, marketing innovation emerges as a critical catalyst for marketing performance. The ability to create distinctive products, adapt to dynamic

market conditions and harness technology directly influences micro-actors' success in this sector. These findings have valuable implications for stakeholders, including policymakers, industry associations, and micro-business actors. Strategies that bolster market orientation, entrepreneurial orientation, and learning orientation can create an environment conducive to innovation and improved marketing performance. Furthermore, the integration of resource-based theory enriches the study's theoretical underpinnings, emphasizing the strategic importance of resource allocation decisions and their impact on micro-actors' competitive advantages. However, adaptability and responsiveness to changing market dynamics remain crucial for continued success as these micro-actors chart a course toward a brighter economic future.

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