THE EFFECT OF COMPETITIVE ADVANTAGE, INNOVATION AND MARKET ORIENTATION TO MARKETING PERFORMANCE AND MARKET ORIENTATION AS A MEDIATING VARIABLE IN THE RELATIONSHIP BETWEEN ENTREPRENEURSHIP ORIENTATION AND MARKETING PERFORMANCE

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ABSTRACT
This study aims to determine entrepreneurship orientation, market orientation, product innovation and competitive advantage over marketing performance and make market orientation as an intervening variable between entrepreneurship orientation and marketing performance. The author analyzed data sets from 58 meatball enterprises with structural equation modeling. The model was tested by using partial least square approach, ie outer and inner model. Some indicators on the variables of innovation, competitive advantage and marketing performance should be excluded from the model because it does not meet the criteria. SEM results with PLS approach states that all variables have a positive and significant effect on marketing performance. However, for market orientation variables not as intervening variables between entrepreneurial orientation and marketing performance. In other words, an entrepreneur has an entrepreneurial orientation can directly affect the marketing performance, without having to go through market orientation.

Keywords: entrepreneurship orientation, market orientation, product innovation, competitive advantage, marketing performance

I. INTRODUCTION
Competition in the business world is unavoidable. Companies are faced with various opportunities and threats. Therefore, companies should strive to increase strength and minimize weaknesses. The companies must understand what changes occur in the market, such as what the desire and willingness of customers. According to Alma (2010), a business is an individualized business activity organized to produce and sell goods and services in order to gain in meeting the needs of the community.

Food business is a business that is constantly evolving along with the increasing needs of culinary society. One of the food business that is currently popular is meatballs. Meatballs are very popular and can be found throughout Indonesia, from street vendors to large restaurants. The large number of meatball enthusiasts that cover consumers from the bottom to the top makes this business as a promising business.

Increasing competition and increasingly critical consumers in choosing products demand for business people using the resources they have to innovate. Product innovation is one of the most important competitive factors that entrepreneurs have. Products that are unique and not easily imitated make the product different from the others. Consumers often look for something different. Product innovation in terms of presentation, presentation, and taste in meatballs need to be in the interest of consumers. The more consumers who are interested in product innovation and making purchases can improve their marketing performance Utaminingsih (2016).

Competitive advantage is uniqueness, not easy to imitate, and competitive price. According to Kotler and Armstrong (2003) competitive advantage is the advantage over competitors obtained by offering lower value and by providing greater benefits because the price is higher. Competitive advantage is expected to achieve profit according to plan, increase market share, improve customer satisfaction, and continue the survival of a business (Saiman, 2014). In other words, a business capable of having competitive advantage can improve its marketing performance (Djodjobo and Tawas, 2014).

Attempts to improve marketing performance requires an entrepreneurial orientation and competence especially in the aspects of knowledge and skills. The entrepreneurship orientation according to Suryana (2008) explains the entrepreneurial orientation referred to as a spearhead (pioneer)
to realize sustainable and competitive high economic growth of the company. Based on research conducted by Rasyidi (2015) concluded that the orientation of entrepreneurship directly have a positive and significant impact on marketing performance.

Entrepreneurs as entrepreneurs should be keen to create changes in customer needs, how to obtain and spend capital and innovate to produce products that consumers demand. Employers should also be business-oriented that can generate maximum profits or good marketing performance. According Suryana (2008) describes the entrepreneurial orientation touted as a spearhead (pioneer) to realize sustainable economic growth and competitive company high. The higher the entrepreneurial orientation applied in a business; companies that are more willing to implement market orientation (Amin et al). So the market orientation can mediate the relationship between entrepreneurial orientation and marketing performance.

This study aims to test the model of the relationship between Competitive Advantage, Innovation and Market Orientation to Marketing Performance and Market Orientation As A Mediating Variable in The Relationship Between Entrepreneurship Orientation and Marketing Performance

II. LITERATURE REVIEW

2.1 Marketing Performance
Marketing performance is a measure of achievement and overall marketing process activities of a company. Marketing performance can also be seen as a concept used to measure the extent to which market achievements have been achieved for a product produced by a company. According to Djumahir et al (2012) marketing performance is the result achieved by the company in meeting consumer expectations. According to Sumarwan (2011), the achievement of targeted marketing performance requires marketing capabilities to implement an optimally chosen marketing strategy. According to Riani et al (2015) marketing performance is an achievement generated by the impact of various roles that function in an organization, marketing performance is an important element of the company's performance in general because the performance of a company can be seen from its marketing performance so far. So it can be collected that the marketing performance of a good or service is a marketing achievement generated thoroughly from a company.

2.2 Competitive Advantage
Competitive advantage can be achieved by an entrepreneur if able to recognize the various basic elements to achieve competitive advantage. For example in terms of price, entrepreneurs are able to produce products or services low cost so that the strategy in setting the price is not too high compared with competitors' products or services. In terms of the product must be able to be distinguished from similar products and have a uniqueness that can win the hearts of consumers. Competitive advantages are measured using aspects of product uniqueness, not easy to imitate, and competitive prices (Rasyidi, 2015).

According to Saiman (2014) that competitive advantage is expected to be able to achieve profits according to plan, increase market share, increase customer satisfaction, and continue the survival of a business. In other words, a business that has advantages over its competitors must have good marketing performance. The higher the company has an advantage in competing, the higher its marketing performance. This is in line with the findings of Djodjobo and Tawas (2014) and Rasyidi (2015).

Based on the foregoing, the following hypothesis was proposed:
H1: Competitive advantage has positive significant effect to marketing performance

2.3 Innovation
Innovation refers to new and useful ideas, products, services or technologies that are realized. Innovation is the result of new product development, new features, new ways of production or sales or a different approach (Dhewanto, 2013). Whereas according to Nitiususastro (2009) that innovation is basically a special talent that arises from an entrepreneur. Characteristics of product innovation is important to note in the success of a future company. Innovation plays a role as a strategy in reducing costs. Products generated from an innovation and favored by consumers will increase the profitability of the company. In other words, the product being innovated will produce good marketing performance. This is in line with the results of research from Djodjobo and Tawas (2014), Utaminingsih (2016), and Killa (2014)

Based on the foregoing, the following hypothesis was proposed:
H2: Innovation has positive significant effect to marketing performance

2.4 Market Orientation
According to Tjiptono (2008) market orientation can be interpreted as the implementation of an organizational culture that places customers on the axis of the company's management strategy process. Market orientation as a process and activity related to customer creation and satisfaction by continuously assessing customer needs and wants and making it a center and reference for companies to manage their business.

Market orientation is a measure of behavior and activity that reflects the implementation of the marketing concept, market orientation as an organizational culture that is most effective in creating important behaviors for the creation of superior value for buyers and performance in business (Fatmawati, 2016). According to Djamahir (2012), market orientation consists of three components, namely customer orientation, competition and internal communication.

A business on the road with a good market orientation will improve marketing performance. According to Camisón and López (2012) that product and process innovations can trigger superior performance. Based on the foregoing, the following hypothesis was proposed:

H3: Market orientation has positive significant effect to marketing performance

2.5 Entrepreneurship Orientation

One important aspect of personal motivation in entrepreneurship is entrepreneurial orientation (Sine, 2015). Entrepreneurial orientation relates to ways of entrepreneurship in this case such as the methods used, habits and decision-making styles used in entrepreneurship (Lee and Peterson, 2000). According to Sine (2015) that companies with a high entrepreneurship orientation will have the ability to find or take advantage of opportunities in the face of competitive business challenges. With the increasing entrepreneurial orientation of entrepreneurs will have an impact on improved marketing performance. This is evidenced from the results of his research Rasyidi (2015) and Sine (2015).

Based on the foregoing, the following hypothesis was proposed:

H4: Entrepreneurship orientation has positive significant effect to marketing performance

2.6 The market orientation mediates the relationship between entrepreneurship orientation and marketing performance

Jia et al (2014) explains that the relationship between entrepreneurship orientation and firm performance is significant, but market orientation also plays an important role in improving the performance of SMEs. The market orientation mediates the relationship between entrepreneurship orientation and marketing performance in accordance with research results Amin et al (2016).

Based on the foregoing, the following hypothesis was proposed:

H5: Market orientation mediates the relationship between entrepreneurship orientation and marketing performance

III. METHODS

Questionnaires were distributed to sellers of meatballs that have a fixed stall, which can provide sufficient information to answer research questions. Samples were taken by accidental sampling technique. Accidental is a technique of determining samples by chance, ie anyone who happens to be accidental or meet with the researcher can be used as a sample, when viewed by the person who happened to meet it is suitable as data source (Sugiyono, 2014a). The technique of determining the number of samples in this study using a minimum sample of 30 according to Sugiyono (2014b) because the data seller of meatballs is not known with certainty. Samples taken were as many as 58 respondents. Data were analyzed using structural equation modeling (SEM) with partial least squares approach.

In more detail, the stages of analysis using PLS-SEM must at least go through five stages where each stage will affect the next stage; (1) model conceptualization, (2) determine the method of algorithm analysis, (3) determine the re-sampling method, (4) draw path diagram and (5) model evaluation. (Gozhali & Latan, 2015).

3.1 Model Conceptualization

Model conceptualization is the first step in PLS SEM analysis. PLS-SEM can handle construct with reflexive and formative indicators.

3.2 Determine the Method of Algorithm Analysis

Once the researcher determines the algorithm analysis method and the scheme used, the next step is to determine how many samples should be met. According to Chin (1998) the number of PLS samples can be calculated by means of ten times the number of endogenous variables. The variable of this research is five, so the minimum sample is 10 x 5 = 50
3.3 Determine the Re-sampling Method
The method used to perform re-sampling process in this research is bootstrapping with No Sign Changes method of static re-sampling which is calculated without compensating for any sign.

3.4 Draw Path Diagram
The next step is to draw the path diagram presented in Figure 1 below.

Figure1. Model of Competitive Advantage, Innovation Entrepreneurship Orientation Market Orientation and Marketing Performance

3.5 Model Evaluation
Model evaluation using SmartPLS 2.0 can be done by assessing the measurement model results through confirmatory factor analysis (CFA) by testing the validity and reliability of the latent construct (outer model). Then followed by a structural model evaluation and a significant test to test the influence between constructs or variables (inner model).

IV. RESULTS AND DISCUSSION
4.1 Results
We collected data through questionnaires to those who had the criteria. In total, 60 questionnaire sets were distributed. However, only 58 were completed and returned to the researcher. Two respondents did not complete all questions.

Marketing Performance is built on variables consisting of several indicators. But not all indicators are able to explain a variable after performing a test of convergent validity (loading factor). As in table 1 above, we can see that in addition to satisfaction and loyalty, the three variables consisting of service quality, brand image and brand trust are not all indicators of building variables. Based on table 2, it can be seen that all variables meet the criteria. In other words, by looking at both tables, the stages have been through outer model testing.

Table 1. Variables, indicators, loading factor and results

<table>
<thead>
<tr>
<th>Variables/ Dimensions</th>
<th>Indicator</th>
<th>Loading Factor</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive Advantage</td>
<td>CA1: Product uniqueness</td>
<td>0.760</td>
<td>Accepted</td>
</tr>
<tr>
<td>Rasyidi (2015)</td>
<td>CA2: Difficult to imitate</td>
<td>0.780</td>
<td>Accepted</td>
</tr>
<tr>
<td></td>
<td>CA3: Competitive price</td>
<td>0.762</td>
<td>Accepted</td>
</tr>
<tr>
<td>Innovation</td>
<td>IN1: Innovation of taste</td>
<td>0.951</td>
<td>Accepted</td>
</tr>
<tr>
<td>Adopted from Utaminingsih (2016)</td>
<td>IN2: Innovation of design</td>
<td>0.135</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

R²: R square of the variables; PC: path coefficient
Table 2. Average Variance Extract (AVE) and Composite Reliability

<table>
<thead>
<tr>
<th>Variables</th>
<th>Average Variance Extract (AVE)</th>
<th>Composite Reliability</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation</td>
<td>0.624</td>
<td>0.822</td>
<td>0.036</td>
</tr>
<tr>
<td>Competitive advantage</td>
<td>0.654</td>
<td>0.859</td>
<td></td>
</tr>
<tr>
<td>Entrepreneur Orientation</td>
<td>0.625</td>
<td>0.859</td>
<td></td>
</tr>
<tr>
<td>Market Orientation</td>
<td>0.534</td>
<td>0.828</td>
<td>0.451</td>
</tr>
<tr>
<td>Marketing Performance</td>
<td>0.604</td>
<td>0.819</td>
<td></td>
</tr>
</tbody>
</table>

Acceptable value of AVE is greater than 0.5. (Fornell and Larcker, 1981)
Acceptable value of composite reliability is greater than 0.6 (Bagozzi and Yi, 1988)

Figure 2 shows the structural equation modeling with partial least squares of marketing performance. According to Figure 2, it can be seen that the $R^2$ (evaluation of goodness of fit) of market orientation and marketing performance are 0.036 and 0.451 respectively. The $R^2$ value of 0.036 indicates that 3.6% of the variability in the market orientation construct was explained by entrepreneurship orientation. The $R^2$ value of 0.451 indicates that 45.1% of the variability in marketing performance can be explained by innovation, competitive advantage, entrepreneurship orientation, and market orientation.
Table 3. Path Coefficients, t Statistics and Results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relationship</th>
<th>Path Coefficients</th>
<th>t Statistics</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Competitive advantage =&gt; marketing performance</td>
<td>0.336</td>
<td>3.117*</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2</td>
<td>Innovation =&gt; marketing performance</td>
<td>0.318</td>
<td>1.834*</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3</td>
<td>Market orientation =&gt; marketing performance</td>
<td>0.295</td>
<td>2.516*</td>
<td>Accepted</td>
</tr>
<tr>
<td>H4</td>
<td>Entrepreneurship orientation =&gt; marketing performance</td>
<td>0.189</td>
<td>2.470*</td>
<td>Accepted</td>
</tr>
<tr>
<td>H5</td>
<td>Entrepreneurship orientation =&gt; Market orientation =&gt; marketing performance</td>
<td>0.993</td>
<td>0.993</td>
<td>Not Accepted</td>
</tr>
</tbody>
</table>

* significant at 5%

It can be seen at table 3 that the results of relationship are accepted (significant at 5%) except market orientation as a mediation relationship between Entrepreneurship orientation and marketing performance.

4.2 Discussion
Entrepreneurship plays an important role in the economic development of a country, especially in times of crisis. Entrepreneurial success can be seen from the achievements of sales and loyal customers. Getting a loyal consumer should make it the focus of all marketing activities. There are many factors that influence the success of marketing performance, including competitive advantages, innovation, market orientation, and entrepreneur orientation, such as variables in this study.

As mentioned above that a business must have an edge if it wants to exceed its competitors. A company has a competitive advantage can be measured from the uniqueness, difficult to imitate and have the advantage in terms of price. Meatball business owner as the respondent in this research has a good marketing performance because it is influenced by competitive advantage. Some types of meatballs have unique, like meatballs childbearing. Meatball is like other meatballs only in it can be found smaller meatballs.

Indeed, in terms of uniqueness can still be said to have a unique but not guaranteed to be easily imitated. Many culinary businesses with the same products as meatballs, but still can have the benefits of taste and service, usually the recipe into a company asset. The results of this product innovation conducted to improve the performance of the magnification is the taste, service, fix meatballs that already exist in the market.

The market orientation of this research uses three components / indicators, namely customer orientation, competition and internal communication (Djumahir, 2012). All of these indicators affect marketing performance. Meatball entrepreneurs make their consumers a focus for their marketing strategy, always updating the trend of the forms of meatballs so that consumers do not move to competitors, and always communicate well with consumers.

A successful entrepreneur on the market by doing an entrepreneurial orientation. Meatball entrepreneurs as innovation-oriented respondents, dare to take risks, seek opportunities to gain profit and see other opportunities in the market related to meatballs.

Based on the results of research conducted by Jia et al (2014) and Amin et al (2016) market orientation can be a variable between the entrepreneurial orientation relationship and marketing performance. However, from the results of this study the market orientation does not become mediation, although the direction of the coefficient is positive. It can be said that meatball entrepreneurs have a good marketing achievement directly influenced from the marketing orientation without mediated market orientation.

V. CONCLUSION
Meatball entrepreneurs as respondents in this study have a good marketing performance is influenced by competitive advantage, innovation, market orientation and entrepreneurial orientation directly. However, market orientation does not mediate the relationship between entrepreneurial orientation and marketing performance.
REFERENCES