Product Competitive Advantage Antecedents for Successful Marketing Performance

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Abstract: This study aims to develop concepts of competitive advantage that can improve marketing performance. Specific target of this study empirically test the influence of market orientation, entrepreneur orientation influence the competitive advantage, and market orientation, entrepreneur orientation, competitive advantage influence on marketing performance. Sampling technique based on purposive sampling, sample used was the director of 175 medium-scale food in Semarang city. Data obtained in this study obtained by interview. The collection of the data is combined with open questions and closed questions, then given to the respondent. The data analyzed with SPSS 16. Theoretical findings in this study were to enrich the literature of creating competitive advantage can improve marketing performance. While managerial findings in this study is to model the development of medium-scale food industry in Semarang City.

Keywords: Market orientation, entrepreneur orientation, competitive advantage and marketing performance.

INTRODUCTION

Business competition cannot be avoided. With competition, the company is faced with various opportunities and threats both from outside and within the country. For this reason, every company is required to understand what is happening in the market and what the consumer wants, changes in the business environment so that they can compete with other companies. Therefore the company must strive to minimize its weaknesses and maximize its strengths. Thus the company is required to choose and establish strategies that can be used to face competition.

One strategy that can be used to deal with competition is competitive advantage. Competitive advantage in an organization can be obtained by paying attention to the superior value to customers, culture and climate that bring improvements to efficiency and effectiveness. With technological advances that cannot be dammed, a company's product will grow to a point where the product will be difficult to distinguish from one another. In order to achieve the victory of competition, the current product marketers are not only based on product quality, but also on strategies that are generally used by the company, namely market orientation [1] and entrepreneurial orientation [2].

The market is a corporate culture that can lead to increased marketing performance [3]. Define market orientation as the most effective and efficient organizational culture to create behaviors needed to create superior value for buyers and produce superior performance for the company [1]. Companies that have made market orientation as an organizational culture will be based on external basic needs, market wants and demands as a basis for formulating strategies for each business unit within the organization, and determining the success of the company.

One of the factors to achieve sustainable and highly competitive economic growth of the company, in the business world is entrepreneurship as an entrepreneur itself means a human activity by mobilizing mind power to create or achieve a job that can realize noble human beings [2].

Entrepreneurial orientation from an entrepreneur can lead to an increase in business performance. Companies whose leaders are entrepreneur-oriented to face risks so as to create good performance [4]. The ability of entrepreneur-
oriented leaders greatly influences the attitude of the company in being responsive to the environment, seeing market needs, and innovating products/services to adjust to changes so as to create a competitive advantage for the company.

The role of the Government in improving the performance of small and medium enterprises has been very serious, this is evident from the provision of soft loans to business owners to be able to improve capabilities in improving company performance, but the provision of credit by the government is still not evenly distributed, due to the large number of small and medium-sized businesses in Indonesia. The tendency of lending is to large entrepreneurs rather than small and medium-sized entrepreneurs because of managerial marketing weaknesses. SMEs still have various external weaknesses, such as lack of ability to adapt to strategic environmental influences, lack of agility in business opportunities, lack of creativity and innovation in anticipating various challenges as a result of a prolonged economic recession. Besides that, internal factors of some SMEs are lack of managerial skills and skills, lack of access to information on technology, capital and markets. This internal weakness is due in part to the lack of qualified SME management human resources in anticipating various problems being faced [5].

Many previous studies have shown that companies that have an entrepreneurial orientation tend to be more successful [6]. Entrepreneurial orientation refers to the process, decision-making practices and activities used by the company [7]. The concept of entrepreneurial orientation includes taking risks, proactiveness, autonomy, innovation and competitive aggressiveness. In a dynamic, changing and not conducive environment, innovation and communication play an important role and contribute to the relationship between performance and entrepreneurial orientation [6]. In addition, entrepreneurial orientation contributes to performance, defined as "a multiple measure (compound, a combination of several indicators) which includes growth indicators and also includes financial performance [8]. Therefore, the courage to take risks, innovations and proactive attitudes will make SMEs able to beat/align with their competitors." Improved performance resulting from entrepreneurial orientation is also expressed as an advantage that must be maintained so that it deserves investment.

This research is motivated by empirical studies in the field, which show inconsistent results [9]. Some studies confirm the existence of a strong positive relationship between entrepreneurial orientation and performance [10-12] and others found no significant relationship between the two constructions [13].

Based on background and gap research, the research problem is: How to develop strategies to create competitive advantage through entrepreneurial orientation in improving marketing performance?

LITERATURE REVIEW
Competitive advantage

Every company that competes in an industrial environment has a desire that is superior to its competitors. In general, companies implement this competitive strategy explicitly through activities from various functional departments. Market thinking from the creation of a competitive strategy begins with the development of a general formula on how a business will be developed, what is actually the goal and what policies will be needed to achieve that goal. Competitive advantage [14, 15] has two different but interrelated meanings. The first emphasizes on excellence or superior in terms of resources and expertise owned by the company. Companies that have competence in the fields of marketing, manufacturing, and innovation can make it a source for achieving competitive advantage. Through these three competency fields, companies can develop strategies so that they can produce salable products on the market. While the second understanding emphasizes excellence in achieving performance so far. This understanding is related to the company's position compared to what its competitors are. The company is always growing their performance and strive to improve performance have the opportunity to achieve a good competitive position so the company actually has strong capital to continue to compete with other companies.

Competitive advantage is the heart of marketing performance to face competition. Competitive advantage is defined as a benefit strategy from companies that collaborate to create competitive advantages that are more effective in their markets. This strategy must be designed to realize continuous competitive advantage so that companies can dominate both the market and new markets. Competitive advantage based on value or benefits made by the company like its buyers. Customers generally prefer to buy products that have more value than they want or expect. However, this value will also be compared with the price offered. Product purchases will occur if the customer considers the price of the product in accordance with the value it offers.

Competitive advantage can be measured by indicators of uniqueness, competitive prices, not easily found, not easily replicated, and difficult to replace [16]. The uniqueness of the product is the uniqueness of the company's products that combine artistic value with the tastes of customers. Competitive price is the company's ability to adjust the price of its products at the general price on the market. Not easy to find means that its existence is rare in the competition that is available online: http://saspjournals.com/siebm
Customer orientation is defined as an understanding of customers with the aim of creating superior value for customers continuously [17]. Understanding here includes an understanding of customer needs, both at the time of current and at the time of its development in the future, therefore this effort can be achieved through the process of finding information about customers. With customer information, the company can understand who its potential customers are, both now and in the future and what they want now and in the future.

Competitor orientation is that the company understands the short-term strengths, weaknesses, long-term capabilities and strategies of its potential competitors [1] Competitor-oriented companies are often seen as companies that have strategies and understand how to obtain and share information about competitors, how to respond to competitors' actions and also how top management responds to competitors' strategies [18]. Orientation to competitors can be assumed that salespeople will attempt to gather information about competitors and share that information with other functions within the company, for example to the research and product development division or discuss with company leaders how competitor strengths and strategies are developed [19].

States that interfunctional coordination is the use of coordinated company resources in creating superior value for customers continuously [1]. Interfunctional coordination refers to communication between different organizational functions. Interfunctional coordination is based on customer and competitor information to create superior value for customers. Interfunctional coordination can enhance communication and exchange between all organizational functions that pay attention to customers and competitors, and inform current market trends. Interfunctional coordination fosters both trust and independence among separate functional units, which in turn leads to a company environment that is more willing to accept a truly new product based on customer needs.

Entrepreneurship Orientation
Entrepreneurship is a creative, innovative capability that is used as a basis, and resources seek opportunities for success [2]. Three foundations in the entrepreneurial management process, namely the ability to innovate, the ability to take risks, and the proactive nature.

Entrepreneurial competence is needed for the implementation of marketing strategies so that competitive advantage can be gained through responsiveness to customer needs [6]. The entrepreneurial spirit consists of 5: autonomy, innovativeness, risk taking, proactivity, and competitive aggressiveness.

Defining entrepreneurial marketing is the activity of proactively identifying efforts to achieve and retain customers that provide benefits through innovative approaches to risk management, resource effectiveness, and value development [20]. Innovation skills are related to perceptions and activities towards new and unique business activities. The ability to innovate is very important and the essence of entrepreneurial characteristics. Many research results and entrepreneurial literature show that the entrepreneurial orientation shows that entrepreneurial orientation has more significant innovation abilities than those who do not have the ability in entrepreneurship. Proactivity is a guide to the application of entrepreneurial orientation in person. Likewise if a company emphasizes proactivity in its business activities, the company has carried out entrepreneurial activities which will automatically encourage high performance [2]. Companies with high entrepreneurial activity mean that enthusiasm has never been extinguished despite many
obstacles, obstacles and challenges. Active and dynamic attitudes are the key words. Risk is that someone is oriented to opportunities in uncertainty in decision making. Risk barriers are a key factor that distinguishes a company from an entrepreneurial spirit or not. The main function of high entrepreneurial orientation is how to involve measuring risk and risk taking optimally.

**Marketing Performance**

States that marketing performance is a factor that is often used to measure the impact of the strategy implemented by the company [21]. The company's strategy is always directed to produce good marketing performance and good financial performance. Marketing performance is expressed in three main values, namely sales value, sales growth, and market share. Sales growth will depend on how many customers are known the average level of consumption is fixed. The sales value shows how many rupiahs or how many units of products the company successfully sells to consumers or customers. The higher the value of sales indicates the more products that are successfully sold by the company. While the market portion shows how much the product contribution handled can control the market for similar products compared to competitors.

**Influence between variables**

**Effect of market orientation on competitive advantage**

Market orientation relationships are not directly related to performance, but through competitive advantage. Examine the relationship of market orientation, competitive advantage and corporate performance, with two dimensions in each variable [22]. Performance measurement uses financial and non-financial performance. The results of the study show that market performance is full of mediation on the relationship between superior differentiation and financial performance. The company's willingness to implement a market orientation strategy will have an impact on the company's ability to compete. Market orientation can create competitive advantage [19]. While [22] find evidence that the greater the customer orientation, the more companies are able to develop competitive advantages based on innovation and market differentiation.

Based on the above thoughts, the hypothesis can be proposed: H1: Market orientation has a positive influence on competitive advantage

**Effect of entrepreneurial orientation on competitive advantage**

Studi [6] stated that entrepreneurial orientation has a direct, positive and significant impact on the sustainable competitiveness of MSMEs, Entrepreneurial orientation does not affect the business performance of MSMEs, organizational learning, sustainable competitiveness, entrepreneurial orientation has direct, positive and significant impact on MSME business performance and significant effect on MSME business performance through intervening variables of sustainable competitive advantage, entrepreneurial orientation has an indirect, positive and significant impact on MSME business performance through intervening variables of organizational learning.

Market orientation has a positive and significant effect on competitive advantage, innovation has a positive and significant effect on competitive advantage, entrepreneurial orientation has a positive and significant effect on competitive advantage, competitive advantage has a positive effect on marketing performance [19]. But different from the results of the study [6]. The difference lies in the application of entrepreneurial orientation elements that have not been done at all or thoroughly by business managers because the existence of this business is mostly still traditional. Business managers have not fully understood how to use stages or processes of entrepreneurial orientation, so there is no meaningful change in differentiating compared to competitors. Based on the above thoughts, the hypothesis can be proposed: H2: Entrepreneurial orientation has a positive effect on competitive advantage.

**Effect of market orientation on Marketing Performance**

Market orientation reflects competence in understanding customers, because it has the opportunity to give satisfaction to customers as well as its ability to recognize the movements of its competitors. Companies that succeed in controlling the market are referred to as "market drive firm" which is a company that always puts customer orientation and competitor orientation in harmony so as to produce better marketing performance. The main dimensions in market orientation are customer orientation and competitor orientation.

The success of a market-oriented company is largely determined by its ability to coordinate marketing, activities between functions within the organization, rapid response to changes in the competition environment and anticipating any change in strategy. Companies that have a high level of market orientation will have high marketing performance, because companies that have a high degree of market orientation will have a competitive advantage in terms of; product quality, service quality, product innovation and costs [21]. Stated that companies that have implemented market orientation will be able to provide better services so that they can satisfy their customers and can obtain higher business
benefits [20]. Based on the above thoughts, the hypothesis can be proposed, H3: Market orientation has a positive effect on marketing performance.

Effect of Entrepreneurial Orientation on Marketing Performance
Entrepreneurial orientation plays an important role in improving business performance [9]. Revealed that the entrepreneurial orientation becomes an acceptable meaning to explain business performance. Meanwhile, according to [9] that there is a significant relationship between entrepreneurial orientation determined by company performance. Entrepreneurial orientation refers to processes, practices and decision making that lead to new inputs and have three aspects of entrepreneurship, which are always innovative, act proactively and take risks. Entrepreneurial orientation which is reflected in the attitude of innovation, proactivity and courage to take risks is believed to be able to boost the company's performance. the higher entrepreneurial orientation can improve the company's ability to market its products towards better business performance. The entrepreneurial orientation of an entrepreneur can lead to an increase in business performance.

Based on the description above, the following hypothesis can be presented, H4: Entrepreneurial orientation has a positive effect on marketing performance.

Effect of competitive advantage on Marketing Performance
Hasil penelitian [11] successfully found a positive influence between competitive advantage and performance measured through sales volume, profitability, market share, and return on investment. Competitive advantage can be obtained from the company's ability to manage and utilize its resources and capital. Companies that are able to create competitive advantage will have the power to compete with other companies because their products will still have the power to compete with other companies because their products will remain attractive to customers. Thus competitive advantage has a positive influence on improving the company's marketing performance. Based on the above thoughts, the hypothesis can be proposed: H5: Competitive advantage has a positive effect on marketing performance.

From the description above, it can be described the empirical model as shown in Figure-1.

Fig-1: Empirical model

RESEARCH METHODS
Population and Sample
Population is a collection of data or research objects that have quality and characteristics that have been determined based on these qualities and characteristics. Population can be understood as an individual group or object of observation which is at least an equation or characteristic [23]. The population in this study is all small and medium-sized food businesses in the city of Semarang, amounting to 186 small industries.

Sampling using purposive sampling method. The purposive sampling method is a sampling technique based on certain considerations, where the sample is selected with conditions that are considered to have essential characteristics relevant to the research [24]. Thus, from the selected sample that meets the requirements of a small industry that has a. Turnover and Assets under 100 million, Act No. 9/1995 max 200 million, b. Number of workers 5-19 people, c. Capital less than 25 million. So that the number of samples taken was 175 respondents.
Identification of Research Variables

This study contained two exogenous variables consisting of market orientation variables with indicator X1.1 = customer orientation, X1.2 = competitor orientation, X1.3 = market information. Second exogenous variable Entrepreneurial orientation with indicator X2.1 = Take risks; X2.2 = Flexible, X2.3 = Anticipative. And two endogenous variables, namely the advantage of competing with indicators; Z.1 = Product uniqueness; Z.2 = Competitive price; Z3 = rarely found; Z4 = Not easily replaced. And the second endogenous variable is marketing performance with indicator Y1 = Sales growth; Y.2 = Customer growth; Y.3 = Sales volume; Y.4 = Portion of market share.

Data analysis method

The data analysis method we use is linear regression through the SPSS 16 program (Statistical Product and Service Solution), namely:
- Test the effect of market orientation (X1), entrepreneurial orientation (X2) on competitive advantage (Z). The multiple regression equation is as follows: Z = a + β1 X 1 + β2 X 2 + α1
- Test the effect of market orientation (X1), entrepreneurial orientation (X2), competitive advantage (Z) on marketing performance (Y). The Multiple Regression Equations are as follows: Y = b + β1 X 1 + β2 X 2 + β3 Z1 + α2

Where, a, b is a multiple regression constant
β1, β2, β3, are regression coefficients
X1 is market orientation
X2 is entrepreneurial orientation
Z is a competitive advantage
Y is Marketing Performance

Based on the results of data processing with regression analysis using the SPSS 16 program we can find the results of regression analysis as shown in Table-1 and table-2

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Regression Coefficient</th>
<th>t count</th>
<th>Probability (Sig. t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market orientation (X1)</td>
<td>0,089</td>
<td>0,476</td>
<td>0,706</td>
</tr>
<tr>
<td>Entrepreneurial orientation (X2)</td>
<td>0,377</td>
<td>5,042</td>
<td>0,000</td>
</tr>
<tr>
<td>Konstanta</td>
<td>-0,509</td>
<td></td>
<td></td>
</tr>
<tr>
<td>t count</td>
<td>86,594</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R²</td>
<td>0,781</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustment R²</td>
<td>0,883</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R</td>
<td>0,831</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Dependent variable: Competitive advantage

From Table-1 we can create a multiple linear regression equation model as follows:

\[ Z = -0,509 + 0,089X1 + 0,377X2 + 0,670 Z \]

- First, we found that the constant (a) is negative at -0.509, this shows the variable value of competitive advantage if the independent variable is the market orientation variable, entrepreneurial orientation is considered zero.
- Secondly, we found that the variable regression coefficient of market orientation (β1) showed positively to have an effect of 0.089 on competitive advantage, this showed a direct effect
- Third, we found variable regression coefficients Entrepreneurial orientation (β2) showed positively to have an effect of 0.377 on competitive advantage, this showed a direct effect.
- Fourth, we found that the magnitude of the coefficient of determination (R²) = 0.781 and after adjusting to adjust R square of 0.883, the results showed that the market orientation variable, entrepreneurial orientation together contributed 88.3% to competitive advantage, while the remaining 16.7% is the contribution / contribution of other variables not observed in our research model.
- Five, we found the magnitude of the multiple correlation coefficient R (multiplecorrelation) illustrates the strong relationship between independent variables, namely the market orientation variable, entrepreneurial orientation together with the dependent variable, namely competitive advantage (Z) is 0.831. This means that the relationship between all variables is very close because the R value approaches 1.
Table-2:

<table>
<thead>
<tr>
<th>Independent variable (t sig)</th>
<th>Regression Coefficient</th>
<th>t count</th>
<th>Probability (Sig. t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market orientation (X1)</td>
<td>0.707</td>
<td>5.246</td>
<td>0.000</td>
</tr>
<tr>
<td>Entrepreneurial orientation (X2)</td>
<td>-0.307</td>
<td>2.704</td>
<td>0.008</td>
</tr>
<tr>
<td>Competitive advantage</td>
<td>0.454</td>
<td>5.646</td>
<td>0.000</td>
</tr>
<tr>
<td>Konstanta</td>
<td>5.082</td>
<td></td>
<td></td>
</tr>
<tr>
<td>t count</td>
<td>48.975</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R^2</td>
<td>0.559</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustment R^2</td>
<td>0.547</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R</td>
<td>0.748</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Dependent variable: Marketing Performance

From Table-2 we can create a multiple linear regression equation model as follows:

\[ Y = 5.082 + 0.707X1 - 0.307X2 + 0.454Z \]

- First, we find that the constant (a) of 5.082 shows the value of the variable Marketing Performance if the independent variable is the variable Market Orientation, Entrepreneurial Orientation, Competitive Advantage is considered zero.
- Second, we found that the Market Orientation (β1) regression coefficient showed positively that it had an effect of 0.707 on Marketing Performance, this showed a direct effect.
- Third, we found the regression coefficient of the entrepreneurial orientation variable (β2) showed negatively having an effect of - 0.307 on Marketing Performance, this showed a different direction.
- Fourth, we found that the regression coefficient of competitive advantage variable (β3) showed positively to have an effect of 0.454 on Marketing Performance, this showed a direct effect.
- Fifth, we find that the magnitude of the coefficient of determination (R^2) = 0.559 and after adjusting to adjust R square is 0.547, the results show that the variables of market orientation, entrepreneurial orientation, competitive advantage together contribute 54.7% on Marketing Performance, while the remaining 45.3% is the contribution / contribution of other variables not observed in our research model.
- Sixth, we found the magnitude of the multiple correlation coefficient R (multiplecorrelation) illustrates the strong relationship between independent variables, namely the variable market orientation, entrepreneurial orientation, competitive advantage together with the dependent variable, namely Marketing Performance (Y) is 0.748. This means that the relationship between all variables is very close because the R value is close to 1.

The next step is to test the multiple regression model with F test. The results of the hypothesis testing that we have done in full can be presented in Table 3 and Table-4.

Table-3: ANOVA^b

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1436.400</td>
<td>3</td>
<td>478.800</td>
<td>85.594</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>641.392</td>
<td>116</td>
<td>5.529</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2077.792</td>
<td>119</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Market orientation, Entrepreneurial orientation  
b. Dependent Variable: Competitive advantage

The results of the F test were carried out by comparing F calculated with F table at the significance level \( \alpha = 0.05 \). From the data we can find that F counts at a significant level of 0.000, with these results it can be said that the proposed hypothesis is proven to be accepted which states that market orientation, entrepreneurial orientation significantly influence competitive advantage. hus the multiple regression equation model can be continued. Next we present table-4 about the hypothesis testing of the second multiple regression equation model.

Table-4: ANOVA^b

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>2607.605</td>
<td>3</td>
<td>869.202</td>
<td>49.975</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>2058.761</td>
<td>116</td>
<td>17.748</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4666.367</td>
<td>119</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), market orientation, entrepreneurial orientation, competitive advantage  
b. Dependent Variable: Marketing performance
From Table-4, we find the result that the calculated F is 49.975 with a significant level of 0.000, and the denominator df is 3 and the numerator df is 116. To test the second hypothesis which states market orientation, entrepreneurial orientation, competitive advantage together has a significant effect on our marketing performance using Test F. The results of the F test were carried out by comparing F calculated with F table at the significance level α = 0.05. From the data we can find that F counts at a significant level of 0.000, with these results it can be said that the proposed hypothesis is proven to be accepted which states that market orientation, entrepreneurial orientation, competitive advantage significantly influence marketing performance.

Model equation 1 and 2, then the next step we are testing the hypotheses and results we found for the significance of each variable using the partial t-test can be seen in Table-5 and table-6.

<table>
<thead>
<tr>
<th>Tabel-5: Coefficientsa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>Market orientation</td>
</tr>
<tr>
<td>Entrepreneurial orientation</td>
</tr>
</tbody>
</table>

Partial testing of the influence between variables we use the t test as follows: First: Market orientation has a significant effect on competitive advantage. We found the results of regression analysis obtained by the value of t = 2.476 while at α = 0.05 with a probability of 0.003 smaller than 0.05 so that it was proved that partially variable market orientation had a significant effect on competitive advantage. Thus the first hypothesis can be accepted. This supports the research of [20, 21] who found that market orientation has a positive and significant effect on competitive advantage. This means that market orientation as measured by customer orientation indicators, competitor orientation and inter-function coordination has been shown to have a significant positive influence on competitive advantage as indicated by indicators of product uniqueness, competitive prices, rarely encountered and irreplaceable, contributing to the sustainability of the company. This means that companies that apply market orientation have advantages in terms of customer knowledge and this advantage can be used as a source for creating products that are in line with customer desires and needs. This means that companies that apply market orientation have advantages in terms of customer knowledge and this advantage can be used as a source for creating products that are in line with customer desires and needs. Besides this result also supports the view of [6,19], which states that a corporate culture that emphasizes the importance of the company to pay attention to the market will lead to strengthening the company's competitive advantage.

Second, entrepreneurial orientation has a significant effect on competitive advantage. We found the results of the regression analysis obtained the value of t = 5.042 while at α = 0.05 with a probability of 0.000 smaller than 0.05, so that it was proved that partially the entrepreneurial orientation variable had a significant effect on competitive advantage. Thus the second hypothesis can be accepted. This supports the research of [6, 19] who found that entrepreneurial orientation has a positive and significant effect on competitive advantage. This means that the entrepreneurial orientation measured by indicators takes risks; , Flexible, Anticipative proven to have a significant influence on competitive advantage. This means that this study adopts an indicator of entrepreneurial orientation variables, which are flexible, proactive, courage to take risks, experience, and anticipatory. Taking risk can be defined as someone who is oriented to opportunities in the uncertainty of the context of decision making. Flexibility is subject to change according to customer wishes. Proactive is a company where leaders have the ability to recognize opportunities and commitment to innovation. The business experience is the attitude of entrepreneurship and the consequences of behavior to innovation that are influenced by the background of the leader regarding experience. Anticipatory is the company's ability to cope with or anticipate any changes. In the end it will create a competitive advantage. Next we present table 6, the results of the hypothesis test each variable we find as follows.

<table>
<thead>
<tr>
<th>Tabel-6: Coefficientsa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>Market orientation</td>
</tr>
<tr>
<td>Entrepreneurial orientation</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Competitive advantage

Available online: http://saspjournals.com/sjebm
Third, market orientation has a significant effect on marketing performance. We found the results of regression analysis obtained the value of \( t \) count = 5.246 while at \( \alpha = 0.05 \) with a probability of 0.000 smaller than 0.05, so that it was proved that partially the market orientation variable had a significant effect on marketing performance. Thus hypothesis 3 can be accepted. This supports the research of [21], who found that market orientation has a significant effect on marketing performance [20]. This means that market orientation as measured by customer orientation indicators, competitor orientation and inter-function coordination has proven to have a significant positive effect on marketing performance as indicated by sales growth indicators; Customer growth; Sales volume; Market share portion. This means that companies that have implemented market orientation will be able to provide better services so that they can satisfy their customers and can obtain higher business benefits.

Fourth, entrepreneurial orientation has a significant effect on marketing performance. We found the results of the regression analysis obtained the value of \( t \) value = 2.704 while at \( \alpha = 0.05 \) with a probability of 0.008 smaller than 0.05, so it was proven that partially the entrepreneurial orientation has a significant effect on marketing performance. Thus the fourth hypothesis can be accepted. This supports [2, 6, 9], who found that entrepreneurial orientation has a significant effect on marketing performance. This means that the entrepreneurial orientation measured by indicators takes risks; Flexible, Anticipatory proven to have a significant influence on marketing performance as indicated by sales growth indicators; Customer growth; Sales volume; Market share portion. This means that the higher entrepreneurial orientation can improve the company's ability to market its products towards better business performance. The entrepreneurial orientation of an entrepreneur can lead to an increase in business performance.

Fifth, competitive advantage has a significant effect on marketing performance. We found the results of regression analysis obtained the value of \( t \) count = 5.646 while at \( \alpha = 0.05 \) with a probability of 0.000 smaller than 0.05 so that it is evident that partially competitive advantage variables significantly influence marketing performance. Thus hypothesis 5 can be accepted. This supports the research of [11, 14, 15] who found that competitive advantage has a positive and significant effect on marketing performance. This means that competitive advantage as measured by the uniqueness of the product, competitive price, rarely found and not replaced contributing to the sustainability of the company has proven to have a significant influence on marketing performance as indicated by the sales growth indicator; Customer growth; Sales volume; Market share portion. This means that companies that are able to create competitive advantage will have the power to compete with other companies because their products will still have the power to compete with other companies because their products will remain attractive to customers. Thus competitive advantage has a positive influence on improving the company's marketing performance.

**CONCLUSION**

Based on the results of the study can be concluded as follows:

- Market orientation has a positive and significant effect on competitive advantage.
- Entrepreneurial orientation has a positive and significant influence on competitive advantage.
- Market orientation has a positive and significant effect on marketing performance.
- Entrepreneurial orientation has a positive and significant effect on marketing performance.
- Competitive advantages have a positive and significant effect on marketing performance.

**Research Implications**

The findings of this study are that market orientation, entrepreneurial orientation, contribute significantly to competitive advantage and market orientation, entrepreneurial orientation, competitive advantage contribute significantly to marketing performance. Therefore, managerial implications in the management of SMEs in the city of Semarang are as follows.

First, Customer orientation is done by berorietasi on customer satisfaction, by always observing customer behavior and conducting surveys about customers, so that it shows as responsive behavior in creating superior value for them. Competitor orientation can be done by continuously following the development of competitors, understanding short-term strengths, weaknesses, capabilities, and long-term strategies of competitors.

Second, being proactive can be achieved by encouraging employees to be willing to care about changes that occur, not to be resigned to circumstances and willingness to seek various market opportunities for products and to overtake competitors in introducing their products. Courage to take risks can be done by expanding by opening new companies in other places, developing new products, and entering new markets.

Third, companies can compare or check the price of their products at the price of competing products, so that the price issued by the company is not much different from the price of its competitors. The company conducts careful

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analysis to enter the market. The company maintains the quality of the raw materials of its products and the peculiarities it has so as not to be easily replicated.

Fourth, the company increases its sales by training its sales force, fostering good relationships with customers. The company minimizes defective products by tightening its quality control. The company extends the reach of its marketing area by looking at opportunities that allow for the distribution of its products.

Limitations of research

This study has limitations:

First, the results of hypothesis testing only see the contribution of variable market orientation, entrepreneurial orientation, and competitive advantage. This finding is suggested to do replication research with an expansion design so that its contribution will be more accurate.

Second, the limitations of this study also only look at the magnitude of the contribution of variable market orientation, entrepreneurial orientation, competitive advantage over marketing performance. Future research is expected to be able to examine other variables that can increase sales.

REFERENCES


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