# INCREASING MARKETING PERFORMANCE WITH EMPOWERED INTERACTION CAPABILITY THROUGH MARKETING INNOVATION MARKETING INTELLIGENCE AND CONSUMER NEED ADAPTABILITY

# ARTICLE INFO

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# ABSTRACT $\leftarrow$ 11

Since the Covid-19 Pandemic, all business activities have decreased, including MSMEs in Banjasari District. Technological changes that cannot be avoided require business actors to adapt. Covid-19 has changed the culture of life to be completely online. The need for innovation and interaction with all stakeholders is no exception with producers, stakeholders and consumers online, currently consumers can be used as sources of information and to know firsthand what consumers expect. Considering the number of respondents in this study amounted to 51 respondents, the statistical analysis used in this study was Partial Least Square (PLS) with the help of SmartPLS v.3.1.3 software. The results of the study show that the factors that affect Marketing Performance during the Covid-19 pandemic are: Marketing intelligence. Minov and Mintel were not able to moderate the effect of EIC on MP with a negative effect and EIC was also unable to moderate the effect of CNA on MP but the effect was positive. The dominant variables that affect Marketing Performance are Marketing Intelligence and R Square 98.4%.

# ABSTRAK

Sejak Pandemi Covid-19 seluruh kegiatan usaha mengalami penurunan, tidak terkeculai UMKM di Kecamatan Banjasari. Perubahan teknologi yang tidak bisa dihindari menuntut pelaku usaha harus menyesuaikan diri. Covid-19 merubah budaya hidup menjadi serba online. Keharusan pada Inovasi dan interaksi dengan seluruh pemangku kepentingan tidak terkecuali dengan produsen, stakeholder dan konsumen secara online, saat ini konsumen dapat dijadikan sumber informasi dan untuk mengetahui secara langsung apa yang diharapkan konsumen. Mengingat jumlah responden pada penelitian ini berjumlah 51 responden, maka analisis statistik yang digunakan pada penelitian ini adalah Partial Least Square (PLS) dengan bantuan perangkat lunak SmartPLS v.3.1.3. Hasil dari memperlihatkan bahwa faktor-faktor yang mempengaruhi Marketing Performance masa pandemic Covid-19 adalah: Marketing intelligence. Minov dan Mintel tidak mampu memoderasi pengaruh EIC terhadap MP dengan pengaruh yang negative dan EIC juga tidak mampu memoderasi pengaruh CNA terhadap MP tetapi pengaruhnya positif. Variabel dominan yang mempengaruhi Marketing Performance adalah Marketing Intelligencedan R Square 98,4%.

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# 1. INTRODUCTION

Small and Micro Enterprises are currently the promenade in the economy in Indonesia, this has been proven during the monetary crisis in 1998 where the Indonesian economy was able to survive because of the role of people's economic activities (Micro Small Business / UKM). Based on this experience, current economic independence is strongly supported by the government, especially for SME business players to be able to exploit the existing resources in each region so that the need for imported products can be suppressed. The increase in entrepreneurs will have an impact on increasing the number of products that can be produced. Every business actor is required to always make changes so that technology cannot be separated from this entrepreneurship activity, collaboration between business people and experts in the fields of science and technology will determine the progress of the economy. Tight competition, due to internet access, makes business actors have to be willing to adapt to existing changes, especially during this Covid-19 pandemic. Customers can be used as communication partners with potential and potential customers. Marketing Performance, Increasing the competitiveness of SMEs is an important effort to improve the performance of SMEs. Porter (1990) explains that competitive advantage is the heart of marketing performance to face competition.

Marketing Innovation Brand companies and retailers are committed to innovative marketing ideas after they identify the contribution it makes to their competitiveness as an incentive to be innovative in their marketing practices (Sood & Tellis, 2005). (Gupta et al., 2016)

Marketing Intelligence, in terms of marketing intelligence processing and dissemination, the most important collaboration to be secured is the one between marketing and sales departments. For every market-oriented organization, it is more than necessary to foster the joint work of the two departments and to improve the relationship between them (Kotler, Rackham, and Krishnaswamy 2006). The sales and marketing function are both customer facing and boundary spanning (Le Meunier-Fitz Hugh and Piercy 2011) (Helm et al., 2014). Empowered interaction capabilities encourage business actors to form beneficial resources and experiences that facilitate, enhance, and actualize shared value creation at the level of interaction capability between business actors, stakeholders, government and customers. This interaction can be developed by sharing knowledge to encourage the emergence of innovations that business actors need to have for competitive advantage.

Consumer Need Adaptability, With the ability to adapt in a changing business environment, a business run by entrepreneurs will more easily reach the level of competitive advantage. This is certainly an important factor in mastering existing market share, because having a good competitive advantage will make it easier for SMEs to stay ahead in competing with their competitors. Studies conducted (Homburg et al., 2007) state that companies that can respond to customers and competitors are the most important factors in growing their performance such as market share, profits, and also customer satisfaction. Another case with the opinion White et al., (2003) which states that by observing changes in opportunities and threats continuously, then the company will be able to continue to survive in the market. (Ali, 2019)

From the information above, a situation is drawn on how to improve the marketing performance of MSMEs in the city of Surakarta so that they can produce competitive products that can meet the needs and desires of consumers both in Surakarta and the export market?

# **2. THEORETICAL FRAMEWORK AND HYPOTHESES** Hypothesis

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- H1 : The independent latent variable (EIC) succeeded in proving the relationship with the dependent latent variable (MINTELL).
- H2 : The independent latent variable (EIC) succeeded in proving the relationship with the dependent latent variable (MINOV).
- H3 : The independent latent variable (EIC) has succeeded in proving the relationship with the dependent latent variable (MP).
- : The independent latent variable (CNA) succeeded in proving the relationship with the dependent latent variable (EIC).
- H5 : The independent latent variable (CNA) has succeeded in proving the relationship with the dependent latent variable (MP).
- H6 : The independent latent variable (MINOV) succeeded in proving a relationship with the dependent latent variable (MP),
- H7: The independent latent variable (MINTELL) succeeded in proving a relationship with the dependent latent variable (MP).
- H8 : Variable (MINOV) is able to moderate the effect (EIC) on the dependent variable of Marketing Performance (MP).
- H9 : Variable (EIC) is able to moderate the effect of CNA on the dependent variable of Marketing Performance (MP).
- H10 : MINTEL variable is able to moderate the effect of EIC on the dependent variable of Marketing Performance (MP).

#### 3. RESEARCH METHOD

# **SAMPLING AND DATA**

The population in this study is MSMEs in Surakarta City, Banjarsari District which is on a small scale. Limitations for small industries are (revrisond 1998, p73): Turnover and assets under 600 million, according to BI. 300 million, according to the Ministry of Finance 100 million, According to Law no. 9 /1995 max 200 million; Number of workers 5 – 19 people; Capital less than 25 million.

The types of products produced include all types of existing businesses. The type of non-probability sampling chosen for this study is purposive sampling, where sampling, in this case, is limited to certain types of people who can provide the desired information and meet several criteria determined by the researcher (SEKARAN, 2006).

The data collection method used in this study is by distributing questionnaires or questionnaires to respondents who have been determined and asked to fill in or provide answers to questions that have been provided by researchers in the form of a Likert scale. The Likert scale is used to make it easier for respondents to answer each question. The scale used in this study is 1 (strongly disagree) – 5 (strongly agree). This questionnaire was distributed by distributing it via whats app with the google form application due to the covid-19 pandemic conditions.

No	Variabel	Indikator	Sumber
1	Marketing Performance (MP)	Customer loyalty/loyalty to the product by retaining old customers Attracting new customers, easier and cheaper. Customer satisfaction with the product, with evidence of customers making repeat purchases. Market share growth is indicated by an increase in the number of new buyers/registered agents. Marked growth in market share required establishing new agents/branches. Sales Management is achieved by increasing purchase transactions Sales Management is achieved by Reducing cost items.	Yuah-Shuh Lii (2004) Green Et. Al. (2008) Crick, D, Et. Al. (2003) Limakrisna, Adriza, Dan Zahara (2017)

2	Marketing Inovation (MINOV)	Sales Management achieved the company's investment through other business activities.  Market share growth marked by an increase in the number of registered customers  Always innovate Always find new ways to improve customer relationships  New sales techniques and methods are tried to be discovered  Looking for ways to develop new business models  Product design is constantly updated according to customer needs and competitive products  Always looking for ways to improve promotion methods/methods and tools.	(Son Et Al, 2012; Prahalad & Ramaswamy 2004; Magrath & Higgins, 1992)
3	Empowered Interaction Capability (EIC)	a. Customers interact with you in their own terms/way b. Treat network partners as active recipients of final results/evaluations c. Engage Customers/network partners actively producing Shared experiences on social media. d. Provide opportunities for network partner knowledge and ideas, value for learning and enhance future experiences. e. Voluntary participation of customers and network partners f. Gives customers/network partners control over the interaction process. g. Provide opportunities for customers/network partners to form/provide evaluations/final results. h. Turning customers/network partners into co-creation partners	(Wang dan Wang, 2012; Wuryaningrat, 2013). (Ardi et al., 2020)
4	Consumer Need Adaptability (CNA)	Able to understand customer needs Adapting to product motifs in risky markets Ability to adapt to market changes	Ahmad Ali, 2019
5	Marketing Intellegence (MINTEL)	The Company's Ability to Develop and Build Relationships with Customers The ability to use <i>marketing intelligence</i> (ie, activities in marketing that aim to find out the activities of competitors)	(MOOREMAN DAN SLOTERGRAAF, 1999).

Recognize External Factors That
Have An-Influence on Current and
Future Customer Needs.
4. Building Quality Channels Good
relationship with customers,
network partners and
stakeholders/suppliers

# 4. DATA ANALYSIS AND DISCUSSION

Research Variables and Measurement Variables, in this study are divided into five namely Exogenous Variables (CNA), Endogenous Variables are Marketing Performance (MP), Moderating Variables are (MINOV, MINTEL and EIC). Variable measurements are presented in the table above.

In using SEM-PLS, it is necessary to examine the reliability of the indicators used as a measuring tool for latent variables. The reliability of an indicator can be accepted if it has an indicator reliability value of 0.7 (Hulland, 1999). The reliability value of each indicator can be calculated by squaring the value of the outer loading generated by each indicator after running the PLS algorithm using the SmartPLS v.3.1.3 software. As can be seen in Table 5.2 not all indicators meet the indicator reliability requirements. Thirty indicators used in this study have an indicator reliability value of 0.7 and the other 4 (four) have indicator reliability values below 0.7. So it can be said that of the thirty indicators, twenty-four meet the indicator reliability requirements. Six indicators that must be eliminated because they do not meet the reliability indicators are MP5, MP6, MP7, MP8, MINOV4 and EIC1

# 5.4.2 Internal Consistency Reliability

To measure the reliability of internal consistency in previous studies using Cronbach's Alpha values, but for measuring the reliability of internal consistency in SEM -PLS is recommended to use composite reliability values. The recommended composite reliability value is 0.7 (Hair, Sarstedt, Ringle, & Mena, 2012; Bagozzi & Yi, 1988). Of the five latent variables or constructs, all of them have a composite reliability value of 0.7. So that all latent variables used in this study were declared reliable.

Tabel 5.3 Nilai composite reliability variabel laten

Variabel Laten	Composite Reliability	Keterangan
CNA	0.943	Reliabel
EIC	0.942	Reliabel
MINOV	0.873	Reliabel
MINTELL	0.929	Reliabel
MP	0.910	Reliabel

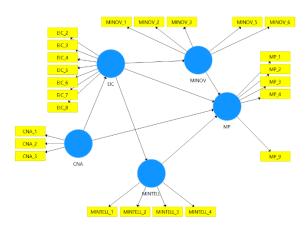
# 5.4.3 Convergent Validity

In checking whether a latent variable meets convergent validity, the Average Variance Extracted (AVE) value can be used. In order for a latent variable to be said to meet convergent validity, the AVE value must be > 0.5 (Bagozzi & Yi, 1988).

Table 5.4 Value of Average Variance Extracted (AVE) Latent Variables

Variabel Laten	AVE	Keterangan
CNA	0.847	Valid
EIC	0.672	Valid
MINOV	0.535	Valid
MINTELL	0.766	Valid
MP	0.532	Valid

The results in Table 5.4 show that all latent variables have AVE values above 0.5. So it can be concluded that all latent variables or constructs in the study meet the requirements of convergent validity.



# 5.6 Analysis of Measurement Model Respecification Measurement

model that has been respecified is then carried out again to test the measurement model using the PLS algorithm on the SmartPLS v.3.1.3 software. The results of the PLS algorithm on the specification model can be seen in Appendix 6.

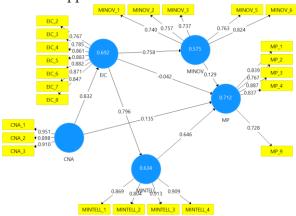


Figure 5.8 Path coefficients of the PLS algorithm on the respecification measurement model

5.6.1 Reliability of the Respecification Model Indicator

An indicator is declared to meet the indicator reliability requirements if it has an indicator reliability value. Of the sixteen indicators used in the research model, all of them have an indicator reliability value of 0.7. So that all indicators are declared to meet the requirements of indicator reliability (Hulland, 1999).

Table 5.7 Results of checking the reliability of the variable respecification model indicator.

Variabel	Indikator	Outer	Nilai Reliabilitas	Keterangan
Laten		Loading	Indikator	_
MINOV	MINOV_1	0.740	0.904	Reliabel
	MINOV_2	0.757	0.906	Reliabel
	MINOV_3	0. 962	0.925	Reliabel
	MINOV_5	0.763	0.869	Reliabel
	MINOV_6	0. 824	0.918	Reliabel
MINTEL	MINTEL_1	0.869	0.891	Reliabel
	MINTEL_2	0.804	0.821	Reliabel
	MINTEL_3	0.913	0.876	Reliabel
	MINTEL_4	0.909	0.929	Reliabel
CAN	CAN_1	0.951	0.947	Reliabel
	CAN_2	0.898	0.906	Reliabel
	CAN_3	0.910	0.876	Reliabel
	EIC_2	0.767	0.832	Reliabel
	EIC_3	0.785	0.846	Reliabel
	EIC_4	0.861	0.891	Reliabel

	EIC_5	0.883	0.858	Reliabel
	EIC_6	0.882	0.893	Reliabel
	EIC_7	0.871	0.925	Reliabel
	EIC_8	0.847	0.925	Reliabel
MP	MP_1	0.839	0.880	Reliabel
	MP_2	0.767	0.719	Reliabel
	MP_3	0.887	0.904	Reliabel
	MP_4	0.837	0.872	Reliabel
	MP_9	0.728	0.927	Reliabel

5.6.2 Internal Consistency Reliability Respecification Model

Of the five latent variables or constructs, all of them have a composite reliability value of 0.7. So that all latent variables used in this study were declared to meet the internal consistency reliability requirements (Hair, Sarstedt, Ringle, & Mena, 2012; Bagozzi & Yi, 1988).

Table 5.8 Composite reliability value of latent variable respecification model model

Variabel Laten	Composite Reliability	Keterangan
CNA	0.943	Reliabel
EIC	0.945	Reliabel
MINOV	0.876	Reliabel
MINTELL	0.929	Reliabel
MP	0.907	Reliabel

5.6.3 Convergent Validity of the Respecification Model

Six latent variables in the specification model have an AVE value > 0.5. So it can be said that all latent variables meet convergent validity (Bagozzi & Yi, 1988).

Table 5.9 Value of Average Variance Extracted (AVE) latent variable respecification model

Variabel Laten	AVE	Keterangan
CNA	0.846	Valid
EIC	0.711	Valid
MINOV	0.585	Valid
MINTELL	0.766	Valid
MP	0.662	Valid

5.6.4 Discriminant Validity of Respecification Model

All latent variables in respecification mode have a square root value of AVE greater than the correlation value of the latent variable. So that all latent variables are declared to meet discriminant validity (Fornell & Larcker, 1981).

The square root values of AVE in Table 5.10 are marked with dark shading. The square root value of AVE in a latent variable must be greater than all values in the same column and row. For example, in the EIC variable, the AVE square root value of the latent EIC variable is 0.920, which is greater than the correlation value of the EIC latent variable with other latent variables, namely 0.832, 0.758, 0.796, and 0.683.

Table 5.11 Results of checking the discriminant validity of the respecification model

Variabel Laten	Keterangan	
CNA	Valid	
EIC	Valid	
MINOV	Valid	
MINTELL	Valid	
MP	Valid	

# 5.7 Structural Model Analysis

To predict the relationship between latent variables, it is necessary to evaluate the structural model (Ghozali & Latan, 2012). Structural model testing can be used to see whether the empirical data in the study supports the relationship of the research hypotheses (Ghozali & Fuad, 2008). The hypothetical relationship in the study can be seen from the relationship between exogenous variables and endogenous variables and endogenous variables with other endogenous variables described in the structural model (Figure 5.4). Therefore, by testing the structural model, researchers can see whether based on empirical data the research hypothesis is accepted or rejected.

# 5.7.1 Variance of Endogenous Variables

To see the predictive power of the structural model, the R2 value of each endogenous variable can be used (Ghozali & Latan, 2012). The value of R2 is used to measure the variation of changes in exogenous variables to endogenous variables. For example, for the R2 value of an endogenous variable of 0.6, it means that the variation of changes in endogenous variables that can be explained by exogenous variables is 60%, while the remaining 40% is explained by other variables outside the research model used. The greater the value of R2, the better the prediction model of the research model used. According to Hair et al (2011), an R2 value of 0.75 indicates a strong model, an R2 value of 0.5 indicates a moderate model, while an R2 value of 0.25 indicates a weak model.

# Table 5.12 R2 value of research latent variables

Variabel Laten	Nilai R2	Keterangan
EIC	0.692	Moderate
MINOV	0.575	Moderate
MINTELL	0.634	Moderate
MP	0.712	Moderate

The R2 value of 69.2% on the endogenous EIC variable shows that the exogenous CNA variable moderately explains 69.2% of the variance of the EIC endogenous variable.

The R2 value of 57.5% on the endogenous variable MINOV shows that the exogenous variable EIC moderately explains 69.2% of the variance of the endogenous variable MINOV.

The R2 value of 63.4% on the MINTELL endogenous variable shows that the EIC variable moderately explains 63.4% of the variance of the MINTELL endogenous variable.

The R2 value of 0.712 owned by the endogenous variable MP shows that the exogenous variable CNA, MINOV, MINTELL and the endogenous variable EIC moderately explained 71.2% of the variance of the endogenous variable MP.

# 5.7.2 Significance of Structural Model Based on Path Coefficient

The path coefficient value in the PLS algorithm results which can be seen in Table 5.13 shows that CNA has the strongest impact on EIC, which is 0.832, followed by EIC against MINTELL with 0.796, EIC against MINOV with 0.758. CAN and MINOV have values of 0.135 and 0.129, respectively. Meanwhile, EIC is considered unable to predict MP because it has a value below 0.1, namely -0.042. The MINTELL latent variable is considered to have a strong impact on the MP variable with a path coefficient value of 0.646. So that the analysis of the significance of the structural model in this study can be concluded:

- The hypothesized relationship between CNA and EIC was statistically significant.
- b. The hypothetical relationship between EIC, MINTELL and MINOV was statistically significant.
- c. The hypothetical relationship between EIC and MP was not statistically significant.
- d. The hypothesized relationship between MINOV and MP was statistically significant.
- e. The hypothetical relationship between MINTELL and MP was statistically significant.
- f. All latent variables are strong predictors of endogenous variables, except the latent variable EIC.

# Table 5.13 Path coefficient value of latent variable

Variabel Laten	Variabel Endogen	Variabel Endogen	Variabel	Variabel
	EIC	MINOV	Endogen	Endogen
			MINTELL	MP
CNA	0.832			0.135
EIC		0.758	0.796	-0.042
MINOV				0.129
MINTELL				0.646

# 5.7.3 Significance Analysis of Structural Models with Bootstrapping

SmartPLS v.3.1.3 software can analyze significance using bootstrapping developed by Efron in the 1970s to determine the effect between variables. The bootstrap procedure performs resampling using all empirical data or the original sample (Ghozali & Latan, 2012). The bootstrap sample recommendation recommended by Hair et al. (2011) and Henseler et al. (2009) is 500. The significance value used is 5% or 0.005. The bootstrapping parameters used can be seen below:

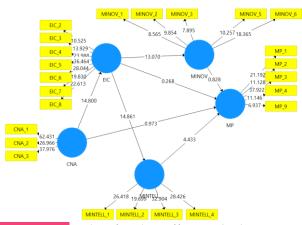


Figure 5.9 Results of path coefficients by bootstrapping

To find out whether the path coefficients of the structural model are significant or not, it can be seen on the T-Statistics value. For a significance level of 5%, the path coefficient is considered significant if the T-Statistics value is more than 1.96 (Hair, Ringle, & Sarstedt, 2011).

5.8 Hypothesis Testing Based on Latent Variables

According to (Hair, Ringle, & Sarstedt, 2011) the minimum value of T-Statistics to assess whether or not the relationship between one latent variable and other latent variables is significant depends on the significance value used, namely:

- 1. Significance level 10 %, the minimum T-Statistics value is 1.65.
- 2. The significance level is 5%, the minimum T-Statistics value is 1.96.
- 3. The significance level is 1%, the minimum T-Statistics value is 2.58.

Table 5.14 Structural model hypothesis test

	Original Sample	T-Statistics	Hipotesis	Keterangan
	(O)	( O/STERR )		
CNA ->EIC	0.832	13.593	H1	Diterima
CNA -> MP	0.135	0,901	H2	Ditolak
EIC -> MINOV	0.758	13.174	H3	Diterima
EIC -> MINTELL	0.796	13.339	H4	Diterima
EIC -> MP	-0.042	0.265	H5	Ditolak
MINOV -> MP	0.129	0.830	H6	Ditolak
MINTELL -> MP	0.646	3.930	H7	Diterima

Of the seven hypotheses tested using the structural model, four were accepted and the other three were rejected. The four accepted hypotheses are H1, H3, H4 and H7. The CNA hypothesis on EIC has the greatest significance value, which is 13,593. The hypothesis that describes the relationship between EIC and MP variables, which is 0.265, has the smallest significance value.

# 5.4 Discussion of Research Results

# 5.4.1 Hypothesis Testing 1

	Sampel Asli (O)	Sampel Mean (M)	Standar	Deviasi	T statistik
			(STDEV)		( O/STDEV )
EIC -> MINOV	0.758	0.773	0.057		13.355

The measurement results show that t-statistic > t table (significance level 5% = 1.96), then the first hypothesis in this study is accepted. From the results of these data, it can be interpreted that the sample data of the independent latent variable (MINTELL) succeeded in proving the relationship with the dependent latent variable (EIC), or in other words X2 (MINTELL) gave a significant influence on Z1 (EIC) with a positive relationship direction

Based on statistical calculations, it can be concluded that the construct variable Empowered Interaction Capability has a positive and significant effect on Marketing Innovation which is sampled in the study. It can be seen that the T-statistic of 13,355 is more than the t-table of 1.96. Thus hypothesis 1 in the study is accepted. From the results of this study, it can also be interpreted that the level of Empowered Interaction Capability has an effect on Marketing Innovation. The direction of the positive relationship shows that the Micro, Small

and Medium Enterprises (MSMEs) of Banjarsari Sub-district which are sampled have good Empowered Interaction Capability. The higher the management intervention in carrying out the practice of Empowered Interaction Capability, it will have an effect on Marketing Innovation. The results of this study support research conducted by (Troena & Nimran, 2013) which states that Empowered Interaction Capability has a significant effect on Marketing Innovation, but does not support research (Öa & , 2018).

It can be concluded that, Empowered Interaction Capability affects marketing Innovation. Empowerment The interaction ability of MSME actors will determine business marketing innovation, both in improving product strategy, marketing strategy, network strategy, HR training strategy, production process strategy, and technology procurement. So it is hoped that the novelty changes in marketing that occur can always be followed by SMEs in Banjarsari District, Surakarta.

Marketing innovation will be higher if there is an interaction ability that is empowered by SMEs in the Banjasari sub-district, Surakarta. If the MSME business empowered interaction capabilities are always carried out intensely by involving customers and providing access to customers, then the impact is that the level of marketing innovation will increase, technology related to products, production processes, human resources, finance and marketing will also increase.

5.4.1 Hypothesis Testing 2

	Sampel Asli (O)	Sampel Mean (M)	Standar Deviasi	T statistik
			(STDEV)	( O/STDEV )
EIC -> MINTELL	0.796	0.800	0.057	14.080

The measurement results show that t-statistic > t table (significance level 5% = 1.96), then the second hypothesis in this study is accepted. From the results of these data, it can be interpreted that the sample data of the independent latent variable (EIC) succeeded in proving the relationship with the dependent latent variable (MINTELL), or in other words X1 (EIC) gave a significant influence on Z2 (MINTELL) with a positive relationship direction

Based on statistical calculations, it can be concluded that the construct variable Empowered Interaction Capability has a positive and significant effect on Marketing Intelligence which is sampled in the study. It can be seen that the T-statistic of 14,080 is more than the t-table of 1.96. Thus hypothesis 2 in the study is accepted. From the results of this study, it can also be interpreted that the level of Empowered Interaction Capability has an effect on Marketing Intelligence. The direction of the positive relationship shows that the Micro, Small and Medium Enterprises (MSMEs) in Banjarsari District have good Empowered Interaction Capability. The higher the management intervention in carrying out the practice of Empowered Interaction Capability, it will have an effect on Marketing Intelligence. The results of this study support research conducted by (Kumar Vishnoi & Bagga, 2020) which states that Marketing Intelligence works by collecting all relevant marketing information either from databases (CRM, MkIS, MDSS) or from Stakeholders (customers, employees, suppliers). and online forums and communities (social media, weblogs and blogs, and all related web forums) and provide analyzed data for Strategic and Tactical planning and decision making, this is what is meant by Empowered Interaction Capability has a significant effect on Marketing Intelligence.

5.4.1 Hypothesis Testing 3

	Sampel Asli (O)	Sampel Mean (M)	Standar Deviasi	T statistik
	1	1 ( )	(STDEV)	( O/STDEV )
EIC -> MP	0.026	0.031	0.169	0.151

The measurement results show that t-statistic > t table (significance level 5% = 1.96), then the third hypothesis in this study is rejected. From the results of these data, it can be interpreted that the sample data latent variables independent (EIC) failed to prove the relationship with the latent variable dependent (MP), or in other words X1 (EIC) provides perngaruh significantly to the Y (MP) with the direction of a positive relationship

Based statistical calculations, it can be concluded that the variable Empowered Interaction Capability has a positive and insignificant effect on Marketing Performance. It can be seen that the T-statistic of 0.151 is smaller than the t-table of 1.96. Thus hypothesis 3 in the study was rejected. From the results of this study, it can also be interpreted that the level of Empowered Interaction Capability has no effect on Marketing Performance. The direction of the positive relationship shows that the Micro, Small and Medium Enterprises (MSMEs) of Banjarsari Sub-district which are sampled have low Empowered Interaction Capability. The higher the management intervention in carrying out the practice of Empowered Interaction Capability, it will

have an effect on Marketing Performance. The results of this study do not support research conducted by (Sulistyo & Siyamtinah, 2016) which states that Empowered Interaction Capability can be useful in addition to improving marketing performance but can also be beneficial for individuals, while the results of this study support research from (Pengajar et al., 2003) namely Empowered Interaction Capability has no significant effect on Marketing Performance.

5.4.1 Hypothesis Testing 4

	Sampel Asli (O)	Sampel Mean (M)		
			(STDEV)	(O/STDEV)
CNA -> EIC	0.832	0.835	0.060	13.874

The measurement results show that t-statistic > t table (significance level 5% = 1.96), then the fourth hypothesis in this study is accepted. From the results of these data, it can be interpreted that the sample data of the independent latent variable (CNA) succeeded in proving the relationship with the dependent latent variable (EIC), or in other words X2 (CNA) gave a significant influence on Z3 (EIC) with a positive relationship direction

Based on statistical calculations, it can be concluded that the variable of the Consumer Need Adaptability construct has a positive and significant effect on Empowered Interaction Capability. It can be seen that the T-statistic of 13,874 is greater than the t-table of 1.96. Thus hypothesis 4 in the study is accepted. From the results of this study, it can also be interpreted that the level of Consumer Need Adaptability has an effect on Empowered Interaction Capability. The direction of the positive relationship shows that the Micro, Small and Medium Enterprises (MSMEs) in Banjarsari District have a high Consumer Need Adaptability. The higher the management intervention in the practice of Consumer Need Adaptability, it will affect the Empowered Interaction Capability. The results of the study support research conducted by (Pharmacy, 2016) which states that adaptive selling behavior partially mediates the relationship between activity control and salesperson performance, that Consumer Need Adaptability can affect Empowered Interaction Capability.

5.4.1 Pengujian Hipotesis 5

	Sampel Asli (O)	Sampel Mean (M)	Standar Devias	i T statistik
			(STDEV)	( O/STDEV )
CNA -> MP	0.125	0.098	0.175	0.711

The measurement results show that t-statistic > t table (significance level 5% = 1.96), then the fifth hypothesis in this study is rejected. From the results of these data, it can be interpreted that the sample data latent variables independent (CNA) failed to prove the relationship with the latent variable dependent (MP), or in other words X2 (CNA) did not provide perngaruh significantly to the Y (MP) with the direction of a positive relationship

Based statistical calculations, it can be concluded that the variable Consumer Need Adaptability construct has a positive and not significant effect on Marketing Performance. It can be seen that the T-statistic of 0.711 is smaller than the t-table of 1.96. Thus, hypothesis 5 in the study was rejected. From the results of this study, it can also be interpreted that the level of Consumer Need Adaptability has no effect on Marketing Performance. The direction of the positive relationship shows that the Micro, Small and Medium Enterprises (MSMEs) of Banjarsari District which are sampled have low Consumer Need Adaptability. The higher the management intervention in conducting the practice of Consumer Need Adaptability, it will not affect the Marketing Performance. The results of this study do not support research conducted by (Ali, 2019) which states that Consumer Need Adaptability can be useful for improving marketing performance, but this research follows the advice of research (Suliyanto, 2011) which suggests conducting research not only for food SMEs.

5.4.1 Hypothesis Testing 6

	Sampel Asli (O)	Sampel Mean (M)	Standar	Deviasi	T statistik
			(STDEV)		( O/STDEV )
MINOV -> MP	0.025	0.058	0.188		0.135

The measurement results show that t-statistic > t table (significance level 5% = 1.96), then the sixth hypothesis in this study is rejected. From the results of these data, it can be interpreted that the sample data of the independent latent variable (MINOV) did not succeed in proving the relationship with the dependent latent variable (MP), or in other words Z1 (MINOV) did not have a significant effect on Y (MP) with a positive relationship direction.

Based on statistical calculations, it can be concluded that the variable of the Marketing Innovation construct has a positive and insignificant effect on Marketing Performance. It can be seen that the T-statistic of 0.135 is smaller than the t-table of 1.96. Thus, hypothesis 6 in the study was rejected. From the results of this study, it can also be interpreted that the level of Marketing Innovation has no effect on Marketing Performance. The direction of the positive relationship shows that the Micro, Small and Medium Enterprises (UMKM) of Banjarsari Sub-district which are sampled have good Marketing Innovation. The higher the management intervention in carrying out the practice of Marketing Innovation, it will have an effect on Marketing Performance. The results of this study do not support the research conducted by (Aksoy, 2017) which in his research states that Marketing Innovation can be useful for improving marketing performance, but this research follows the advice of research (Hamali, 2013) which suggests that research is not limited to conceptual models. , but need to be tested quantitatively in order to know the extent of the strength of the model formed.

5.4.1 Hypothesis Testing 7

	Sampel Asli (O)	Sampel Mean (M)	Standar Deviasi	T statistik
			(STDEV)	( O/STDEV )
MINTELL -> MP	0.039	0.623	0.165	3.872

The measurement results show that t-statistic > t table (significance level 5% = 1.96), then the seventh hypothesis in this study is accepted. From the results of these data, it can be interpreted that the sample data of the independent latent variable (MINTELL) succeeded in proving a relationship with the dependent latent variable (MP), or in other words Z3 (MINTELL) gave a significant influence on Y (MP) with a positive relationship direction

Based on statistical calculations, it can be concluded that the variable of the Marketing Intelligence construct has a positive and significant effect on Marketing Performance. It can be seen that the T-statistic of 3,872 is greater than the t-table of 1.96. Thus hypothesis 7 in the study is accepted. From the results of this study, it can also be interpreted that the level of Marketing Intelligence has an effect on Marketing Performance. The direction of the positive relationship shows that the Micro, Small and Medium Enterprises (MSMEs) of Banjarsari District which are sampled have good Marketing Intelligence. The higher the management intervention in carrying out the practice of Marketing Intelligence, it will have an effect on Marketing Performance. The results of the study support the research conducted by (Ladipo et al., 2017) which in his research states that Marketing Intelligence can be useful for improving marketing performance.

5.4.1 Hypothesis Testing 8

	Sampel Asli (O)	Sampel Mean (M)	Standar	Deviasi	T statistik
			(STDEV)		( O/STDEV )
Efek Moderasi 1 -> MP	-0.150	-0.157	0.206		0.731

The 8th hypothesis which examines the relationship between Empowered Interaction Capability on Marketing Performance with MINOV moderating, shows the original sample value of -0.150 and t-statistics of 0.731. The measurement results show that t-statistic < t-table (significance level 5% = 1.96), then the eighth hypothesis in this study is rejected. From these data results, it can be interpreted that the Z1 variable is not able to moderate the effect of X1 on the dependent variable (Marketing Performance), or in other words X1\*Z1 does not have a significant influence on Y with a negative relationship direction. The results of this study support research conducted by (Troena & Nimran, 2013) which states that Empowered Interaction Capability has a significant effect on Marketing Innovation.

5.4.1 Hypothesis Testing 9

	Sampel Asli (O)	Sampel Mean (M)	Standar	Deviasi	T statistik
			(STDEV)		( O/STDEV )
Efek Moderasi 2 -> MP	-0.161	-0.192	0.247		0.650

The 9th hypothesis which examines the relationship between Empowered Interaction Capability on Marketing Performance with MINTELL moderating, shows the original sample value of -0.161 and t-statistic of 0.650. The measurement results show that t-statistic < t-table (significance level 5% = 1.96), then the ninth hypothesis in this study is rejected. From the results of these data, it can be interpreted that the Z2 variable is not able to moderate the effect of X1 on the dependent variable (Marketing Performance), or in other words X1\*Z2 does not give a significant influence on Y with a negative relationship

# 5.4.1 Hypothesis Testing 10

	Sampel Asli (O)	Sampel Mean (M)	Standar	Deviasi	Τ	statistik
			(STDEV)		( O/STD	EV )
Efek Moderasi 3 -> MP	0.180	0.208	0.187		0.959	

The 10th hypothesis which examines the relationship between Consumer Need Adaptability to Marketing Performance with Empowered Interaction Capability moderating, shows the original sample value is 0.180 and the t-statistic is 0.959. The measurement results show that t-statistic < t-table (significance level 5% = 1.96), then the tenth hypothesis in this study is rejected. From these data results, it can be interpreted that the Z3 variable is not able to moderate the effect of X2 on the dependent variable (Marketing Performance), or in other words X2\*Z3 does not have a significant effect on Y with a positive relationship direction.

#### 5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

The first hypothesis in this study is accepted. From the results of these data, it can be interpreted that the sample data of the independent latent variable (MINTELL) succeeded in proving the relationship with the dependent latent variable (EIC). The second hypothesis in this study was rejected. From the results of these data, it can be interpreted that the sample data of the independent latent variable (MINTEL) did not succeed in proving the relationship with the dependent latent variable (EIC). The third hypothesis in this study was rejected. From the results of these data, it can be interpreted that the sample data of the independent latent variable (EIC) failed to prove the relationship with the dependent latent variable (MP). The fourth hypothesis in this study is accepted. From the results of these data, it can be interpreted that the sample data of the independent latent variable (CNA) succeeded in proving the relationship with the dependent latent variable (EIC). The fifth hypothesis in this study was rejected. From the results of these data, it can be interpreted that the sample data of the independent latent variable (CNA) did not succeed in proving the relationship with the dependent latent variable (MP). The sixth hypothesis in this study was rejected. From the results of these data, it can be interpreted that the sample data of the independent latent variable (MINOV) failed to prove the relationship with the dependent latent variable (MP). The seventh hypothesis in this study is accepted. From the results of these data, it can be interpreted that the sample data of the independent latent variable (MINTELL) succeeded in proving the relationship with the dependent latent variable (MP). The eighth hypothesis in this study was rejected. From these data results, it can be interpreted that the Z1 variable is not able to moderate the effect of X1 on the dependent variable (Marketing Performance), or in other words, X1\*Z1 does not have a significant influence on Y with a negative relationship direction. The ninth hypothesis in this study was rejected. From these data results, it can be interpreted that the Z2 variable is not able to moderate the effect of X1 on the dependent variable (Marketing Performance), or in other words, X1\*Z2 does not have a significant influence on Y with a negative relationship direction. The tenth hypothesis in this study was rejected. From these data results, it can be interpreted that the Z3 variable is not able to moderate the effect of X2 on the dependent variable (Marketing Performance), or in other words, X2\*Z3 does not have a significant effect on Y with a positive relationship direction.

Suggestion The current conceptual framework concentrates on the five key variables and their pathways, future researchers may also discuss the propositions regarding the mediating effect of the additional variables. What is interesting for researchers is to study technology that is unavoidable today by business actors and consumers, so that rapid adaptation is needed in various ways and the support of all stakeholders. Universities can become MSME partners as the development department for MSME businesses amid this unlimited competition.

Limitations The sampling in this study is still within the scope of MSME business actors in the Banjasari subdistrict in the future, they are faced with wider sampling, focusing on 1 MSME business field and other external marketing variables.

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