

IDENTIFYING DETERMINANTS OF COMPETITIVE ADVANTAGE FOR AYAM GEPREK BUSINESS IN JAKARTA DURING THE PANDEMIC COVID-19

Mengidentifikasi Determinan Keunggulan Bersaing Usaha Ayam Geprek di Jakarta Selama Masa Pandemi Covid-19

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ABSTRACT

The Covid-19 pandemic is a challenge for the food industry in Indonesia. Food entrepreneurs must think hard to create the strategies needed to survive, even though many decide to close their businesses. Conducting an analysis of existing market conditions is something that must be done to support strategic decisions in creating and maintaining a competitive advantage. This study aims to identify the factors that affect the competitive advantage of Ayam geprek business in Jakarta. This study focuses on the research object, namely exogenous variables consisting of market orientation, product innovation, innovation process, and endogenous variables, namely competitive advantage. This research is a quantitative study using Partial Least Square - Structural Equation Modeling (PLS-SEM) modeling with SMART PLS 3.0 as an analysis tool. By using a non-probability sampling technique, the questionnaire was randomly distributed to 130 samples. However, only 77 questionnaires (59.23%) met the criteria for analysis. The results of this study explain that two hypotheses are accepted, and two hypotheses are rejected where market orientation affects innovation while innovation has no effect on competitive advantage. Based on the indirect effect, innovation as a mediator between market orientation towards competitive advantage does not act as mediator. Furthermore, these results indicate that Market Orientation, Process Innovation, and Product Innovation can explain the representation of the Competitive Advantage variable by 5.8%, meanwhile Market Orientation is able to explain its representation of the Process Innovation variable by 14.6 and the Market Orientation variable is able to explain its representation towards Product Innovation. by 0.9%. These results provide interesting results on the market orientation variable towards competitive advantage, especially contributing to priority findings during a pandemic such as Covid-19.

Keywords: Market Orientation, Innovation, Competitive Advantage

ABSTRAK

Pandemic Covid-19 menjadi tantangan bagi industri makanan di Indonesia. Pengusaha makanan harus berpikir keras untuk membuat strategi yang dibutuhkan agar tetap dapat bertahan walaupun tidak sedikit yang memutuskan untuk menutup usahanya. Melakukan analisis pada kondisi pasar yang ada sekarang menjadi hal yang harus dilakukan untuk mendukung keputusan strategis dalam menciptakan sekaligus mempertahankan keunggulan bersaing. Penelitian ini bertujuan untuk mengidentifikasi faktor-faktor yang berpengaruh terhadap keunggulan bersaing Usaha Ayam geprek business di Jakarta. Penelitian ini berfokus pada objek penelitian yaitu variabel-variabel eksogen yang terdiri dari orientasi pasar, inovasi produk, proses inovasi, dan variabel endogen yaitu keunggulan bersaing. Penelitian ini merupakan penelitian kuantitatif dengan penggunaan pemodelan Partial Least Square – Structural Equation Modeling (PLS-SEM)

dengan SMART PLS 3.0 sebagai alat analisis. Dengan menggunakan teknik non-probability sampling, kuesioner didistribusikan secara acak terhadap 130 sampel, Namun demikian hanya 77 kuesioner (59.23%) yang memenuhi kriteria untuk dianalisis. Hasil penelitian ini menjelaskan bahwa dua hipotesis diterima dan dua hipotesis ditolak dimana market orientation memberikan pengaruh terhadap inovasi sedangkan inovasi tidak berpengaruh terhadap keunggulan kompetitif. Berdasarkan efek tidak langsung, inovasi sebagai pemediasi antara market orientation terhadap keunggulan kompetitif tidak berperan sebagai pemediasi. Selanjutnya, hasil ini menunjukkan bahwa Market Orientation, Process Innovation, dan Product Innovation mampu menjelaskan keterwakilan terhadap variabel variabel Competitive Advantage sebesar 5.8%, sementara itu Market Orientation mampu menjelaskan keterwakilannya terhadap variabel Process Innovation sebesar 14.6 dan variabel Market Orientation mampu menjelaskan keterwakilannya terhadap Product Innovation sebesar 0.9%. Hasil ini memberikan hasil yang menarik terhadap variabel market orientation terhadap keunggulan bersaing terutama berkontribusi pada temuan-temuan prioritas di masa pandemi seperti Covid-19.

Kata Kunci: Orientasi Pasar, Inovasi, Keunggulan Bersaing

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INTRODUCTION

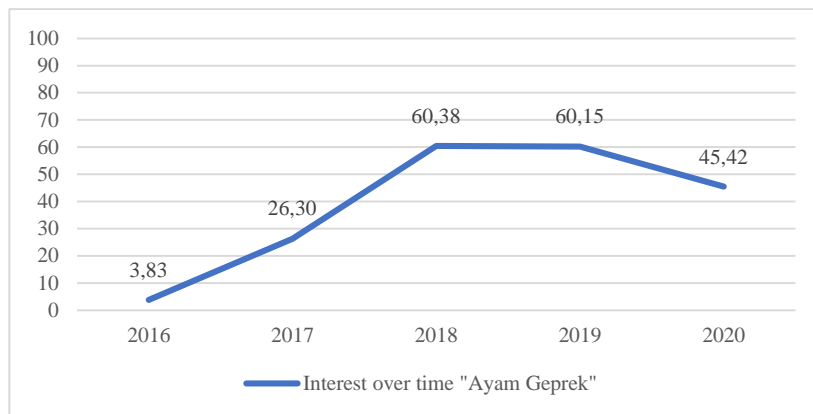
The Covid-19 pandemic, which is still ongoing, provides uncertainty in various sectors, including the food and beverage service industry sector. Social distancing and work from home policies are still an obstacle to sales in this sector, including the ayam geprek (chicken geprek) business in Indonesia. However, this condition can also be an opportunity to use online delivery services in collaboration with online food delivery service providers. This, on the one hand increases the number of online food ordering. The ayam geprek business itself is a variant of the fried chicken business that has been popular in recent years. Based on data on popularity trends from Google, the topic of ayam geprek business in Indonesia shows an increasing trend in the last five years.

Even though in 2020, where the Covid-19 pandemic occurred, the trend of popularity of ayam geprek business search in Indonesia decreased slightly, but if you look at the trend per year, the changes can be said to be not so significant. Furthermore, from the same source, it can be explained that the search trends on the topic of ayam geprek business in Indonesia during this period, the top ten popular areas came from outside Jakarta, namely Bangka Belitung (100), Jambi (99), West Java (96), Banten (88), Central Java (87), South Kalimantan (86), East Java (84), Southeast Sulawesi (84),

Lampung (82), and North Kalimantan (80). Jakarta itself only occupies position 19 with an interest over time scale of 66. Based on this data, it can be explained that the Ayam geprek business itself has been known to the Indonesian people in various areas besides Jakarta. Therefore, it can be said that the popularity of ayam geprek business has become one of the popular foods in Indonesia.

As mentioned above, the Covid-19 pandemic is a challenge for the food industry in Indonesia. Food entrepreneurs must think hard to create the strategies needed to survive, even though many decide to close their businesses. Analyzing existing market conditions is a must to support strategic decisions to be made. Not only at this time, analysis on understanding market orientation has also become an interesting topic in studies conducted by researchers and practitioners (Qu & Zhang, 2015). This is also in line with the opinion of Kumar, Jones, Venkatesan, & Leone (2011) where this market orientation concept has been studied and continues to be developed by marketing experts with the aim of making this concept a strategic framework in achieving and maintaining a competitive advantage for the company. From a scientific perspective, although not many, several researchers in Indonesia are trying to study the ayam geprek business from various perspective

Figure 1. Popularity Trends in the Search for “Ayam geprek business” in Indonesia for 5 Years



Source: (Google, 2021)

Table 1 shows the studies of ayam geprek business from the aspects of implementing Standard Operating Procedures (SOP) which are beneficial for business continuity, market penetration strategies and product innovation based on analysis of internal and external business factors, application of product differentiation strategies, price decisions, and product quality to establish customer repurchase intention, the application of quality control analysis to obtain a standard quality of chicken, and use of a marketing mix to maximize sales in the chicken business. The findings from the results of this study agree that the important role of the marketing ability of the company must be prioritized to support the business so that it can survive and even remain superior. Therefore, the marketing capabilities of a company rely heavily on knowledge of how to understand customer needs while responding to challenges to meet customer needs through a market orientation process (Murray, Gao, & Kotabe, 2011; Morgan & Katsikeas, 2012). In addition to the company's capabilities in marketing products, another important thing is the company's ability to create new ideas or new innovations in sales products or services. De Medeiros, Ribeiro, & Cortimiglia (2014) think that innovating means directing companies to differentiate to achieve competitive advantage. In this regard, Mariadoss, Tansuhaj, & Mouri (2011) explain that the company will make maximum efforts in using the resources and capabilities of the company.

This study aims to identify the factors that affect the competitive advantage of Ayam geprek business in Jakarta. This is expected to contribute to enriching studies and understanding of how to sustain micro, small, and medium enterprises (MSMEs) by looking at the factors of competitive advantage, especially in difficult and unexpected conditions such as the Covid-19 pandemic. Further, along with the popularity of ayam geprek business in Indonesia, researchers think it is necessary to conduct a study on this business, especially in Jakarta. This is relevant during the Covid-19 pandemic which is still happening as a detector for analyzing the factors forming the competitive advantage of the ayam geprek business.

Competitive Advantage

Highly competitive advantage and focus can strengthen the company's market orientation (Afsharghasemi, Zain, Sambasivan, & Imm, 2013). This is also in line with Russell & Millar (2014) view where the competitive advantage of a company can shapes the success rate of business performance. Competitive advantage is closely related to the company's ability to understand consumer needs in establishing an effective and efficient distribution and management network (Sutapa, Mulyana, & Wasitowati, 2017). The existence of competitors makes companies more aware of the need to increase their ability to excel in competition (Gaur, Vasudevan, & Gaur, 2011). The right strategy can encourage

company performance as well as the company's ability to carry out a competitive strategy which greatly impacts company performance (Hsu, 2011; Halim, Muda, & Amin, 2011).

Market Orientation

Market orientation is part of an organizational culture that focuses on three important parts, namely customer orientation, competitor orientation and coordination between functions within the organization (Hui, Ruizhi, & Wen, 2011). This explains that understanding market orientation is a natural thing to do because it is part of the company culture. According to Huhtala, Sihvonen, Frösén, Jaakkola, & Tikkanen (2014) market orientation is seen as the ability of companies to continue to seek opportunities that can increase added value for customers. Several research studies are still making efforts to measure market orientation. Ngo & O'Cass (2012) from the results of their research explained that market orientation has an impact on innovation. Furthermore, this study uses three indicators to measure market orientation, namely the collection of information about customers, competitors, and suppliers for the company. Likewise, with research conducted by Christian (2019b) where market orientation has an impact on business innovation. In addition, understanding market orientation is also related to the innovation strategy that will be carried out. Newman, Prajogo, & Atherton (2016) in their research explain that customer orientation and competitor orientation as part of market orientation affect innovation. Based on these things, the researchers feel that they are conducting further studies on this Market Orientation factor by proposing the following hypothesis:

H₁ : Market Orientation affects Product Innovation.

H₂ : Market Orientation affects Process Innovation.

Innovation

Various studies have attempted to explain the notion of the concept of innovation. Nasution, Mavondo, Matanda, & Ndubisi (2011) explain that innovation is a form of the extent to which individuals or companies adopt new ideas or ideas. In this sense, innovation is emphasized in three important parts, namely innovation in processes, innovation in products, and innovation in administration. Meanwhile, Newman et al. (2016) classifies innovation into two parts, namely exploitative innovation, and exploratory innovation. In exploitative innovation, the basis for the focus of innovation lies in customer and market needs. This can include increasing knowledge and skills based on continuous improvement (Chang & Hughes, 2012). Furthermore, exploratory innovation focuses on developing target customers or new markets. Therefore, this type of innovation is often referred to as radical innovation, where the development of new targets can include a broader focus such as new products, new services, or new distribution channels (Zachary, McKenny, Short, & Payne, 2011). In explaining sustainable innovation, Cronin, Smith, Gleim, Ramirez, & Martinez (2011) use measurements of the product innovation process and the results obtained. Meanwhile, Kamboj & Rahman (2017) in their research explained that both technical and non-technical innovations affect competitive advantage. Like the Market Orientation, researchers consider it necessary to conduct further studies on the role of the innovation factor in the competitive advantage of the Ayam geprek business, especially during this pandemic period. Therefore, the researcher proposes the following hypothesis:

H₃ : Product Innovation affects Competitive Advantage.

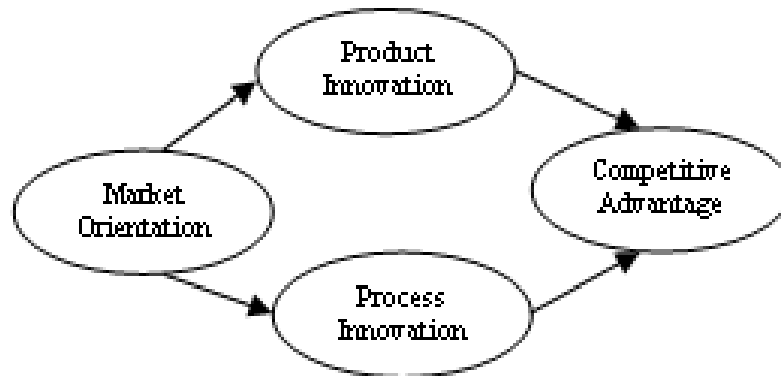
H₄ : Process Innovation affects Competitive Advantage.

Table 1. Previous Research “Ayam geprek business” in Indonesia

Researcher	Location	Variables	Method	Findings
Alfriani & Hermawan, (2018)	Malang	Standard Operating Procedures (SOP) for sales (selling products, advertising costs, sales shipping costs), material SOPs (purchasing chicken, purchasing flour, purchasing oil, buying gas, purchasing auxiliary materials), operating SOPs (salaries, electricity, water, and telephone).	Collaborative	The application of the SOP from the proposed Profit / Loss Report can be very beneficial for the sustainability of the ayam geprek business.
Savitri (2018)	Karawang	Internal factors and external factors	Analysis of Strength, Weakness, Opportunity, Thread (SWOT)	The ayam geprek business in this research is included in quadrant I, which is aggressive, so several strategies are needed, such as market penetration and product innovation.
Hutapea, Sutrisno, & Osiyo (2020)	Surabaya	Product differentiation, price decisions, product quality, repeat purchase	Quantitative with structural modeling (SEM)	Repeat purchases are partially shaped by product differentiation, price decisions, and product quality
Supardi & Dharmanto (2020)	Kota Bekasi	Quality control, product quality	Statistical Quality Control (SQC)	There are three types of damage to ayam geprek business products (burnt, not crunchy, not yet cooked) caused by frying the chili serving sales, setting the stove's heat temperature, and how to fry chicken for different cut sizes.
Wahyuni, Mulyantomo, & Suryawardana (2020)	Jawa Tengah	Products, prices, distribution, promotion, sales	Qualitative analysis	Selling ayam geprek business products of the highest quality, determining the selling price according to the quality and cost of raw materials, determining strategic business locations with the convenience factor and a large parking area, creating signboards and word of mouth promotion.
Forijati & Ridwan (2020)	Kediri	Price, Place, Product, Promotion	Marketing mix analysis with the Mix Method	The strategic location and affordable price of Ayam geprek business are the main considerations for consumers in making purchases.

Source: processed by researchers

Figure 2. Research Model



Source: adapted from Julio Cesar Ferro De Guimarães et al. (2020), Anning-Dorson & Nyamekye (2020) and Narastika & Yasa, (2017)

METHODS

This study focuses on the research object, namely exogenous variables consisting of market orientation, product innovation, innovation process, and endogenous variables, namely competitive advantage (as shown in figure 1). This study adapts the variable measurement carried out by Julio Cesar Ferro De Guimarães, Severo, Campos, El-Aouar, & Azevedo (2020), Anning-Dorson & Nyamekye (2020) and Narastika & Yasa, (2017). Market orientation consists of 5 indicators, namely the ability to provide superior value to Ayam geprek business, responsiveness in meeting market needs, making market trends a priority scale, optimizing employees in capturing information from customers, the ability to create innovative ayam geprek business based on market information. Product innovation consists of 3 indicators, namely forming the quality of Ayam geprek business, which is superior to competitors, the superiority of Ayam geprek business in terms of chicken variants compared to competitors, presenting a new way / packaging in serving Ayam geprek business. Process innovation consists of 4 indicators, namely maximizing innovation in the production of ayam geprek business, looking for innovations in the production of ayam geprek business that are more flexible, looking for ideas / ways to reduce production costs of ayam geprek

business, and creating innovations in the sales service innovation process. Furthermore, the competitive advantage consists of the ability to create the uniqueness of the ayam geprek business, provide competitive prices, service that is superior to competitors. Furthermore, the subject of this study focuses on the person in charge of the Ayam geprek business in Jakarta. By considering the type of business, the unit of analysis in this study determines that the person in charge, in this case, is the person who is responsible for the daily sales and operations of the business, such as the owner, outlet manager, outlet coordinator, outlet supervisor, or a team of employees appointed to oversee the business.

This research itself is a quantitative research with a survey method using a questionnaire instrument. The questionnaire was distributed during the pandemic by giving the questionnaire directly to the person in charge of the Ayam geprek business outlet. The questionnaire was designed using statements measured on a Likert scale with a range of 1 (Strongly Disagree) to 5 (Strongly Agree). The population in this study is the Ayam geprek business outlet in Jakarta. The Covid-19 pandemic has made the number of ayam geprek business outlets in this region even more unknown and undetectable. This is because many outlets are not operating or have even stopped operating. Thus, this study uses a sample to meet the representation of

the existing population. The sample in this study was determined using a non-probability sampling technique. Therefore, to determine the number of samples, this study uses representative numbers by multiplying the number of indicators by 5 to 10 (Hair, Black, Babin, & Anderson, 2014) to obtain a suitable sample of 75 to 150 samples. The questionnaires that have been collected are then screened according to the feasibility of data analysis. In this study, of the 130 questionnaires collected by researchers, there were 77 questionnaires (59.23%) that were eligible for analysis. This is done to get the proper criteria in this study, especially for subjects who filled out the questionnaire. The number of samples analyzed in the end can be said to be small but has met the requirements for taking the number of samples as previously explained. This small sample size is also caused by the large number of geprek chicken business outlets in Jakarta that are not yet operational or closed during the questionnaire distribution period. The method of analysis in this study uses Structural Equation Modeling (SEM) with SMART PLS 3.0. The methods of analysis used in this research are the outer model test (validity test and reliability test) and the inner model test (coefficient of determination and t-statistic).

RESULTS AND DISCUSSION

Respondent profile data

The profiles of respondents in this study are presented in table 2. This table shows that the respondents of this study consisted of 48 men and 29 women. This explains that men dominate the type of ayam geprek business food business in Jakarta with 62.34% and women 37.66%. Next, this study was dominated by respondents aged 35-49 years and 25-34 years, respectively 32 people (41.56%) and 31 people (40.26%). The next respondent aged 17-24 years were 13 people (16.88%) and respondents aged ≥ 50 years were 1 person (1.30%). The ayam geprek business business in Indonesia is a business selling ready-to-eat chicken which is still new. Based on this, this study explains that the respondents with a business length of 1-3 years were 36 people or 46.75%. Next, respondents with a business duration of 3-5 years were 34 respondents (44.16%) and 7 respondents (9.09%) had a 5-7 years of business. Furthermore, the location of this research business was carried out in Jakarta which consisted of 21 respondents (27.27%) of Ayam geprek business, East Jakarta, and West Jakarta 17 people (22.08%), Central Jakarta and South Jakarta, respectively. as many as 11 respondents (14.29%).

Table 2. Respondent profile data

Respondent profile		Frequency	
		N	%
Gender	Male	48	62.34
	Female	29	37.66
Age	17-24 years	13	16.88
	25-34 years	31	40.26
	35-49 years	32	41.56
	≥ 50 years	1	1.30
Business age	1-3 year (s)	36	46.75
	3-5 years	34	44.16
	5-7 years	7	9.09
Location	Jakarta Utara	21	27.27
	Jakarta Timur	17	22.08
	Jakarta Pusat	11	14.29
	Jakarta Barat	17	22.08
	Jakarta Selatan	11	14.29

*N=77 respondents; %=100%

Source: processed by researchers

Table 3. Variable descriptive

Variable & Item	Mean	Min.	Max	Std. Dev
Market Orientation	4.623	3	5	0.511
	4.519	4	5	0.500
	4.442	3	5	0.634
	3.325	2	5	0.973
	3.831	2	5	0.986
Product Innovation	4.338	3	5	0.637
	4.273	3	5	0.677
	3.792	2	5	1.073
Process Innovation	3.532	2	5	0.766
	3.442	2	5	0.830
	3.935	2	5	1.011
	3.494	1	5	1.040
Competitive Advantage	4.377	3	5	0.721
	4.377	2	5	0.757
	4.351	3	5	0.679

Source: SMART PLS 3.0, n=77

Variable descriptive

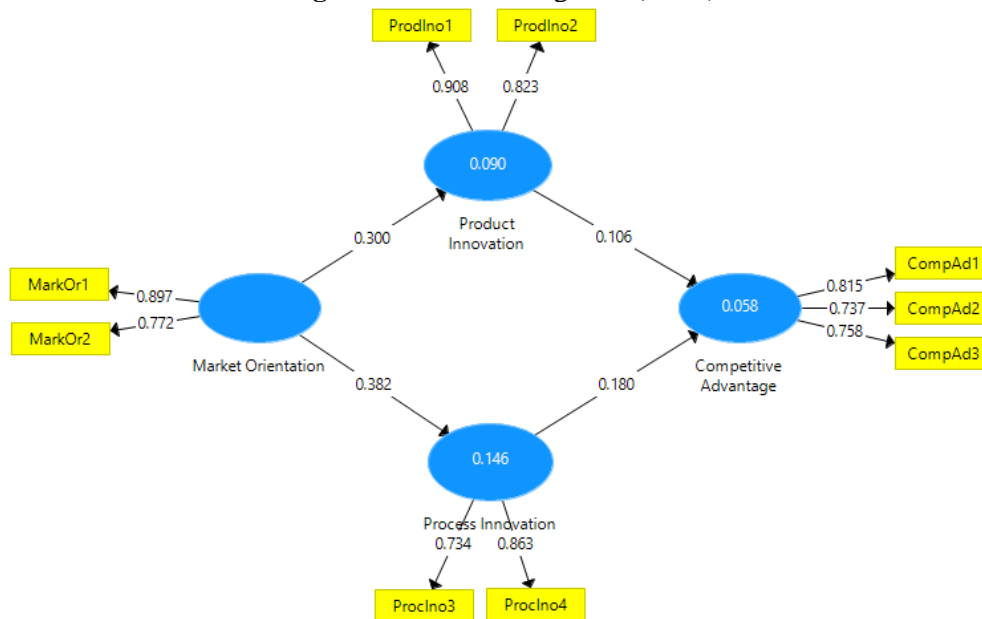
Table 3 shows the descriptive variables in this study. Based on this table, the results explain that in the market orientation variable, item 1 has the largest mean value 4.623 with a minimum value of 3 and a maximum of 5 and a standard deviation of 0.511. While item 4 has the smallest mean value, which is 3,325 with a minimum value of 2 and a maximum of 5 and a standard deviation of 0.973. Meanwhile, the product innovation variable, item 1, has the largest mean value 4,338 with a minimum value of 3 and a maximum of 5 and a standard deviation of 0.637. While item 3 has the smallest mean value of 3.792 with a minimum value of 2 and a maximum of 5 and a standard deviation of 1.073. Furthermore, the process innovation variable, item 3 has the largest mean value 3.935 with a minimum value of 2 and a maximum of 5 and a standard deviation of 1.011. While item 2 has the smallest mean value 3.442 with a minimum value of 2 and a maximum of 5 and a standard deviation of 0.830. In the competitive advantage variable, items 1 and 2 had the largest mean value 4.377 with a minimum value of 3 (item 1) and 2 (item 2) and a maximum of 5 and a standard deviation of 0.721 (item 1), 0.757 (item 2).

In the first and second tests, there were several items that did not meet the reliability and validity requirements so that the items were deleted and retested. The third test in Figure 3 shows that all items on outer

loading have a number > 0.7 where Market Orientation 1 (MarkOr1) = 0.897, Market Orientation 2 (MarkOr2) = 0.772, Product Innovation 1 (ProdIno1) = 0.908, Product Innovation 2 (ProdIno2) = 0.823, Process Innovation 3 (ProcIno3) = 0.734, Process Innovation 4 (ProcIno4) = 0.863, Competitive Advantage 1 (CompAd1) = 0.815, Competitive Advantage 2 (CompAd2) = 0.737, and Competitive Advantage 3 (CompAd3) = 0.758 Based on these results then the process of testing and subsequent analysis in this study can be continued.

The reliability test in this study is based on composite reliability. The terms of composite reliability in explaining the reliability of the research variables must be > 0.7. Based on table 3, all the variables in this study show the results of the number > 0.7, namely Competitive Advantage = 0.814, Market Orientation = 0.823, Process Innovation = 0.781, and Product Innovation = 0.858. Based on these results, it can be explained that all variables in this study are reliable. Furthermore, to determine the validity in this study based on the results of the numbers on the Average Variance Extracted (AVE) where the results of the numbers on the AVE must be > 0.5. Based on the results in table 4 which shows the results of the AVE number on all variables in this study, it shows a number > 0.5, namely Competitive Advantage = 0.593, Market Orientation = 0.700, Process Innovation = 0.642, and Product Innovation = 0.751.

Figure 3. Outer loading item (test 3)



Source: SMART PLS, n=77

Table 4. Reliability & Validity

Variable	Composite Reliability	AVE
Competitive Advantage	0.814	0.593
Market Orientation	0.823	0.700
Process Innovation	0.781	0.642
Product Innovation	0.858	0.751

Source: SMART PLS, n=77

Table 5. R-square

Variable	R-square
Competitive Advantage	0.058
Process Innovation	0.146
Product Innovation	0.090

Source: SMART PLS, n=77

In the test on the inner model in this study, a series was carried out to see the desired analysis, namely the coefficient of determination and t-statistic. In the first test, the coefficient of determination is carried out by looking at the results of the numbers on the R-square. The R-square results in table 5 show different results for each variable. The R-square result on the variable Competitive Advantage = 0.058. These results indicate that the exogenous variables in this study, namely Market Orientation, Process Innovation, and Product Innovation together can explain the representation of the variable Competitive Advantage variable by 5.8%, while the rest is affected by other variables not used in the study. this. Next, the results of the Process Innovation variable number,

namely 0.146, show that the Market Orientation variable used in this study can explain its representation of the Process Innovation variable by 14.6%, while the rest is affected by other variables not used in this study. The next result, namely the Product Innovation variable shows the R-square number of 0.90. These results indicate that the Market Orientation variable used in this study can explain its representation of Product Innovation by 0.9%, while the rest is affected by other variables not used in this study.

The next test in this study is to do the t-statistic test. Table 6 shows the results of hypothesis testing based on the t-statistic value.

Table 6. T-Statistics

Description	T-Statistics (O/STDEV)
Direct effect	
Market Orientation	
Market Orientation → Process Innovation	3.375
Market Orientation → Product Innovation	2.581
MarOr1 ← Market Orientation	12.928
MarOr2 ← Market Orientation	5.716
Product Innovation	
Product Innovation → Competitive Advantage	0.623
ProdIno1 ← Product Innovation	11.131
ProdIno2 ← Product Innovation	6.191
Process Innovation	
Process Innovation → Competitive Advantage	1.157
ProcIno3 ← Process Innovation	5.111
ProcIno4 ← Process Innovation	10.897
Indirect effect	
Market Orientation → Process Innovation → Competitive Advantage	1.131
Market Orientation → Product Innovation → Competitive Advantage	0.572
CompAd1 ← Competitive Advantage	3.362
CompAd2 ← Competitive Advantage	3.239
CompAd3 ← Competitive Advantage	3.691

Source: SMART PLS, n=77

In the results of Market Orientation Process Innovation, the t-statistic is greater than the t-table number 1.66 ($\alpha = 0.05$). Based on these results, it can be explained that Hypothesis 1 is accepted which explains that Market Orientation affects the Innovation Process. This is in line with the concept that explains that market orientation plays an important role in forming other capabilities (Nasution et al., 2011) which the company carries out as a competitive strategy. One of the reasons is because market orientation is the main marketing capability that is dynamic in business competition (Takata, 2016). The table also shows that in the Market Orientation variable, item 1, namely the ability to provide superior value to customers from the ayam geprek business being sold, is a more important aspect than item 2 (responding to market demand). The popularity of the ayam geprek business that has spread, in this case, considers the value of the product that consumers buy. The suitability of the price, taste, and size of the Ayam geprek business being sold are factors that are more considered by customers.

The next result is the direct line Market Orientation \square Product Innovation which shows the t-statistic number is greater than the t-table number, namely 1.66 ($\alpha =$

0.05). Based on these results, it can be explained that Hypothesis 2 is accepted which explains that Market Orientation affects Product Innovation. Innovation in achieving a sustainable marketing point will often require the company's ability to carry out the reorganization process that is within the company (Boons & Lüdeke-Freund, 2013). However, the marketing ability of the company's products is very dependent on the ability to analyze the market orientation (Cacciolatti & Lee, 2016). An important objective of market orientation is to provide the best customer value based on knowledge and analysis that includes customers and competitors (Avlonitis & Giannopoulos, 2012). Alhakimi & Mahmoud (2020) in their research results explain that market orientation affects innovation. Furthermore, in this study, it is explained that customer orientation and supplier orientation have a significant affect on innovation. Meanwhile, competitor orientation and coordination between functions do not affect innovation.

The next results of T-Statistics Innovation, which is to see the effect of Innovation on Competitive Advatage. In the path of Product Innovation \square Competitive Advantage, which shows the result of the t-statistic number 0.623 smaller than the t-table

number, namely 1.66 ($\alpha = 0.05$). Based on these results, it can be explained that Hypothesis 3 is rejected which explains that Product Innovation has no effect on Competitive Advantage. In this table it is also shown that in the Product Innovation variable, the item that has the most affect on Product Innovation is item 1 (the ability to create a high-quality chicken product compared to competitors' products). Furthermore, in Process Innovation, the most influential item is item 4, namely an increase in quality service. Product innovation is included in technical innovation that prioritizes product development itself, which aims to increase company sales while at the same time meeting customer expectations of the products being sold (Weerawardena & Mavondo, 2011). New, sustainable innovation can only be achieved if it is supported by the fulfillment of technical completeness in economic, social, and environmental terms (Vávra, Munzarova, Bednařiková, & Ehlova, 2011). The table also shows the following results where Process Innovation \square Competitive Advantage which shows the result of the t-statistic number 1.157 smaller than the t-table number, namely 1.66 ($\alpha = 0.05$). Based on these results, it can be explained that Hypothesis 4 is rejected which explains that Process Innovation has no effect on Competitive Advantage. This research is in line with research conducted by Christian & Merisa (2020) where innovation has no impact on business performance. In line with existing studies, in relation to sustainable new product alternatives, companies should build strong networks both upward and downward (Mariadoss et al., 2011) so that the innovation process for competitive advantage can be sustained. In addition to technical innovation, non-technical innovations related to marketing capabilities and organizational innovation are important factors in achieving sustainable technological innovation for companies (Christian, 2019; Jepsen, Dell'Era, & Verganti, 2014; Belz, 2013).

Based on the indirect effect, the results of this study indicate that the result of the t-statistic number in the path of Market Orientation to Competitive Advantage mediated by product innovation smaller than the t-table 1.66 ($\alpha = 0.05$). Based on these results, it can be explained that Market

Orientation mediated by Product Innovation has no effect on Competitive Advantage. The next indirect effect is to show that the result of the t-statistic number on the path of Market Orientation to Competitive Advantage mediated by Process Innovation is 1.131. This result is smaller than the t-table number, namely 1.66 ($\alpha = 0.05$). Based on these results, it can be explained that Market Orientation mediated by Process Innovation has no effect on Competitive Advantage. Furthermore, from this table it can also be explained that the results of the items that have the most affect on Competitive Advantage item 3 are the ability of the business to continue to be able to provide product value benefits to customers, then followed by item 1 (uniqueness of the chicken product compared to competitors), and item 2 (selling price ayam geprek business compete).

The research results are different from the results of several existing studies such as Cahya & Christian (2020). As is well known and in accordance with the views of Davcik & Sharma (2016), market orientation and other marketing resources are the main drivers in the process of achieving business performance as well as functioning to support the development of a company's competitive advantage. Then also as explained by Najafi-Tavani, Sharifi, & Najafi-Tavani (2016), the existing marketing literature views market orientation and marketing capabilities as important factors used by companies to support the achievement of a company's competitive advantage. Slightly different from the results of most studies, the results of this study provide an understanding of the interesting results that are indicated by the prolonged condition of the Covid-19 pandemic. Continuing these results, Boons & Lüdeke-Freund (2013) stated that regular studies explain that technology as part of innovation has an impact not only on business sustainability but also on business profits.

CONCLUSION

Based on the results of the testing and discussion above, the researchers concluded several things. In the Market Orientation pathway to Process Innovation, the t-statistic is 3,375 (> 1.66). Based on these results, it

can be explained that Market Orientation affects the Innovation Process. This is in line with the concept that explains that market orientation plays an important role in forming other abilities. These results also conclude that the ability to provide superior value to customers from the Ayam geprek business being sold is the main aspect. The next result is Market Orientation towards Product Innovation which shows the t-statistic number of 2,581 (> 1.66). Based on these results, it can be explained that Market Orientation affects Product Innovation. Innovation in achieving a sustainable marketing point will often require the company's ability to carry out the reorganization process that is within the company. These results also conclude that the item that has the most affect on Product Innovation is the ability to create high-quality Ayam geprek business products compared to competitors' products. Furthermore, the path of Product Innovation to Competitive Advantage shows the result of the t-statistic number 0.623 (< 1.66). These results explain that Product Innovation has no effect on Competitive Advantage. The next results of this study concluded that Process Innovation on Competitive Advantage shows the t-statistic number of 1.157 (< 1.66). These results explain that Process Innovation has no effect on Competitive Advantage. On the indirect effect, this study concluded that Market Orientation mediated by Product Innovation had no effect on Competitive Advantage ($0.572 < 1.66$). The results of the next indirect effect explain that Market Orientation mediated by Process Innovation has no effect on Competitive Advantage ($1.131 < 1.66$). On this indirect effect, this study also concludes that the ability of businesses to continue to be able to provide product value benefits to customers is a major factor. These results indicate that the exogenous variables in this study, namely Market Orientation, Process Innovation, and Product Innovation together can explain the representation of the variable Competitive Advantage variable by 5.8%. Furthermore, the Market Orientation used in this study can explain its representation of the Process Innovation variable of 14.6 and the Market Orientation variable is able to explain its representation of Product Innovation by 0.9%, while the rest is affected by other variables not used in this study.

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