

Marketing Performance In Improving Competitive Advantages Of Macro Business South Sulawesi Province

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Abstract-

This study aims to develop competency, innovation, information technology, the role of associations, as well as facilities and infrastructure on marketing performance and competitive advantage in the field of macro businesses in South Sulawesi. This study uses SEM as a quantitative analysis tool, with the participation of all macro businesses in the city of Makassar, South Sulawesi by using 150 respondents. The results of the study show that competency, innovation and information technology, facilities and infrastructure are directly significant towards company performance while associations are not significant. Then, competency, innovation, information technology, associations and facilities and infrastructure must directly lead to competitive advantage through the performance of the company.

Keywords: Competence, innovation, information technology, associations, facilities and infrastructure, company performance, competitive advantage

detects that competency factors, innovation, information technology and facilities and infrastructure are the most important things in obtaining performance and competitive advantage of macro businesses.

The matters stated are obstacles faced by macro business actors, specifically identified that internal constraints, namely: the quality of human resources that are still low, weak access to and development of market share, weak capital structure, limited ability to master technology, weak organization and management, limited business networks and cooperation with other economic actors. The second is external constraints, namely: inadequate access to economic facilities and infrastructure, unfavorable business climate because there are still many unfair competition, and unified guidance from the government.

I. INTRODUCTION

The marketing concept teaches that marketing activities begin with recognizing and formulating the needs of consumers, then the company compiles a combination of product policies, prices, promotions and distributions appropriately so that consumers can be satisfied. It means that the company's business performance is the result of the company's ownership of unique knowledge and capabilities in managing the company's assets [24].

Marketing performance is an important part of the overall performance of the company. This concept is intended to measure the marketing performance of a company and is one of the mirrors of the implementation of the company's strategy. According to [9] states that marketing performance is a factor that is often used to measure the impact of the strategies implemented by the company. The study conducted by Lambin, in [8] states that it is not uncommon for a company to spend so much resources to implement their strategy. This corporate strategy is always directed to produce good performance in the form of marketing performance, such as sales volume, market share, sales growth rate, and financial performance, namely by using financial ratios. Companies that are able to create competitive advantage will have the power to compete with other companies because their products will remain in demand by customers. To obtain marketing performance and a competitive advantage in macro business, a stimulus is needed related to this, the researcher

II. LITERATURE REVIEW

1. Competitive Advantage

Competitive advantage is at the point of the company's performance in a competitive market. Competitive advantage about how a company really puts a generic strategy into practice [20]. This capability is also obtained through the characteristics and resources of the company in order to achieve better performance from competing companies.

The basis for achieving competitive advantage

To achieve competitive advantage, an entrepreneur must be able to recognize various basic elements to achieve competitive advantage, namely as follows:

1. Price or value An entrepreneur who is able to produce low-cost products or services so that the strategy in setting prices (not too high compared to competing products / services)
2. Pleasing consumers The second advantage that must be sought so that products / services can compete with competitors is that the product or service can please consumers
3. Consumer experience Good or bad experiences that we convey and experienced by a consumer, generally will be an important note (often inherent for life). For that, give the most pleasant or satisfying experience for stakeholders

4. Product attributes that can be recorded

The next advantage that must be achieved by an entrepreneur is that all the product / service attributes inherent in it must be recorded

5. Unique service privileges.

If the four elements have reached a superior position, the thing that is not less important is how unique service features can be displayed.

Competitive advantage can also be achieved with operational excellence that refers to price strategies with emphasis on efficiency, product and technology superiority that refers to innovation or success of the company to produce products that are market leaders, as well as proximity to customers or build image or image about the company in mind customer.

According to [17] said that in the competitive market there are two oceans namely the Red Ocean and the Blue Ocean. Red Ocean is a market space whose limits are already known in industry and competition rules are known. Blue Ocean is the creation of market space without competitors, so competition or competition is irrelevant because the rules of the game will be formed..

2. Marketing Performance

According to [16] states that marketing management as a science and art selects target markets and acquires, maintains, and grows customers by creating, delivering, and communicating superior customer values. Marketing management occurs when at least one potential exchange actor thinks about the means to implement marketing response as an art and science to select target markets and obtain, maintain and increase the number of customers through the creation, submission and communication of superior customer value.

Marketing performance is a measure of achievement obtained from the activities of the overall marketing process of a company or organization. In addition, marketing performance can also be seen as a concept used to measure the extent to which market achievements have been achieved by a product produced by a company. [9] states that marketing performance is a factor that is often used to measure the impact of the strategies implemented by the company. The company's strategy is always directed at producing good marketing performance (such as sales volume and sales growth rate) and good financial performance. Furthermore Ferdinand also stated that good marketing performance is stated in three main values, namely sales value, sales growth, and market share.

[26] explained that sales growth will depend on the number of customers who have known a constant average consumption level. The sales value shows how many rupiahs or units of product the company has sold to consumers or customers. The higher the sales value indicates the more products that are sold by the company. While the portion of the market shows how much the contribution of products handled can dominate the market for similar products compared to competitors.

The results of research conducted by [19] succeeded in finding a positive influence between competitive advantage and performance measured by sales volume, profit level, market share, and return on investment. Competitive advantage can be obtained from the company's ability to process 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 remain in demand by

customers. Thus competitive advantage has a positive influence on improving the company's marketing performance.

Some indicators used in assessing marketing performance are sales volume, customer growth, and profitability. Sales volume is the sales volume of the company's products. Customer growth is the growth rate of the company's customers. Empowerment is the amount of profits obtained by the company.

The latest success of marketing performance can be seen from the growth of company profits. Sales growth and market share obtained will greatly determine the company's sales growth. If the level of sales, from year to year continues to increase and sales of 14 products dominate the market, then the growth of company profits will increase as well and show that the company has better performance

3. Competence

Competence is individual behavior that can be demonstrated or behavior that shows minimum performance standards. [12] three scope of competencies (1) performance obsessed (2) quality standards or results that can be fulfilled by someone (3) someone's attributes that can be recorded or knowledge and expertise are also abilities that determine their performance.

Marketing knowledge management competency has an indirect positive effect on marketing performance through marketing capabilities, but it turns out that the direct effect on performance is not significant [24]. If management competence in marketing knowledge is content (what is offered) and marketing capability is context (how to offer it), then this condition can be aligned with the concept of [13], where content is only part of the basic strategy, and context is a winning formula real market. It was concluded that in an effort to improve performance, good content is even less meaningful when not followed by a good context.

"There are two common approach to competencies, the US approach and the UK approach. Who exemplifies the US approach, defines competency broadly as an underlying characteristic of a person; it could be a motive, trait, skill, aspect of one's self-image or social role, or a body of knowledge with he or she uses. The UK approach identifies the outcomes expected from a job when it is performed adequately. Day's definition of competence, the ability to put skills and knowledge into action, is an apt description of the UK approach.

4. Innovation

According to [7] states that product innovation is a potential thing to create thoughts and imagination of people who ultimately create customers. Product innovation is an important way for companies to remain able to adapt to markets, technology, and competition.

Technical innovation has a strong and positive influence on market performance [26]. Similarly, research [20] proves that in order to obtain competitive advantage, market performance is influenced by market orientation, learning orientation and innovation. Innovation can also act as an intervening variable from market orientation and learning orientation to company performance.

5. Information Technology

Information technology is currently a tool for organizations to develop and achieve competitive advantage. In general, according to [24] information technology is a collection of company information resources, its users, and the management that runs it, including IT

infrastructure and all other information systems in the company. IT includes hardware and software to carry out one or a number of data processing tasks such as capturing

the role of information technology in organizations is focused on technical issues such as how to improve operational performance, or how information technology is used as part of the company's business strategy.

Some of the roles of information technology include:

1. Information technology replaces the role of humans. In this case, information technology automates a task or process.
2. Technology strengthens the role of humans, namely by presenting information to a task or process.
3. Information technology plays a role in restructuring the role of humans. In this case, technology plays a role in making changes to a set of tasks or processes

Many companies make it clear that investing in information technology is very important to provide the capabilities they need so that they can compete in business today. There are two main points about the influence of information technology on corporate competition:

- 1) First, the actual business and competitive value of information technology lies in the ability of the software and the value of information obtained and used in the business, not the infrastructure of hardware, networks, and other IT facilities that are usually used by many companies.
- 2) Second, the strategic advantages of information technology can only be obtained through appropriate use and management. IT that is not managed properly can lead to business failure; IT managed by experts will really lead to competitive advantage.
- 3) The role of this information system strategy involves the use of information technology to develop a variety of products, services, and capabilities that give companies a big advantage over competitive pressure in the global market.

6. Facilities and infrastructure

The procurement of facilities and infrastructure in a macro business is a very fundamental thing, the importance of marketing performance depends on the facilities held by a business. Facilities and Infrastructure are facilities that directly function as supporting the process of organizing company activities in achieving the targets set, including training, networking, credit facilities, work equipment 2. Infrastructure is a facility that indirectly functions to support the implementation of a business process in improving performance marketing; such as buildings, businesses, shops, and others.

III. RESEARCH METHOD

Population In This Study Is All Macro Businesses In The City Of Makassar, South Sulawesi Province Using As Many As 150 Respondents.

Analysis tools, used are structural equation modeling (SEM). 1) validity and reliability test, 2) fit test model, and 3) hypothesis testing. These tests are assisted by statistical software namely SPSS and AMOS.

Observed, endogenous variables

Y1 = Marketing performance

Y2 = Competitive advantage

Observed, exogenous variables

X1 = Competence

X2 = Innovation

X3 = Information technology

X4 = Facilities and infrastructure

IV. RESULT AND DISCUSSION

From the results of testing the validity and reliability of research instruments using Pearson correlation method and Cronbach alpha, the test results can be explained as follows:

Table 1.

	Estimate	S.E.	C.R.	P	Label
Y1 <--- X1	.207	.068	3.040	.002	par_1
Y1 <--- X2	.319	.051	6.247	***	par_2
Y1 <--- X3	-.093	.051	-1.827	.068	par_3
Y1 <--- X4	.482	.082	5.879	***	par_4
Y2 <--- Y1	.612	.100	6.150	***	par_5

Source : Result Of Data Processing

Base on Table 1, **Competence Relationship to Marketing performance** has a significant positive relationship with a probability level of 0.002 which is not in accordance with the research conducted by [17] which says that competence does not significantly influence Marketing Performance. Marketing performance does not depend on the competencies performed. This can happen in business because generally products have the same shape and benefits, only the name of the product is often differentiated. This research is in line with the research conducted by [3] which says that the marketing knowledge competency variable has a positive and significant effect on marketing performance variables in Fisheries SMEs in Malang City, East Java.

This research has significant implications because competency is a driver in improving company performance because competence is a motive, character, skill, aspect of self-image or a person's social role, or a collection of knowledge used, the ability to apply skills and knowledge into action. So that a marketing performance can be increased due to stimulation of a series of competencies that are owned by employees and management in the macro business.

Innovation relationship to marketing performance has a significant positive relationship with probability levels as wide as 0,000 this is consistent with the research conducted by [17], [1], stating that competitive advantage has a positive and significant effect on business performance. The empirical facts in this study state that innovations carried out by macro businesses in South Sulawesi require the need for strategic changes. The current business, if it still adheres to the principle "as always" is no longer sufficient in the future, in the midst of competition that is local and domestic even regional and global. Macro-managed businesses require innovative ways of thinking and acting. Innovation can involve the creation of new products (both in terms of goods or services), new structures, new relationships and even new cultures. (Siagian, 2007; 258). The fact that macro businesses in South Sulawesi still cannot fully use the concept of innovation. Whereas for innovation on marketing performance and competitive advantage has a significant relationship this is in accordance with the research conducted by [29].

Information Technology Relationship to Marketing performance not significant with a probability level of 0.068. This research contradicts the research conducted by [6], they say Macro business has an important role in economic growth and industry in a country. Macro businesses are required to make improvements to increase their competitiveness in order to continue to run and develop.

Among them by using information technology (IT), the use of information technology can improve business transformation through the speed, accuracy and efficiency of information exchange in large numbers.

Macro businesses are said to have global competitiveness if they are able to run their business operations in a reliable, balanced and high standard manner. The phenomenon that occurs is that the use of computer-based information technology is still limited. Besides the need for the role of information technology, the role of human resources (competence entrepreneur) also very much needed. Because HR is not only considered a burden but is considered as an asset that will greatly determine the smooth running of organizational activities [9]

The empirical facts of this study found that information technology is still insignificant because there are still many macro business people who do not understand technology in depth, they also have not applied technology to their business as a whole. Indonesia is a developing country where there are still many people who still do not understand technology so that its use is still simple. In contrast to developed countries, all of which use technology. Besides that the business mindset is also still comfortable with manual tools.

The relationship of facilities and infrastructure to marketing performance has a significant positive relationship with probability levels as wide as 0,000. The implications of this study state that when the state of infrastructure in a country is weak, it means that the country's economy is running in a very inefficient manner. Logistics costs are very high, leading to companies and businesses that lack competitiveness (due to high business costs). not to mention the emergence of social injustice, for example, it is difficult for the difficulty of business people to distribute due to inadequate facilities because road access is less supportive, or an area does not have port access so it will be difficult for businesses to carry out loading and unloading activities. Infrastructure development and macroeconomic development have a reciprocal relationship, because infrastructure development leads to economic expansion through multiplier effects. While economic expansion raises the need to expand existing infrastructure, to absorb the increasing flow of goods and people circulating or circulating throughout the economy. However, if the infrastructure cannot absorb the increase in economic activity (and not enough new infrastructure is developed) then problems will occur - similar to clogged arteries in the human body, which cause life-threatening hazard conditions because the blood cannot flow. This explains the paradoxical situation that the rice produced by Thailand is cheaper than rice in the country itself ..

Inadequate infrastructure also affects the attractiveness of the investment climate in Indonesia. Foreign investors are full of concerns to invest in, for example, manufacturing facilities in Indonesia if electricity supply is uncertain or transportation costs are very high. In fact, the South Sulawesi area of power outages often causes disruption of industrial activities.

Relationship of Company Performance to Competitive Advantages has a significant positive relationship with probability levels as wide as 0,000 studies conducted related to these variables are [5]. [6]; [8] in [14], in the global arena, the company's competitive advantage is enhanced through the company's unique resources and capabilities so that it can be expected to require management to produce superior performance.

The implication of this research is that the performance carried out by macro businesses in South Sulawesi is able to

increase and achieve competitive advantage in accordance with the theory put forward by According to [28], performance comes from the notion of performance. The definition of performance as a result of work or work performance. However, actual performance has a broad meaning, not only the results of work, but how the work process takes place. The other opinions expressed by Armstrong and Baron in [28], performance is the result of work that has a relationship with the organization's strategic goals, customer satisfaction, and contribute to the economy. Achieving sustainable competitive advantage with improve company performance. Competitive advantage can be achieved from implementing non-simultaneous production strategies but through potential competitor conditions

V. CONCLUSION

The conclusion of the study are:

1. Competence relationship to marketing performance has a significant positive relationship
2. The relationship of innovation to marketing performance has a significant positive relationship
3. The relationship of Information Technology to Marketing performance is not significant
4. Relationship between advice and infrastructure on marketing performance has a significant positive relationship
5. The relationship between Company Performance and competitive advantage has a significant positive relationship
6. From all the variables studied it turns out that only information technology does not provide positive support for company performance.

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