The effects of knowledge sharing, social capital and innovation on marketing performance

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ABSTRACT

Women entrepreneurs and the informal sector are looking for footholds in the COVID-19 pandemic, which will lead women to develop creative businesses. This study examines the role of sharing knowledge and innovation in addressing gaps in social capital and marketing performance. Purposive sampling is used in the technique sample with 229 samples and Structural Equation Modeling (SEM-PLS) analysis techniques with SmartPLS is used for processing applications. The results show that social capital has a positive effect on the business performance of women entrepreneurs in Bali, Indonesia. The knowledge-sharing variable can be a mediator in the relationship between social capital and performance, and social capital has a significant positive effect on innovation, but innovation does not have a positive effect on marketing performance and knowledge sharing. In the end, women entrepreneurs will use knowledge sharing to create various innovations to meet market demand. However, opportunities for women entrepreneurs are very limited on capital due to the lack of guaranteed capital, and a lack of entrepreneurial skills in the era of technology, market access, bureaucracy, and legal matters. In addition, managerial skills, access to information technology, and the perspective that men should excel in Balinese culture and customs, limit business for women entrepreneurs.

Keywords: Social Capital, Knowledge Sharing, Innovation, Marketing Performance, Women Entrepreneurs

1. Introduction

The informal small business sector in Indonesia itself has proven to be resilient and tends to develop in the face of the global economic crisis in 1998 (Susilo, 2016). Women mostly choose the informal sector because of the flexibility of time they can take, said Sri Mulyani, the Minister of Finance during the “Inspiring Women event” in Jakarta. The subject of women entrepreneurs has been debated for decades to be predictors of entrepreneurship (Lee & Kim, 2019; Dean et al., 2019; Neumeyer et al., 2018). Women entrepreneurs in Indonesia have supported the country’s economic progress and prosperity, and especially during the 1998 financial crisis when women’s entrepreneurship began to emerge (Kusumawardani et al., 2020). The emergence of women’s micro-, small- and medium-sized enterprises (MSMEs) in the culinary informal sector has contributed a lot to the development of a country, especially in developing countries (Mintah & Darkwah, 2018). The informal sector in Bali is dominated by women because of the time flexibility it allows. The women entrepreneurs in the informal culinary sector said that customers in the last two years felt that they had started to decrease, the products sold were not selling in the market, and the income they earned had fallen. In view of this phenomenon, it is necessary to think about the steps that need to be taken so that the marketing performance of women-run MSME in the informal culinary sector can survive and grow. Performance improvement can involve culinary marketing to retain consumers, increase the volume of sales, and market expansion (Murphy et al., 2016). Increased marketing performance can be influenced by social capital because developing networks and strengthening relationships will create trust, a norm in equalizing business vision and mission (Kim & Shum, 2018; Afriyie et al., 2019). Several studies have shared the same view that the success of informal small businesses, including...
in the scope of marketing, is influenced by social capital and innovation (Torres et al., 2019; Kebede, 2018). Social capital is a fundamental resource for women to become entrepreneurs and makes their marketing patterns easier to do (Nguyen et al., 2019). Social capital is not able to increase sales and produce good marketing performance (Subramony et al., 2018; Farida, 2017). The research described above has gap on the influence of social capital on marketing performance, and the adoption of innovation does not always provide positive results on improving marketing performance. Another variable is needed to address the research gap, which is knowledge sharing (Akhavan et al., 2015). Sharing knowledge leads to learning about female entrepreneurship and being able to provide creative innovation ideas in line with research (Agyapong et al., 2017)

2. Literature Review

2.1 Theory of the Social Capital

The theory of social capital was first systematically introduced by Nahapiet and Ghoshal (1998). The basic definition introduced is that social capital is a resource inherent in social relations. The application of social capital theory is aimed at understanding social bonds, social interactions, trust, and reciprocity (Nahapiet & Ghoshal, 1998; Sanchez-Famosoa et al., 2019). Dastourian et al. (2017) state that social capital is an order of values embedded in social networks in a relationship between individuals or groups in an organization. Structural social capital refers to the overall pattern of connections in a social system that is formed by the property, personal and commercial relationships in terms of density, centrality, connectivity, hierarchy, and network configuration according to Lefebvre et al. (2016). Relationship social capital refers to assets that are created and utilized through relationships based on respect, friendship, trust and hope (Coleman, 1988; Kim & Shim, 2018). According to Martínez Pérez et al. (2016), the core of trust between humans is three things: (1) the social relationship between two or more people; (2) the expectations contained in the relationship; (3) social interactions that enable these relationships and expectations to be realized. Social capital cognitive refers to shared representation by adhering to norms in interpreting the vision and mission between parties in a common goal according (García-Villaverde et al., 2018; Nahapiet & Ghoshal, 1998). Norms are a form of social obligation, which makes both parties feel benefitting, in this way the exchange relationship is obtained.

2.2 Theory of the Knowledge Base

This process is summarized in a model, namely, the Socialization, Externalization, Combination, and Internalization model (SECI) (Nonaka & Takeuchi, 1995). The internalization process is a transfer from explicit knowledge to tacit knowledge where knowledge is obtained from learning by doing the process. The SECI process embodies the creation of knowledge as a valuable asset for the organization to manage. Knowledge sharing refers to activities where knowledge is shared or exchanged in various forms from individuals, groups, or organizations to others (Acosta et al., 2018). Knowledge is information that has been analyzed and organized so that it can be understood and used to solve problems and make decisions (Mohajan, 2019). Based on the origin of knowledge and its development (Boadu et al., 2018; Rumanti et al., 2016), knowledge management is divided into two, namely, tacit, and explicit. Basically, knowledge tacit is personal, developed through experiences that are difficult to formulate and communicate. Explicit knowledge makes this easier because the knowledge obtained is in the form of writing or seminars. Knowledge sharing creates opportunities to take advantage of existing resources and influences the benefits of networks that can be mobilized, acting as a transmission channel for information, and providing access to resources (Tata & Prasad, 2015).

2.3 Innovation

Innovation has found a more important role in the evolution of social and economic structures than the modern economy is considered in some studies to be an innovation-based economy (Zhou et al., 2019; Aujirpongpan & Hareebin, 2020). Innovation is defined as the extent to which an organization offers new or better products and services to the market (Acosta et al., 2018). Innovation means a product, idea, information technology, institutions, behavior, values, and new practices, in other words, innovation is the modification or discovery of ideas for continuous improvement and development to meet customer needs (Sanchez-Famosoa et al., 2019). To achieve continuous innovation, managers need to focus, not only on products, technology, and processes, but also on organizational culture, norms, and values that govern the organization (Srisathan et al., 2020; Muafi, 2020)

2.4 Marketing Performance

Performance is a description of the level of achievement of implementation, a program of activities or policies in realizing the goals, objectives, vision, and mission of the organization as outlined in the strategic planning of an organization (Kittikunchotiwut, 2020). Marketing performance is a company's effort to identify and meet consumer needs and tastes (Leal-Rodriguez & Albort-Morant, 2016), whereas according to Smith (2017), marketing performance is a company's efforts to identify and fulfill needs and consumer taste, can be viewed as a concept used in measuring the extent to which market performance can be achieved by a product that has been produced.
One of the anchors of company performance is marketing performance, which means that good marketing performance will create good company performance too (Lestari et al., 2020). Marketing performance is a concept for measuring the market performance of a product. For Zhou et al. (2019), every company has an interest in knowing the market performance of the products offered is, and what is the reflection of the success of their business in the business world (Adi et al., 2021).

2.5 Informal Sector Women Entrepreneurs

Various informal sectors have crystallized significantly into seven dominant schools of thought, namely, dualist, structuralism, legalist, rational choice, rational-legal theory, recession-driven theory, and labor-supply theory regarding their nature and composition (Siqueira et al., 2016). In several developed countries such as the United States and Japan as well as in several new countries such as Taiwan and South Korea, the economic strength comes from the support of small businesses, and a large part of the workforce is absorbed in the small-scale business sector. Various weaknesses faced by small businesses, especially women's small businesses, indicate low or weak company performance. Akintimehin et al. (2019) state that the low performance of small businesses in developing countries is influenced by factors such as social capital, location, information, and human resources, and knowledge plays a role in influencing the performance of small businesses. Rajapathirana and Hui (2018) posit that marketing performance is largely determined by factors of human resources, marketing, production, working capital, wage systems, and work culture.

2.6 Relationship between Variables and Conceptual Frameworks

MSMEs are needed, not only for the survival of the organization, but also for improving business performance, and social capital which is divided into two types, namely, internal and external, is very important for women-run MSMEs in the informal culinary sector because they complement each other to ensure efficient business performance (Akintimehin et al., 2019). External social capital is social capital that has links to businesses such as loyal customers, suppliers, and professional associations so that the benefits of this external social capital giving market authority will have a positive impact on sales revenue and the level of informal profitability of business firms (Putra et al., 2020). The social networks, bonds, and trust that women entrepreneurs share and rely on during their business operations are important investments in creating customer loyalty and improving marketing performance (Muniady et al., 2015; Tata & Prasad, 2015). Social capital is very important in the process of knowledge transformation and exploitation, namely, the ability to combine existing and newly-assimilated knowledge and apply it to company operations and strategies (Allameh, 2018; van Dijk et al., 2016; Lee, et al., 2015; Kim & Shim, 2018). Good interpersonal relationships help individuals feel psychologically secure; this process stimulates creativity, and social capital also allows people to seek advice to solve problems and generate new insights (Sanchez-Famosoa et al., 2019; Farida, 2017; Dastourian et al., 2017). Trust in social capital provides safer access to a heterogeneous set of resources that can drive innovation (Rass et al., 2013; Moqbel & Nah, 2017; Nguyen et al., 2019). The transfer of information and technology from one corporate department to another can drive the evolution of discoveries as it smooths out the specialization of knowledge resource integration (Dhir, 2021). Lee et al. (2016) show that the quality of knowledge sharing positively affects the manufacturing performance of companies in China. Knowledge sharing provides information and access to external resources. In an evolving and unpredictable social environment, innovation is considered by many to be the driving force for strategic competitiveness and sustainable value in Ghana; innovation across MSMEs is necessary, not only for organizational survival, but also for enhancing business performance (Gemünden et al., 2018), and brings various aspects of innovation to light to understand its relationship with firm performance (Bolisani et al., 2018; Acosta et al., 2018).

![Model Framework](Fig. 1)

**H1:** Social capital has a positive and significant effect on marketing performance.
H2: Social capital has a positive and significant effect on knowledge sharing.
H3: Social capital has a positive and significant effect on innovation.
H4: Knowledge sharing has a positive and significant effect on innovation.
H5: Knowledge sharing has a positive and significant effect on marketing performance.
H6: Innovation has a positive and significant effect on marketing performance.
H7: Knowledge sharing can mediate the effect of social capital on innovation.
H8: Knowledge sharing can mediate the effect of social capital on marketing performance.
H9: Innovation can mediate the effect of knowledge sharing on marketing performance.
H10: Innovation can mediate the effect of social capital on marketing performance.

3. Method

The research uses the quantitative method, borrowing from principles of positivism. The location of this research was carried out at MSME run by women in the informal culinary sector in Bali. Data collection via structured questionnaire questions are distributed online. Samples were taken from the population of women in the informal sector of the culinary sector in Bali, and the respondents were the business owners themselves. The sampling technique used purposive sampling. The number of samples used was 5 to 10 multiplied by the indicator so that the sample of 229 was quite representative of women entrepreneurs in Bali. Structured data collection techniques in this study using a pre-prepared online questionnaire, with a Likert scale to measure social capital, innovation, knowledge sharing, and performance variables; all respondents were given a questionnaire containing closed statements. Social capital is measured by a semantic differential approach on a scale of one to five, social capital in this study, namely, the women-run MSMEs in the informal culinary sector in Bali citing measurements carried out by (Burt, 1995; Muniady et al., 2015; Kim & Shim; 2018). Sharing knowledge can contribute to reduced production costs, faster completion of development projects, improved decision-making and coordination on results, ability to innovate, and increased sales or revenue from new products and services (Boadu et al., 2018; Rumanti et al., 2018; Salehzadeh et al., 2017; Allameh, 2018). The growth of marketing performance in women's SMEs in the informal culinary sector in Bali is reflected in the measurement of research according to Limakrisna and Yoserizal (2016).

4. Results

4.1. Characteristics of Respondents

Respondent profiles were collected from six research areas consisting of one city and eight districts with 229 respondents in the province of Bali. It shows that the business actors where the business that had been run for more than 4 years (36.2%) and less than 2 years (34.5%), the remaining is between 3-4 years; the average business actor is the owner himself (93.1%, the remaining (6.9%) is running by someone else. The number of workers is mostly less than 3 people (72.4%), between 4-6 (22.4%) and the remaining (5.2%) are businesses that have more than 3 workers. Some 44.8% have a bachelor's level of education.

4.2. Evaluation of the Outer Model Evaluation (measurement model)

Testing the reliability construct using composite reliability (CR), average variable extracted (AVE), and alpha a (AVE) is 0.50 or more (Hair et al., 2014; Shrestha, 2021) are shown in Table 1.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Dimension</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Capital</td>
<td>Structural</td>
<td>0.8</td>
<td>0.9</td>
<td>0.7</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>Relation</td>
<td>0.8</td>
<td>0.9</td>
<td>0.7</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>Cognitive</td>
<td>0.8</td>
<td>0.9</td>
<td>0.7</td>
<td>Valid</td>
</tr>
<tr>
<td>Knowledge Sharing</td>
<td>Tacit</td>
<td>0.8</td>
<td>0.9</td>
<td>0.6</td>
<td>Valid</td>
</tr>
<tr>
<td>Innovation</td>
<td>Explicit</td>
<td>0.9</td>
<td>0.9</td>
<td>0.8</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>Product</td>
<td>0.8</td>
<td>0.9</td>
<td>0.6</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>Process</td>
<td>0.7</td>
<td>0.8</td>
<td>0.6</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>Market</td>
<td>0.8</td>
<td>0.8</td>
<td>0.6</td>
<td>Valid</td>
</tr>
<tr>
<td>Marketing Performance</td>
<td>Service</td>
<td>0.7</td>
<td>0.8</td>
<td>0.6</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.8</td>
<td>0.9</td>
<td>0.6</td>
<td>Valid</td>
</tr>
</tbody>
</table>

4.3. Structural Model Test (Inner Model Evaluation)

4.3.1. The R Square (R² test)

As regards coefficient of determination or R-square, R² shows the combination of the effects of exogenous variables on endogenous variables (Hair et al., 2014); as for the value R², it is included in the weak model if the value is 0.25. It is included
in the moderate model if the value is 0.5; it is included in a strong model if the value is 0.75 (Hair et al., 2014). Zhang et al. (2017) have a different opinion: a model is said to be strong if it has a value $R^2$ of 0.67, the model value is moderate if the value is 0.33 and the model is said to be weak if the model value is 0.19. In this study, the value for $R^2$ Service innovation has a value of 0.42 in the medium model, while the other variables have an $R^2$ value between 0.693-0.865, meaning that all variables fall into the strong category (Table 2).

### Table 2

<table>
<thead>
<tr>
<th>Variable</th>
<th>Dimension</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Capital</td>
<td>Structure</td>
<td>0.693</td>
<td>0.690</td>
</tr>
<tr>
<td></td>
<td>Relation</td>
<td>0.865</td>
<td>0.864</td>
</tr>
<tr>
<td></td>
<td>Cognitive</td>
<td>0.793</td>
<td>0.791</td>
</tr>
<tr>
<td>Innovation</td>
<td>Product</td>
<td>0.795</td>
<td>0.793</td>
</tr>
<tr>
<td></td>
<td>Process</td>
<td>0.782</td>
<td>0.780</td>
</tr>
<tr>
<td></td>
<td>Marketing</td>
<td>0.793</td>
<td>0.791</td>
</tr>
<tr>
<td></td>
<td>Service</td>
<td>0.420</td>
<td>0.413</td>
</tr>
<tr>
<td>Knowledge Sharing</td>
<td>Tacit</td>
<td>0.861</td>
<td>0.859</td>
</tr>
<tr>
<td></td>
<td>Explicit</td>
<td>0.835</td>
<td>0.833</td>
</tr>
<tr>
<td>Marketing Performance</td>
<td></td>
<td>0.780</td>
<td>0.773</td>
</tr>
</tbody>
</table>

4.3.2. $Q^2$ (Predictive Relevance)

The value of $Q^2$ is between 0 and 1, where the value of $Q^2$ is closer to the value of 1, the better the model. The criteria for the strength and weakness of the model measured by the value of $Q^2$ are 0.35 (strong model), 0.15 (moderate model), and 0.02 (weak model) (Choshin & Ghaffari, 2017).

4.3.3. The Goodness of Fit (GoF)

The GoF value can be calculated with the following formula using the data in Table 1. The values are GoF 0.1 (weak), 0.25 (medium), and 0.36 (strong) (Choshin & Ghaffari, 2017). The GoF test criteria are 0.1 (small GoF), 0.25 (medium GoF), and 0.36 (large GoF) (Tenenhaus et al., 2004). The overall evaluation research model can be expressed satisfactorily, so analysis can further proceed with hypothesis testing.

5. Discussion

### Table 3

<table>
<thead>
<tr>
<th>Hypothesis Result of the Structural Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hypothesis</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>$H_1$: MP $\leftarrow$ SC</td>
</tr>
<tr>
<td>$H_2$: KS $\leftarrow$ SC</td>
</tr>
<tr>
<td>$H_3$: IN $\leftarrow$ SC</td>
</tr>
<tr>
<td>$H_4$: IN $\leftarrow$ KS</td>
</tr>
<tr>
<td>$H_5$: MP $\leftarrow$ KS</td>
</tr>
<tr>
<td>$H_6$: MP $\leftarrow$ IN</td>
</tr>
<tr>
<td>$H_7$: IN $\leftarrow$ KS $\leftarrow$ SC</td>
</tr>
<tr>
<td>$H_8$: MP $\leftarrow$ KS $\leftarrow$ SC</td>
</tr>
<tr>
<td>$H_9$: MP $\leftarrow$ IN $\leftarrow$ KS</td>
</tr>
<tr>
<td>$H_{10}$: MP $\leftarrow$ IN $\leftarrow$ SC</td>
</tr>
</tbody>
</table>

Note: ***, p-value < 0.001. Significant at the 0.05 level.

Table 3 shows that ten causal relationships between exogenous and endogenous variables have four insignificant relationships (hypothesis rejected) at $\alpha$ 0.05 with a statistical value < 1.96. There are four relationships between exogenous and endogenous variables, which are significant (hypothesis is accepted) at $\alpha$ 0.05 with a statistical value > 1.96. Based on the results of the direct relationship analysis from Table 3, $H_1$, $H_6$, $H_9$ and $H_{10}$ are rejected, whereas $H_2$, $H_3$, $H_4$, $H_5$, $H_7$ and $H_8$ are accepted.

$H_1$: The Effect of Social Capital on Marketing Performance.

The results of testing the influence of social capital and marketing performance show that social capital does not have a positive and significant effect. Social capital is something that cannot be relied on as a trigger for increased marketing performance. The results of this study mean that large relationship capital is not always able to improve marketing
performance. Just having a lot of networks does not always make entrepreneurs fulfill their business goals. The results of this study are in line with research conducted by Akintimehin et al. (2019) that informal sector actors can only utilize internal resources, but external resources cannot be developed even though they already have strong social capital. Based on this explanation, it can be said that this study also confirms several studies including Akintimehin et al. (2019); Subramony et al. (2018); Kebede (2018); Farida et al. (2017). In informal women-run MSMEs in the culinary sector, the social capital they have tends to create gaps that support the performance of the business being run, the strong networks they have to monopolize certain parties or groups in increasing their business. Resources are not evenly distributed, only certain parties benefit so that trust and norms have not been formed so that a common vision and mission for creativity is not achieved; marketing performance in this case is also not achieved.

**H2:** The Effect of Social Capital on Knowledge Sharing.

The results of testing the effect of social capital on sharing knowledge indicate that social capital has a positive and significant effect on knowledge sharing. Social capital has a role in the exchange of useful information and knowledge in business, especially the informal sector. Tata and Prasad (2015); Allameh (2018) found the same results that structural, relational, and cognitive social capital gave positive results on knowledge sharing because it would improve intellectuality. The results of the study are in line with the research by Göksel and Aydintan (2018) that all dimensions of social capital have a positive influence on knowledge sharing.

**H3:** The Effect of Social Capital on Innovation.

The results of testing the effect of social capital on innovation show that social capital has a positive and significant effect on innovation. This means that having social capital will provide high ability to innovate. This study is in line with the research of Sanchez-Famoso et al. (2019) which states that social capital has a positive effect on innovation, and family social capital or non-family social capital has a positive effect, the joint effect is stronger in creating innovation. Relationships and cognition unite the vision and mission of a business that is guarded by norms to create creative innovation (Akhavan & Mahdi Hosseini, 2015). Hau and Kang (2016); Agyapong et al. (2017); Acosta (2019) shows a positive influence between social capital and innovation, a positive relationship with social capital in business ties has a positive effect on the development of new product performance. The results of this study prove the importance of social capital in increasing the innovation of informal MSME actors in the culinary sector in Bali Province, because it creates innovations in both products and processes that require large resources, namely relationships.

**H4:** The Effect of Knowledge Sharing on Innovation.

The results of testing the effect of knowledge sharing on innovation show that knowledge sharing has a positive and significant effect on innovation. Knowledge-based theory, the supporting theory, can be said to be knowledgeable, highly individualistic and it is embedded in certain social contexts and even sharing knowledge simultaneously can affect the abilities and competencies of individuals and organizations and strengthen the intellectual capital of organizations in the field of human and organizational capital (Nonaka & Takeuchi, 1995; Van Dijk et al., 2016; Allameh, 2018). Hau and Kang (2016) also supports that knowledge can contribute to reducing production costs, faster completion of product processing, increased innovation in generating new product innovations and new service systems. The results of the research prove the sharing of knowledge on innovation in informal MSME women in the culinary sector in Bali province. Sharing knowledge that is carried out offline is also done by learning through workshops about new menus, which in turn will increase the ability of individuals or groups to create products with new preparations. Apart from this, sharing this knowledge is obtained directly during seminars or building motivation for innovation in oneself.

**H5:** The Effect of Knowledge Sharing on Marketing Performance.

The results of testing the effect of knowledge sharing on marketing performance show that knowledge sharing has a positive and significant effect on marketing performance. Sharing knowledge from Knowledge-based theory is divided into two dimensions, namely, tacit and explicit, where these two dimensions provide benefits with high-quality information in the form of knowledge and provide access to external resources (Tata & Prasad, 2015). Rumanti et al. (2018; Salehzadeh et al. (2017) also provide the same opinion. The knowledge obtained by informal culinary women-run MSMEs from conducting workshops or oral stories between individuals is one of the strategies in cost savings. The knowledge gained by MSMEs provides changes in marketing systems and changes in an uncertain business environment to improve marketing performance.

**H6:** The Effect of Innovation on Marketing Performance.

The results of testing the effect of innovation on marketing performance show that innovation does not have a positive and significant effect on marketing performance. The research is in line with the research by Matsongoni and Mutambara (2018; García-Villaverde et al. (2018) that does not produce positive results because innovation takes a long time and the opportunity factor is very limited, especially for women who are unable to develop themselves and ultimately performance. The culinary
business tends to use tools, for example, milk pie business actors, because the home scale still uses small-scale roasting tools where the production quantity is still low, using manual molds. Limitations in production methods mean that innovation does not have a positive impact on female SMEs in the informal culinary sector in Bali province.

**H7: The Role of Mediating Knowledge Sharing on Social Capital and Innovation.**

This study found that knowledge sharing mediates the effect of social capital on accepted innovation. This research is supported by Kim and Shim (2018) in the tourism industry sector, that sharing knowledge provides a positive feeling in building innovation. Knowledge sharing has a positive effect on three dimensions of social capital, which in turn provides an increase in innovation in the tourism sector (Harjanti & Noercholdah, 2017; Allameh, 2018). Informal women-run MSMEs in the culinary sector in Bali province are actors in a small-scale, home-based business with home capital. Human resources are the basic capital in responding to change, in addition to the role of social capital; there is the role of local wisdom that makes an individual cultured in sharing knowledge.

**H8: The Role of Mediating Knowledge Sharing on Social Capital and Marketing Performance.**

This study found that knowledge sharing mediates the effect of social capital on marketing performance. Social capital is an important component in improving marketing performance, with a strong network, norms, vision, and mission to create marketing performance among businesspeople, healthy competition will be formed. Knowledge sharing will create good marketing performance for business actors, especially female informal culinary MSMEs in the province of Bali.

**H9: The Role of Innovation Mediation on Social Capital and Marketing Performance.**

Innovation does not have a role in the relationship between social capital and marketing performance. This finding is in line with Dastourian et al. (2017); Subramoni et al. (2018); Sanchez-Famosos et al. (2019) that strong networks of social capital are unable to create creative ideas and are unable to improve sales. Other research supports this contention (Matsongoni & Mutambara, 2018). Even though they have a dense network, the ability of everyone will be different in bringing about creative ideas to improve marketing performance. There are four dimensions in this research – product, process, marketing, and service. Innovation implementation still hits obstacles when faced with different situations. Product innovation increases the value of product quality, the selling power will increase, but this does not materialize in informal MSMEs because creativity in products experiences obstacles. In the process dimension, there is the adoption of production methods, the adoption of information, and the adoption of equipment, in innovation; changes must be made to the sophistication of production tools because one of the improvements in performance by using facilities and infrastructure is better, but for informal female culinary MSMEs, this is a very large problem, requiring many stakeholder roles.

**H10: Role of Innovation Mediation on Knowledge Sharing and Marketing Performance.**

Innovation mediation has no role in mediating knowledge sharing and marketing performance. These are different results from Afriyie (2019). Innovation has been understood as a significant antecedent of improving organizational performance in a competitive business environment. Sharing knowledge does not have a positive effect on the role of innovation; innovation is not able to bridge the marketing performance of informal women-run MSMEs in Bali Province. The use of innovation in mediating knowledge sharing does not increase women's culinary informal sector. Increased sales, creation of new markets, and even retaining old members as indicators of measuring the success of marketing performance are not possible in different situations.

**6. Conclusion**

Social capital and sharing of knowledge are proven to have a positive and significant effect on innovation and marketing performance, in micro-, small-, and medium-sized enterprises in the women-run informal culinary sector in Bali province. This means that these results indicate that the wider and stronger the network that is characterized with ethics and norms will create trust, the higher the marketing performance of the informal women MSMEs in the culinary sector in Bali province. Culinary business actors have structural social capital, where this social capital provides breadth to the relationship at the top level, government, or stakeholders other that makes it easier for business actors to obtain resources to improve performance. Relational and cognitive social capital will form mutual trust, maintain ethics and norms, the expectation of mutual reliance, shared assets, and vision and mission provide closeness and relationship and create capital relationships between individuals in the group, create a sense of togetherness, thus creating a mutually supportive business environment. It will be healthier, and progress in the vision and mission of the business will ultimately improve the marketing performance of female informal culinary MSMEs. Innovation is not proven to mediate the effect of knowledge sharing on knowledge sharing and marketing performance of informal culinary women MSMEs in Bali province. This means that innovation is not able to be implemented properly and so that it does not influence the relationship of knowledge sharing and marketing performance and is not able to improve marketing performance.
References


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