Toward marketing performance through supply chain management and knowledge sharing during the Covid19

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1. Introduction

Increased marketing performance can be seen by being able to retain consumers, increase the number of sales, and expand the market (Thomas et al., 2016). The success of informal small businesses, including in the scope of marketing, is influenced by social capital (Torres et al., 2019; Kebede, 2018). Social capital is a fundamental resource for women to become entrepreneurs and facilitate their marketing patterns (van Dijk et al., 2017). Social capital is not able to increase sales and produce women entrepreneurs (Subramony et al., 2018; Farida, 2017). Several studies have the view that marketing and business performance has increased by making innovations (Ganguly et al., 2019; Quah et al., 2021). In contrast to the opinion (Akhavan et al., 2015; Agyapong et al., 2017) the effect of social capital on women entrepreneurs, and the adoption of innovation does not always provide positive results in increasing female entrepreneurship. Resources are one of the strategies in improving marketing performance by adopting knowledge (Zhang et al., 2017). Apart from these an increase in marketing performance is required; all activities are planning, supply and demand, supply materials, produce products or present services (Gawankar et al., 2020). Manage and coordinate all these activities is a major problem in the supply chain, where the customer receives a product or service of good quality (Peridawaty et al., 2021). The performance of all activities in the supply chain requires a coordinating strategy and a strong relationship capital that is capable of creating innovation is required (Abidin, 2021).
2. Literature Review

2.1 Supply Chain Management on Marketing Performance

Customers are the most important thing in marketing performance. Value chain alignment is an important customer need for this reason; integrated marketing orientation becomes a philosophy (Bruhn & Schnebelen, 2017). This results in the predominance of goals such as customer satisfaction and loyalty and the long-term development of customer relationships. This orientation is expressed in the increasing importance of customer relationship management (CRM) (Sutono, 2019). Indicators describe marketing performance, namely there is demand stimulation (sales), which is a direct effect on income. Marketing activity seeks to encourage customers to accept price increases; this will potentially increase sales volume. Customer performance is related to the effects on customer satisfaction and customer loyalty (Sudari et al., 2019). In this context, marketing measures can form long-term customer relationships that have a long-term effect on customer value for a company (Ali & Anwar, 2021).

2.2 Knowledge Sharing on Marketing Performance

Sharing knowledge which is a characteristic of the KBV theory which in the end will build human resources that inter-terminate so that in the end it achieves a good evaluation which is a solved problem in one organization (Salehzadeh et al., 2017). Sharing knowledge sourced from KBV makes the process of increasing the performance business in organizational activities (Lei et al., 2021). Knowledge sharing refreshes to activities where knowledge is shared or exchanged in various forms from individuals, groups, or organizations to others (Markovic & Bagherzadeh, 2018). Knowledge is information that has been analyzed and organized so that it can be understood and used to solve problems and make decisions (Markovic & Bagherzadeh, 2018). Based on the origin of knowledge and its development, according to (Boadu et al., 2018; Rumanti et al., 2018) knowledge management is divided into two, namely: Tacit: basically knowledge tacit is personal, developed through experiences that are difficult to formulate and communicate. Knowledge sharing creates opportunities to take advantage of existing resources and influences acting as a transmission channel for information, and provides access to resources so as to be able to seek opportunities and increase in the market (Tata & Prasad, 2015).

2.3 Innovation and Marketing Performance

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). Innovation is defined as the extent to which an organization offers new or better products and services to the market (Ganguly et al., 2019). Innovation means a product idea, information technology, institutions, behavior, values, and new practices, or 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). 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. Women entrepreneur is a company's effort to identify and meet consumer needs and tastes (Leal-Rodríguez & Albort-Morant, 2016), whereas according to (Agyapong et al., 2017; Putra et al., 2020) Women entrepreneur 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 women entrepreneurs, which means that good women entrepreneurs will create good company performance too (Sugiyarti et al., 2018). Women entrepreneur is a concept for measuring the market performance of a product. Zhou et al. (2019), every company has an interest in knowing how the market performance of the products offered is, what is the reflection of the success of their business in the business world Muehlfeld et al. (2012).

2.4 Social Capital on Marketing Performance

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, 2015; Kim & Shim., 2018). Good interpersonal relationships help individuals feel psychologically secure, this process stimulates creativity, 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). 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 et al., 2021). Research by Lee et al. (2016) show that the quality of knowledge sharing positively affects the manufacturing performance of companies in China.

Based on empirical studies and theories, the research hypotheses are:

H1: Social Capital has a positive effect on Marketing Performance.
**H2:** Social Capital has a positive effect on Knowledge Sharing.

**H3:** Social Capital has a positive effect on Supply Chain Management.

**H4:** Social Capital has a positive effect on Innovation.

**H5:** Innovation has a positive effect on Supply Chain Management.

**H6:** Knowledge Sharing has a positive effect on Marketing Performance.

**H7:** Supply Chain Management has a positive effect on Marketing Performance.

![Fig 1. Model Concept](image)

3. Method

The research method uses the principle of positivism in informal women entrepreneurs in Bali. The sampling technique used purposive sampling. The sample was taken from the population of women in the informal sector in Bali, and the data was collected using a structured questionnaire that was distributed online. The provisions are the respondent as the owner or manager of the business. The provision for the number of samples uses a formula Hair et al. (2014), which is 5 to 10 multiplied by the indicator so that the sample of 229 is sufficient to represent women entrepreneurs in Bali. Structured data collection techniques in this study used an online questionnaire with a Likert answer scale to measure the variables used to contain closed statements. Social capital cities measurements made by (Burt, 1997; Muniady et al., 2015). Knowledge Sharing quotes from research (Kim & Shim; 2018). Supply Chain Management indicators cite research (Bruhn & Schnebelen, 2017); Innovation indicators are used by research (Rumanti et al., 2018; Allameh, 2018) and the marketing performance variables of the researchers (Sugiyarti et al., 2018).

4. Results

4.1 Characteristics of respondents

Respondent profiles were collected from 9 research areas consisting of 1 city and 8 districts with 229 respondents in the province of Bali. It shows that the business actors where the business has been run for more than 4 years is 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 someone else's business. The number of workers is mostly less than 3 people, namely 72.4%, between 4-6 as much as 22.4% and the remaining 5, 2% are those who have more than 3 workers, and 50%, on average have a bachelor's level of education as much as 44.8%.

4.2 Evaluation of the Outer Model Evaluation (measurement model)

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

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Capital</td>
<td>0.9</td>
<td>0.9</td>
<td>0.7</td>
</tr>
<tr>
<td>Knowledge Sharing</td>
<td>0.8</td>
<td>0.8</td>
<td>0.6</td>
</tr>
<tr>
<td>Supply Chain Management</td>
<td>0.7</td>
<td>0.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Innovation</td>
<td>0.8</td>
<td>0.8</td>
<td>0.6</td>
</tr>
<tr>
<td>Marketing Performance</td>
<td>0.8</td>
<td>0.8</td>
<td>0.6</td>
</tr>
</tbody>
</table>

Source: Results of Data Processing 2021
### 4.3 Inner Model Evaluation

**R Square (R² test)**

Parameter 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 that is accepted is included in the weak model if the value of 0.25 is included in the moderate model if the value is 0.5 while it is in the strong R² category if it has a model value of 0.75 (Hair et al., 2014), and the model is said to be weak if the model value is 0.19. In this study, the value for R² Innovation has a value of 0.200 in the weak model, while the other variables have an R² value between 0.395-0.454 meaning that all variables fall into the medium category in Table 2.

#### Table 2

<table>
<thead>
<tr>
<th>Variable</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation</td>
<td>0.200</td>
<td>0.192</td>
</tr>
<tr>
<td>Knowledge Sharing</td>
<td>0.395</td>
<td>0.389</td>
</tr>
<tr>
<td>Marketing Performance</td>
<td>0.455</td>
<td>0.438</td>
</tr>
<tr>
<td>Supply Chain Management</td>
<td>0.454</td>
<td>0.442</td>
</tr>
</tbody>
</table>

Source: Results of Data Processing 2021

**Q-square (Predictive Relevance)**

Criteria for the strength and weakness of the model measured by the value of Q² are 0.35 (strong model), 0.15 (moderate model), and 0.02 (weak model) (Choshin & Ghaafari, 2017).

Value of Q² can be calculated as $Q^2 = 1 - (1 - R_1^2)(1 - R_2^2) = 0.865$. The Q-square calculation yields a value of 0.865 or 86.5%, which means that the model has a very good observation value. This means that 86.5%, the relationship between variables can be explained by the model. Based on the 2 results of the Inner Model assessment above where R² is at a moderate and strong level and Q² is at a very good level.

**The goodness of fit (GoF)**

The goodness of fit (GoF) test is to measure the accuracy of the overall model.

Average R² = $0.200 + 0.395 + 0.455 + 0.454 / 4 = 0.62$

Average AVE = $((0.7) + (0.6) + (0.6) + (0.6) + (0.6)) / 5 = 0.62$

Root of average AVE $\sqrt{0.694} = 0.785$

Root of average AVE $\times$ average R² = 0.785x 0.62

GoF = 0.48. (Large)

So, the overall evaluation research model can be expressed well and we can further proceed with the analysis of hypothesis testing

**Estimate for Path Coefficients**

![Fig 2. Bootstrapping Result](image)
Table 3
Test Results Path Coefficient

<table>
<thead>
<tr>
<th>Variable</th>
<th>Original Sample(O)</th>
<th>T-values</th>
<th>p-values</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 Social Capital → Marketing Performance</td>
<td>-0.009</td>
<td>0.085</td>
<td>0.933</td>
<td>Not Significant</td>
</tr>
<tr>
<td>H2 Social Capital → Knowledge Sharing</td>
<td>0.628</td>
<td>10.046</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>H3 Social Capital → Supply Chain Management</td>
<td>0.300</td>
<td>3.365</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>H4 Social Capital → Innovation</td>
<td>0.448</td>
<td>5.725</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>H5 Innovation → Supply Chain Management</td>
<td>0.483</td>
<td>5.978</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>H6 Knowledge Sharing → Marketing Performance</td>
<td>0.333</td>
<td>2.675</td>
<td>0.008</td>
<td>Significant</td>
</tr>
<tr>
<td>H7 Supply Chain Management → Marketing Performance</td>
<td>0.414</td>
<td>3.569</td>
<td>0.000</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Source: Results of Data Processing 2021

Based on the results of the direct relationship analysis from Table 3, it indicates that the hypothesis (H1 is rejected, H2, H3, H4, H5, H6 and H7 are accepted).

5. Discussion

5.1 The Effect of Social Capital on Marketing Performance

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, 2015; Kim & Shim., 2018). Good interpersonal relationships help individuals feel psychologically secure, this process stimulates creativity, 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). 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 et al., 2021). Research by 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 provides access to external resources. 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), brings various aspects of innovation to light to understand its relationship with firm performance.

5.2 The Influence of Social Capital on Knowledge Sharing, Supply Chain Management, Innovation

The results of testing the effect of social capital on knowledge sharing, Supply Chain Management and Innovation show that social capital has a positive and significant effect. Social capital plays a role in the exchange of information and knowledge that is useful in business, especially in the informal sector. Research Tata and Prasad's (2015); Allameh (2018) with different research backgrounds found the same research results that structural, relational, and cognitive social capital gave positive results on knowledge sharing because it would increase intelligence. Having a strong network indirectly creates new customers and is important in marketing performance. The supply value chain created from the network becomes a philosophy of marketing success. Supply chain hardening is a long-term relationship that creates customer satisfaction so as to be able to retain old customers, which is the goal of marketing performance. So this research is in line with research (Bruhn & Schnebelen, 2017; Sutono, 2019; and Sudari et al., 2019). Knowledge sharing provides information and provides access to external resources. 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).

6. Conclusions and Suggestions

Supply Chain Management is able to maintain a supply chain that originates from the relationships of women entrepreneurs in Bali which creates the ability to innovate in realizing increased marketing performance. The quality of resources, namely sharing of knowledge, is the basis for building sustainable business management

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References


