Mediation Model of Competitiveness to Gain SMEs Business Sustainability

Pande Putu Buda Prasada^{a*}, Erie Febrian^b, Rita Komaladewi^c, Wa Ode Zusnita^d, a,b,c,d</sup>Universitas Padjadjaran, Email: a*prasadapande@gmail.com

ABSTRACT

This research aims to study the correlation of market orientation with the competitiveness owned by company and business sustainability. Based on the happening phenomenon for the study about competitiveness that can control the company's business sustainability. The research is conducted in Jakarta - Indonesia, with the research object is Small Medium Enterprise (SMEs) as one of the supports for countries' economic that is resistant to the various economic crisis. There are 120 SMEs in Jakarta which is taken data and information through a questionnaire in this experimental study. While data analysis is conducted through path analysis and research hypothesis tests. The research result is stated that market orientation built by SMEs correlates with competitiveness creation. Then, it is known that the correlation of SMEs' competitiveness with business sustainability. Besides that, it is found that market orientation has also directly correlated with business sustainability. From the research, the result is found that research novelty is a mediation model from SMEs' competitiveness for the support of market orientation and its impact on business sustainability. This research is useful as an input for business strategy in controlling SMEs' competitiveness, for success in competing for business competition. Besides that, it encourages SMEs to determine business orientation because it impacts to business sustainability.

Key words: Market Orientation, Competitiveness, Business Sustainability.

Article Received: 18 October 2020, Revised: 3 November 2020, Accepted: 24 December 2020

Introduction

The studies related to business sustainability are very interesting in the field of strategic management science (Petrini and Pozzebon, 2009), it is related to the long-term company's performance expected by every CEO (Porter, 2008). The issue of business sustainability has become an important issue for a large company where the CEO is risking his business for a long-term period. However, business sustainability is also used by all types of companies like SMEs today (Egels-Zandén, 2016). Because the optimal performance of the company is a right for all types of companies both small to large. Even though business sustainability is only attached to large companies, SMEs have begun to use business sustainability through a business strategy to survive in business competition (Iturrioz et al., 2015). It has certainly become commonplace companies, but it is interesting for SMEs. This indicates the importance of business sustainability in SMEs to support the economy of a country, such as Indonesia, which strongly supports SMEs' development in all provinces.

ISSN: 00333077

SMEs are a business run independently by entrepreneurs in a certain group. In running their business, SMEs tend to be stronger in accepting the shocks of economic crisis than the large companies (Susilo, 2010). One of them is through the sustainability of SMEs business in all provinces. One of the uniqueness of SMEs is the value of innovation adaption which is more easily absorbed compared to large companies, especially in the information technology field (Maduku et al., 2016). One of these advantages is certainly related to business performance so that SMEs are required to control their resources to create value (Iturrioz et al., 2015). The value creation is created and it aims creating corporate competitiveness. Competitiveness is a condition of the company is interacting with its business environment (Maduku et al., 2016). The previous studies have been explained particularly for small companies that

competitiveness needs to be improved for small industries if it is related to the company's performance and company's resistance continuing to keep on a market position (Egels-Zandén, 2016). It is not uncommon for small companies to be excluded from the market competition because they cannot competitiveness and they tend to follow the pattern of competition from competitors, so they are difficult in maintaining market position (Iturrioz et 2015). It explains the importance of competitiveness, particularly SMEs in Indonesia, with the final goal of its business sustainability.

The competitiveness of companies raises the offer of product's or service's value, sometimes that value becomes a measure in the creation of business strategies (Jeffers, 2010). The company is considered to have competitiveness when it can design the competitive conditions for its resource (Risal et al., 2016). SMEs in Indonesia have a lot of resources in business competition, which is valued from products, prices or services (Iturrioz et al., 2015). However, there is a need for the value creation of resources, it can be seen from the weakness of competitiveness, particularly when competing with large companies. Furthermore, there is surely worry about the weaknesses of competitiveness, as long as the company can assess and create market orientation. Remember there is a good correlation between market orientation with of corporate competitiveness the creation (Jayawarna et al., 2014). SMEs in Indonesia are currently able to assess the target market; it is clear from products and services created in line with the market's intentions (Risal et al., 2016). However it needs to be evaluated on the creation of market orientation, remember that not all of the companies are detailed to the target market but they are hesitant in creating market orientation and they tend to be controlled by the market.

It has been known from previous studies that there is a correlation between market orientation with the company's competitiveness, as well as its impact on business sustainability (Jeffers, 2010). It becomes interesting to study relates to market orientation, competitiveness, and business continuity. Reviewing from the phenomena of SMEs in Indonesia market orientation for and competitiveness, so the review in this study focuses on the value of market orientation achievement concerning competitiveness. Another attractive study is the evaluation of market orientation and competitiveness in achieving business excellence (Ball, 2004). Through this study, it is expected to find a new strategy for SMEs in requiring company performance through the achievement of business excellence. So the finding of the study can be a model of SME's business competitive strategy. This research is unique, it considers that the study of evaluating market orientation and competitiveness in assessing business advantages at SMEs, which is rarely conducted.

ISSN: 00333077

Literature Review Market Orientation

The target of the company's market orientation in several decades is often used as a reason for the company to win business competition (Maryam et al., 2014). Because the measurement of the company's success in business competition is one of them from how to extend the market share it has (Roberts, 1990). Market share is aware of how far the company can create a target market orientation (Gallardo-Vázquez and Isabel Sánchez-Hernández, 2014). Besides, market orientation is believed to be able to be the main resource in achieving corporate competitiveness (Zhou et al., 2005). So, it is not strange in the previous study that there are many studies review the correlation of increasing competitiveness through market orientation (Maryam et al., 2014). A radical change from the market leads to new demands to create a superior performance, and competition among entrepreneurs creates a huge challenge for company managers (Gallardo-Vázquez and Isabel Sánchez-Hernández, 2014). This is manifested in a market-based strategy of intention or what is commonly referred to as market orientation (Messersmith and Wales, 2013); (Sawitri et al., 2019). Market-oriented companies must look forward, which is placing customers, competitors, markets and the market environment as the focus of their business.

Market orientation is a business perspective that makes the customer keep focuses on the total operations of the company (Maryam et al., 2014). In principle, these theories explain that the company must concentrate on its target market intention. A business-market oriented when company culture commits systematically and fully to create a superior customer value continuously (Gabler et al., 2015). Market orientation is a business model that focuses on providing or delivering products designed which is appropriate with intention, needs, and customer' requirements, besides the product function and the efficiency of production which is production orientation keeps being maintained (Cao

et al., 2014). Market orientation is a company philosophy that focuses on finding and fulfilling needs and customer's intentions through product mix (Cravens and Nigel, 2009).

At the beginning of theory is explained that there is a measurement of dimension from market orientation which are market intelligence, intelligence across departments and organization responsiveness (Cao et al., 2014). On the other hand, it is stated that market orientation includes some dimensions, such as; customer focus, competitor intelligence, and cross-functional cooperation (Cravens and Nigel, 2009). While it is also explained market orientation consists of customer orientation, competitor orientation dan inter-functional coordination (Narver and Slater, 1990), in those dimensions can deliver success in introducing the product to their customer. The only value for your company in creating advantages is the value comes from your customers and customer who exist in the future (Ptacek et al., 2015). The business of a company will be a success by the way to get, to maintain, and to grow a customer.

Competitiveness

An entity of business is considered to have competitiveness from the operative point of view, so the entity of business must design the strategy to complete some conditions (Ptacek et al., 2015), such as a competitive price, a superior quality product, and high-level service to customer (Cao et al., 2014). Competitiveness is not easy to be created by the company because it needs the company's resources that are controlled so it has product or service quality which is more excellent than its competitors (Ptacek et al., 2015). Strategical competitiveness will be achieved when the entity of business has succeeded to formulate and implement a strategy of value creation (Hitt et al., 2013).

It has been known that the competitiveness of the company relates to strategy formulation created, also implementing those strategies with the achievement of customer satisfaction for the value creation given by the company (Hidayat and Akhmad, 2016). Not a few companies establish and even coalition with the supplier to compete in business competition (Shamah, 2012); (Alamsyah and Syarifuddin, 2018); (Hikmawati and Alamsyah, 2018). The study of competitiveness is very important if it is related to company performance and the business sustainability of the company. So it is not often a company creates resource towards

business competitiveness to get a competitive advantage and business sustainability (Trendafilova et al., 2013). In business competition finally, competitiveness needs to assess target market intention (Porter, 2008), it is assessing the importance of market intention in creating business strategy and competitiveness of the company.

ISSN: 00333077

The competitiveness of a business entity is related to how well the business model interacts with its environment to produce the offers that provide the additional value (Casado et al.. Competitiveness is always related to the level of differentiation owned by the company; because it is believed that the difficult complication of being followed by competitors becomes the main capital in business competition (Eason et al., 2015). Competitiveness according to the World Economic Forum in the report on global competitiveness is stated to be a set of institutions, policies, and factors that determine the level of productivity of an effort (Seelos and Mair, 2005); (Sawitri, 2019). It explains the importance of competitiveness which assesses the capabilities of the resources owned and it explores the intention of the target market. Because in principle, competitiveness can be a series of efforts to the ability of a company to enter the market and the ability to survive in that market (Porter, 2008); (Sawitri and Astuty, 2018). It is particularly in a study of companies, in general, it is known that there are measures in assessing competitiveness, namely the focus on customers, focuses on paying attention to competitors, and the involvement of all functional elements of the company in creating competitiveness (Cravens and Nigel, 2009).

Business Sustainability

Large companies to small companies certainly always expect to continue to gain profitability and survive in business competition assuming business continuity (Petrini and Pozzebon, 2009). However, achieving business continuity is not easy, the main cause is surely a change in customer behavior and competitor of company strategy that threatens business competition (Hopkins, 2002). In the previous study, it was found that many factors were able to press the positive direction of business sustainability including business strategy innovation through competitiveness; besides that, there was a need for support from market targets, namely the ability to determine market orientation (Heiskala et al., 2016). In developing countries, the government is no longer caring about how much the company's ability can survive in its business (Petrini and Pozzebon, 2009).

The growth from sales is very extensive; financial and non-financial valuation criteria are the basis of sales growth (Weerawardena et al., 2010). So as for company profitability because it is not only material but non-material matters. And all these things have always been the basis for evaluating a company's business performance, the outcome of business performance leads ultimately to business sustainability. Other theories have been explained relating to business sustainability, which is valued by sales, market share, and profitability (Wheelen and Hunger, 2012).

Previous studies have explained that sustainability can be seen from the marketing aspect and through the financial performance of business entities (Weerawardena et al., 2010). Marketing aspects are the main aspects of marketing performance and company performance, both of them have almost the same size. Sometimes, the company measures the company's performance through marketing performance achieved (Cao et al., 2014). It explains the importance of assessing and evaluating the marketing aspects of the company for business sustainability. Marketing aspects are related to the product being created, the price determined, and a place that is assessed by strategy in reaching the market through corporate education (Jayawarna et al., 2014). Some of these things are used by the company as the main resource and it becomes the main source in determining market orientation. Keeping up with market orientation requires the company's main resources, one of them are the products and services it has (Gabler et al., 2015); (Hariyanto and Alamsyah, 2019).

There are other perspectives of business sustainability that are assessed from financial performance; namely return on investment, revenue mix, asset utilization, and significant cost reduction (Petrini and Pozzebon, 2009). All of these measurements are closely related to assessing business performance in terms of financial profitability. This is in line with research in service companies that sustainability measures are more specific in business units such as those concerning profit, Return on Investment, Return on Assets or total turnover of labor (Levy and Park, 2011). These measures do not concern the size or size of the business entity. But it leads to a large number of financial and non-financial benefits to the company.

Return on Assets is used to measure the ability of a business entity to generate profits by using the total assets owned by a business entity after adjusting for costs to fund these assets (Lee et al., 2013). Return on Assets can be interpreted as a result of a series of business entity policies and the influence of environmental factors. On the other hand, it appears that it has also been reviewed to assess the sustainability of a company's business from the magnitude of the company's development or commonly referred to as growth (Kang et al., 2015). This is in principle in line with previous studies that explain enough about Sales, Market Share and Profitability values that need to be considered in measuring business sustainability (Kang et al., 2015).

ISSN: 00333077

Research Method

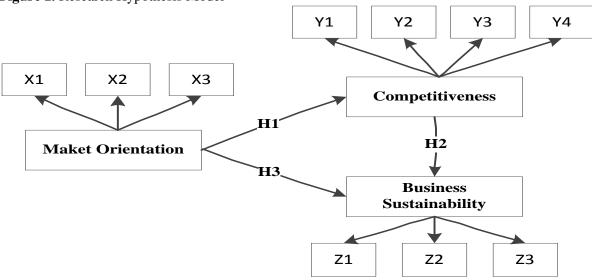
The study conducted was an experimental study SMEs in Jakarta. There were 200 SMEs in Jakarta that became a research object with the survey directly in 2019. SMEs was a company that became the important attention of Indonesian government currently because of the company's performance and toughness in facing a various economic crisis and business competition. Reviewing from the phenomenon and research object, so the researchers used the main research variable which was market orientation. competitiveness, business and sustainability. Each variable was assessed by three research dimensions, except mediation from competitiveness through the four dimensions.

Data from research object was obtained through a questionnaire that had determined the answer by using approaching of Likert scale from "1" until "5", then data was processed to get information related to the research variable which was market orientation, competitiveness and business sustainability of SMEs. In studying the research object, it was determined through the Research Model Test that was tested through path analysis (Figure 1) and the Lisrel analysis tool. It was also conducted research Hypothesis Test to test the correlation between research variables. Here was a research hypothesis design.

- **H1.** Market orientation had a positive correlation on the competitiveness creation of SMEs
- **H2.** Competitiveness had positive correlation on business sustainability improvement of SMEs
- **H3.** Market orientation had positive correlation directly to business sustainability improvement of SMEs

ISSN: 00333077

Figure 1. Research Hypothesis Model



Research Result & Discussion

Based on data collected from 120 SMEs, is conducted data processing through the analysis tools of Lisrel. Statistical data processing result is known as the research model test result, the correlation value between the variable and the value of the significance test of the research hypothesis.

Before it is stated the validity test result and reliability test of the research instrument presented in Table 1. Based on those testing results are stated that all of the research instruments are valid and reliable, because it has the value of Pearson Correlation is above 0.5 and Cronbach's Alpha is above 0.7.

Table 1: Validity and Reliability Test of Research Instrument

Variables	Instruments	Pearson Correlation	Cronbach's Alpha	Load. Factors
Market	Segmenting	0.828	0.704	0.672
Orientation	Targeting	0.877		0.774
	Positioning	0.692		0.506
Competitiveness	Product	0.709	0.706	0.411
	Price	0.652		0.574
	Place	0.814		0.714
	Promotion	0.741		0.523
Business	Selling	0.789	0.748	0.683
Sustainability	Profitability	0.825		0.590
	Marke Share	0.849		0.848

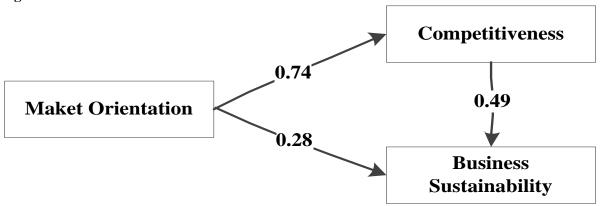
Here is data of the questionnaire result processed to test the research model from the research hypothesis model is in Figure 1. The model test result is presented in Table 2, where it is known that all of the testing criteria are Degree of Freedom, Chi-Square and P-Value have the appropriate value of Cut of value, so it is stated that all of the appropriateness dimensions are in line with or fit. Studying from model test result (the good of fit), so it is stated analysis model fulfills criterion to be analyzed next.

Table 2: Good of Fit Structural Model

The Appropriateness Measurements	Cut of Value	The Value of Research Result	Note
Degrees of Freedom	≤ 1.00	0	Fit
Chi-Square	≤ 1.00	0.0	Fit
P-Value	> 0.05	1.00	Fit

ISSN: 00333077

Figure 2. Correlation Values



The next result obtained is Correlation Values from the correlation between variables captured in Figure 2. It is known that market orientation has a positive correlation to the competitiveness which is 0.74. Besides that, competitiveness is stated to have a positive correlation to business sustainability achievement, which can be assessed from the result of the correlation value is 0.49. Next, it is also known that market orientation has a positive correlation directly with business sustainability; it

is marked by the correlation value is 0.28. This research result explains directly that competitiveness can be the relationship mediation between market orientations with sustainability business. Research result from the correlation among variables is emphasized by research hypothesis test result that is summed up on Table 3, where all of hypothesis test result that is assessed from t-statistic which is stated support or significant.

Table 4: Summary of Research Hypothesis Test

Hypothesis	Research Hypothesis Test	Result of t- statistic	Result
H1	Market Orientation to Competitiveness	11.97	Support
H2	Competitiveness to Business Sustainability	5.23	Support
Н3	Market Orientation to Business Sustainability	2.97	Support

The Correlation of Market Orientation on Competitiveness Creation of SMEs

It is known that based on the research results mentioned that market orientation has a positive correlation to the competitive creation of SMEs. In which when SMEs can make business strategies through the creation of market orientation, they are directly capable of delivering on the achievement of SME's competitiveness. This is certainly in line with the previous research studies and completing these studies (Melewar et al., 2012); (Sutapa et al., 2017); (Yang et al., 2015). Because for companies in general, if they want to create competitiveness in competition, they need to pay attention to market orientation strategies. In market orientation, several measurements need to be considered if you want to be used as a strategy to control competitiveness, including are segmenting, targeting,

positioning. Examining the loading factors values in Table 1. it is known that the measurement considered to be the most decisive for creating market orientation is targeting. Targeting, in this case, is talking about the target market of SMEs, where each company is certainly required to determine the target market and it determines strategy achievement (Sayeed et al., 2019). Determining a true target market is not easy, because every company has set a target market and it has often a common target. Therefore, companies that have a good market orientation when determining the target market are in line with market share and it is appropriate in determining strategy achievement (Jayawarna et al., 2014). The second thing that is considered important in determine market orientation is clear segmenting of Jakarta the company. **SMEs** in have competitiveness because they can survive in any

economic situation on the average (Najib and Kiminami, 2011). However, in determining market segments, sometimes it still needs to be evaluated. SMEs are often wrong in determining market segments. This is the main cause is too broad market reach and the weakness of strategy achievement. So it is advisable to stay focused on exploring clear market segments. Considering its impact on performance to determine market orientation. Furthermore, it is also known that in market orientation, it is necessary to determine the positioning of the products or services offered.

Research on market orientation and its correlation to competitiveness has been conducted a lot before, both in the service industry, education or manufacture (Haroon Hafeez et al., 2012). The previous studies, it appears that this research has the same results, where the competitiveness of a company can be controlled by market orientation. But the differences of previous research studies from the measurements of research variables. Although there are differences in how to measure, the results remain the same, which is the correlation and even the impact of market orientation on company competitiveness. So it can be summed up that part of these research findings completes the previous research. Furthermore, part of the findings of this study can be used as appropriate information, especially for SMEs in Jakarta, when it examines the industrial competitive strategies through a series of strategies on market orientation. Surely, with the ultimate goal of finding better of SMEs performance in sustaining the economy in Indonesia. The research findings at this stage are confirmed by research hypothesis test results which have been presented in Table 4, for the first hypothesis with the significant results (support). Then, through these results, it can be stated that market orientation has a significant correlation to competitiveness.

The Impact of Competitiveness on Sustainability Business of SMEs

Competitiveness is the main source of the company in business competition; in which all the resources they have been mobilized to create superior competitiveness (Singh et al., 2007). Companies both small and large, creating competitiveness that aims to achieve the performance of a capable company (Melewar et al., 2012). So companies are competing to create competitiveness that cannot be emulated by other companies and it still survives in

business competition. Today, SMEs in DKI Jakarta through a series of business strategies have created competitiveness; competitiveness is surely used to compete with similar competitors or strong competitors such as large companies. However, there are some weaknesses in the competitiveness of SMEs in Jakarta, as in the research results that there are still some weaknesses of achievements in competitiveness. This is evidence from the Loading Factors values in Table 1 for product sizes. The results of these measurements stated that the weak support of the products created in determining the competitiveness of SMEs. It will certainly disrupt the creation of competitive advantage from SMEs. However, when if it is reviewed as a whole on all research dimensions, it appears to support its correlation with the business sustainability of SMEs. This result can be seen from the correlation value of competitiveness of SMEs with business sustainability of 0.49 (Figure 2). These results explain that the higher the competitiveness of SMEs, the better it is in determining the sustainability of its business.

ISSN: 00333077

Based on the results in Figure 2, it is known that competitiveness has a positive correlation to the business sustainability of SMEs. Part of the research findings is the same as previous studies of the correlation between market orientation and competitiveness, which are positively related. However, the correlation value of competitiveness in business sustainability is lower than the correlation of market orientation in competitiveness. that the It indicates first namely orientation correlation. market on competitiveness is stronger. This result is considered reasonable remembering the company's competitiveness creation resources are often associated with market orientation, which is related to customers and internal resources they have. While business continuity is not always determined by the competitiveness of the company. Many things are more important than competitiveness, for example for service companies, competitive advantage is needed when it relates to the performance company's and business sustainability. It is the same with manufacturing companies where the unique capabilities of the company very determine its business sustainability (Cao et al., 2014).

In this stage, it explains directly the correlation and the impact of competitiveness on business sustainability. However, it is necessary to know the determinant factors of competitiveness creation so that business sustainability can be achieved by SMEs in Jakarta. As is known in Table 1, where the competitiveness of SMEs is determined by several strategies used by the company. The strategy is evaluated based on the marketing mix of product. price, place, and promotion. So that in offering products, it is more easily accepted by customers, especially in Jakarta SMEs have collaborated with large companies such as food products in collaboration with large retailers. It means that customers can get product intention from SMEs can be achieved in around them. The essence of this research results explains that place is not a problem with regarding market orientation in Jakarta, so the place needs to be a major concern when it comes to competitiveness.

Next, the determining factor for market orientation in achieving business sustainability is competitiveness strategy through price promotion (Table 1). It is said to be reasonable because Jakarta has a sensitive character for customers in determining prices, as well as the intensity of promotions conducted. Therefore, it is said to be common if it is connected to price and promotion with competitiveness creation. Finally, all of the strategy measurements of competitiveness support the achievement of business sustainability, especially at SMEs in Jakarta. Furthermore, it can be stated that part of the research findings correlation on the competitiveness to business sustainability can complete the previous studies (Casado et al., 2014); (Henckens et al., 2016). Both relating to the service industry or industry in general. It is emphasized through hypothesis test results that have been summarized in Table 4 for the second hypothesis, which is by the significant results (support). So it can be stated that the competitiveness of SMEs in Jakarta has surely a correlation and it impacts business sustainability achievement.

Supporting of Market Orientation on Business Sustainability of SMEs

The final research result of this study is a study of the correlation of market orientation directly to business sustainability. As it has been already known previously that is illustrated in Figure 2, where the correlation value of market orientation towards business sustainability is known to be 0.28, which explains the better implementation form market orientation of SMEs, so the better in achieving business sustainability. Besides that, it has also been explained from the research findings

that competitiveness has a good correlation to business sustainability, and competitiveness can be achieved through the supporting market orientation. Examining the research findings summarized that competitiveness can mediate the correlation of market orientation with business continuity; it is in line with the positive value of the correlation value illustrated in the results of the research model in Figure 2. The research section of the direct correlation of market orientation on business sustainability has been truly carried out by previous studies (Sanyal and Datta, 2011). But this time it was reviewed again on SMEs in Jakarta, with the same result that there was a positive correlation from market orientation with business sustainability. So that part of this research stage is also able to complete the previous studies. Research results at this stage also tested the research hypothesis with the results summarized in Table 4, wherein the third hypothesis with a statistical t-test is known to be significant (support) for the results.

ISSN: 00333077

Another interesting stage of this study result is the study of the Loading Factor value of business sustainability. To find out which factors are the most decisive of achieving business sustainability at SMEs in Jakarta based on the measures that have been reviewed. Reviewing the results in Table 1, there are three dimensions to assess business sustainability, are sales, profitability and market share. From those three dimensions, the most determining of business sustainability is market share, which is the extensive and greater achievement of market share owned by SMEs. Market share is the main source of income for each company because inside of it there is a customer's target of the company. Thus, each company competes to determine a set of marketing strategies to expand its market share. When the customer market share is controlled by the company, so it will facilitate the company is offering its products or services. SMEs in Jakarta have not extensive for its market share. because thev are more environmentally bounded by provinces or even cities, but their advantages are consistent with market share (Indris and Primiana, 2015). So that in determining and implementing innovation is more freely, it supports SME's sustainability in Jakarta. The essence of this finding certainly becomes useful information for SMEs or companies in general, which is to focus on market share to facilitate innovation in achieving the target market.

The second interesting thing from business continuity is sales; sales are certainly related to the

number of products or services chosen by customers. It is common that sales also determine to business sustainability because companies need economic turnover through products and services. The large or small scale is not too important, but the sustainability of sales is very important. Many companies are concerned with proportional sales because it determines the size of the profit. So sometimes it is less focused on the target market in the market share. Market share is the main thing that needs attention related to business sustainability. Next, it also relates to business sustainability is the profitability factor that is related to finance obtained by SMEs (Javalgi and Todd, 2011). This finding is expected to be a meaningful input not only for SMEs in Indonesia but for companies in general, where it needs to notice mediation from competitiveness when it is related to business sustainability. Expectations of support from the government are also very necessary because it has been known in previous studies that companies will have industrial competitiveness when they can control the external factors, one of them is the government's support.

Conclusions and Suggestion

Business sustainability becomes the ultimate goal in this research, where it is studied the correlation with mediation from competitiveness and support of market orientation. Finding the research is explained that there is a correlation between market orientations either directly or through competitiveness on business sustainability. It means that the company needs to observe mediation from competitiveness supported by market orientation to evaluate its business sustainability achievement. The study is conducted at SMEs in Jakarta, where it has uniqueness for improvement and the absorption of innovation in the effort of maintaining competitiveness and its business sustainability. This research can truly be important information for SMEs because a test result is stated to be good in its implementation. Therefore, it still needs a god to compliment research measurement or other factors that can influence the achievement level of business sustainability. So, it is suggested in further research to study other factors like the capability of uniqueness and innovation as a power resource of company competitiveness to achieve business sustainability.

REFERENCE

Alamsyah, D. P. and Syarifuddin, D. (2018). "Store Image: Mediator of Social Responsibility and Customer Perceived Value to Customer Trust for Organic Products," IOP Conf. Ser. Mater. Sci. Eng., vol. 288, doi: 10.1088/1757-899X/288/1/012045.

- Ball, A. (2004). "A sustainability accounting project for the UK local government sector? Testing the social theory mapping process and locating a frame of reference," Crit. Perspect. Account., vol. 15, no. 8, pp. 1009–1035, doi: 10.1016/S1045-2354(02)00209-5.
- Cao, Q., Baker, J. and Schniederjans, D. (2014). "Int J. Production Economics Bullwhip effect reduction and improved business performance through guanxi: An empirical study," Intern. J. Prod. Econ., vol. 158, pp. 217–230, doi: 10.1016/j.ijpe.2014.07.030.
- Casado, A. M., Pel??ez, J. I. and Peláez, J. I. (2014). "Intangible management monitors and tools: Reviews," Expert Syst. Appl., vol. 41, no. 4 PART 1, pp. 1509–1529, doi: 10.1016/j.eswa.2013.08.048.
- Cravens, D. W. and Nigel, P. F. (2009). Strategic Marketing. 9th Edition. New York: McGraw-Hill.
- Eason, C. C., Bing, M. N. and Smothers, J. (2015). "Reward me, charity, or both? The impact of fees and benefits in loyalty programs," J. Retail. Consum. Serv., vol. 25, pp. 71–80, doi: 10.1016/j.jretconser.2015.04.001.
- Egels-Zandén, N. (2016). "Not made in China: Integration of social sustainability into strategy at Nudie Jeans Co," Scand. J. Manag., vol. 32, no. 1, pp. 45–51, doi: 10.1016/j.scaman.2015.12.003.
- Gabler, C. B., Richey, R. G. and Rapp, A. (2015). "Developing an eco-capability through environmental orientation and organizational innovativeness," Ind. Mark. Manag., vol. 45, no. 1, pp. 151–161, doi: 10.1016/j.indmarman.2015.02.014.
- Gallardo-Vázquez, D. and Isabel Sánchez-Hernández, M. (2014). "Structural analysis of the strategic orientation to environmental protection in SMEs," BRQ Bus. Res. Q., vol.

- 17, no. 2, pp. 115–128, doi: 10.1016/j.brq.2013.12.001.
- Hariyanto, O. I. B. and Alamsyah, D. P. (2019). "The Relationship Of Environmental Knowledge And Green Purchase Intention," Int. J. Eng. Adv. Technol., vol. 8, no. 5, pp. 142–144, doi: 10.35940/ijeat.E1020.0585C19.
- Haroon Hafeez, M., Noor Mohd Shariff, M. and bin Mad Lazim, H. (2012). "Relationship between Entrepreneurial Orientation, Firm Resources, SME Branding and Firm's Performance: Is Innovation the Missing Link?," Am. J. Ind. Bus. Manag., vol. 02, no. 04, pp. 153–159, doi: 10.4236/ajibm.2012.24020.
- Heiskala, M., Jokinen, J. P. and Tinnilä, M. (2016). "Crowdsensing-based transportation services An analysis from business model and sustainability viewpoints," Res. Transp. Bus. Manag., vol. 18, pp. 38–48, doi: 10.1016/j.rtbm.2016.03.006.
- Henckens, M. L. C. M., van Ierland, E. C., Driessen, P. P. J. and Worrell, E. (2016). "Mineral resources: Geological scarcity, market price trends, and future generations," Resour. Policy, vol. 49, pp. 102–111, doi: 10.1016/j.resourpol.2016.04.012.
- Hidayat, R. and Akhmad, S. (2016). "An Integrated Model of Customers' Satisfaction and Loyality: A Business Analysis of Banking Service," MIMBAR, vol. 32, no. 1, pp. 139–147.
- Hikmawati, N. K. and Alamsyah, D. P. (2018). "The digital company based on competitive strategy," Proc. 3rd Int. Conf. Informatics Comput. ICIC 2018, no. 2001, doi: 10.1109/IAC.2018.8780516.
- Hitt, M. A., Ireland, R. D. and Hoskisson, R. E. (2013). Strategic Management: Competitiveness & Globalization: Concepts amd Cases, 10th edition. Canada: South-Westen.
- Hopkins, M. J. D. (2002). "Sustainability in the internal operations of companies," Corp. Environ. Strateg., vol. 9, no. 4, pp. 398–408, doi: 10.1016/S1066-7938(02)00121-5.

- Indris, S. and Primiana, I. (2015). "Internal And External Environment Analysis On The Performance Of Small And Medium Industries Smes In Indonesia," Int. J. Sci. Technol. Res., vol. 4, no. 4, pp. 188–196.
- Iturrioz, C., Aragón, C., and Narvaiza, L. (2015). "How to foster shared innovation within SMEs' networks: Social capital and the role of intermediaries," Eur. Manag. J., vol. 33, no. 2, pp. 104–115, doi: 10.1016/j.emj.2014.09.003.
- Javalgi, R. G. and Todd, P. R. (2011). "Entrepreneurial Orientation, Management Commitment, And Human Capital: The Internationalization of SMEs In India," J. Bus. Res., vol. 64, no. 9, pp. 1004–1010, doi: 10.1016/j.jbusres.2010.11.024.
- Jayawarna, D., Jones, O., Lam, W. and Phua, S. (2014). "The performance of entrepreneurial ventures: Examining the role of marketing practices," J. Small Bus. Enterp. Dev., vol. 21, no. 4, pp. 565–587, doi: 10.1108/JSBED-05-2014-0090.
- Jeffers, P. I. (2010). "Embracing sustainability," Int. J. Oper. Prod. Manag., vol. 30, no. 3, pp. 260–287, doi: http://dx.doi.org/10.1108/014435710110246 29.
- Kang, J. S., Chiang, C. F., Huangthanapan, K. and Downing, S. (2015). "Corporate social responsibility and sustainability balanced scorecard: The case study of family-owned hotels," Int. J. Hosp. Manag., vol. 48, pp. 124–134, doi: 10.1016/j.ijhm.2015.05.001.
- Lee, S., Singal, M. and Kang, K. H. (2013). "The corporate social responsibility-financial performance link in the U.S. restaurant industry: Do economic conditions matter?," Int. J. Hosp. Manag., vol. 32, no. 1, pp. 2–10, doi: 10.1016/j.ijhm.2012.03.007.
- Levy, S. E. and Park, S. Y. (2011). "An analysis of CSR activities in the lodging industry," J. Hosp. Tour. Manag., vol. 18, no. 1, pp. 147–154, doi: 10.1375/jhtm.18.1.147.
- Maduku, D. K., Mpinganjira, M. and Duh, H. (2016). "Understanding mobile marketing adoption intention by South African SMEs: A

- multi-perspective framework," Int. J. Inf. Manage., vol. 36, no. 5, pp. 711–723, doi: http://dx.doi.org/10.1016/j.ijinfomgt.2016.04.018.
- Maryam, S., Marzieh, T. and Marzieh, G. (2014). "Relationship Among Market Orientation, Service Quality and Organizational Performance From Perspective of Gonbad Kavoos Telecommunication Firm Employees," Adv. Appl. Sci. Res., vol. 5, no. 3, pp. 464–466.
- Melewar, T. C., Gupta, S. and Czinkota, M. (2012). "Global business management for sustainability and competitiveness: The role of corporate branding, corporate identity and corporate reputation," J. World Bus., vol. 48, no. 3, pp. 285–286, doi: 10.1016/j.jwb.2012.07.012.
- Messersmith, J. G. and Wales, W. J. (2013). "Entrepreneurial orientation and performance in young firms: The role of human resource management," Int. Small Bus. J., vol. 31, no. 2, pp. 115–136, doi: 10.1177/0266242611416141.
- Najib, M. and Kiminami, A. (2011). "Innovation, cooperation and business performance: Some evidence from Indonesian small food processing cluster," J. Agribus. Dev. Emerg. Econ., vol. 1, no. 1, pp. 75–96, doi: 10.1108/20440831111131523.
- Narver, J. C. and Slater, S. F. (1990). "The effect of a market orientation on business profitability," J. Mark., vol. 54, no. 4, pp. 20– 35.
- Petrini, M. and Pozzebon, M. (2009). "Managing sustainability with the support of business intelligence: Integrating socio-environmental indicators and organisational context," J. Strateg. Inf. Syst., vol. 18, no. 4, pp. 178–191, doi: 10.1016/j.jsis.2009.06.001.
- Porter, M. E. (2008). "The Five Competitive Forces That Shape Strategy," Strategy, vol. 86, no. 12, p. 143, doi: 10.1111/j.0955-6419.2005.00347.x.
- Ptacek, O., Kaderabkova, B. and Piecha, M. (2015). "Venture Capital, Private Equity and Foreign Direct Investment: Case Study of the Czech

- Republic," Procedia Econ. Financ., vol. 30, no. 15, pp. 680–689, doi: 10.1016/S2212-5671(15)01317-9.
- Risal, M., Sucherly, D. Kartini, and Hasan, M. (2016). "Influence Of Market Orientation And Marketing Mix Strategy On Performance Of Small Industrial Marketing Of Processed Seaweed Products In South Sulawesi Province," Int. J. Econ. Commer. Manag., vol. 4, no. 11, pp. 305–318.
- Roberts, E. B. (1990). "Evolving toward product and market-orientation: The early years of technology-based firms," J. Prod. Innov. Manag., vol. 7, no. 4, pp. 274–287, doi: 10.1016/0737-6782(90)90075-P.
- Sanyal, S. N. and Datta, S. K. (2011). "The effect of country of origin on brand equity: an empirical study on generic drugs," J. Prod. Brand Manag., vol. 20, no. 2, pp. 130–140, doi: 10.1108/10610421111121125.
- Sawitri et al., N. N. (2019). "Human Resources Competency, the Use of Information Technology and Internal Accounting Control on Time Procurement of Financial Reporting," J. Phys. Conf. Ser., vol. 1175, no. 1, doi: 10.1088/1742-6596/1175/1/012263.
- Sawitri, N. N. (2019). "FDPM after the global price crisis in the coal industry," Int. J. Monet. Econ. Financ., vol. 12, no. 1, pp. 59–74, doi: 10.1504/IJMEF.2019.098699.
- Sawitri, N. N. and Astuty, P. (2018). "Market anomalies and effect on returns," Eur. Res. Stud. J., vol. 21, no. 2, pp. 630–649, doi: 10.35808/ersj/1029.
- Sayeed, J., Islam, M. D. and Yasmin, S. (2019). "Does the US Economy Face a Long Run Trade Off between Inflation and Unemployment?," Int. J. Monet. Econ. Financ., vol. 12, no. 2, pp. 118–132, doi: 10.1504/IJMEF.2019.10020222.
- Seelos, C. and Mair, J. (2005). "Social entrepreneurship: Creating new business models to serve the poor," Bus. Horiz., vol. 48, no. 3, pp. 241–246, doi: 10.1016/j.bushor.2004.11.006.

- Shamah, R. A. M. (2012). "Innovation within green service supply chains for a value creation," J. Model. Manag., vol. 7, no. 3, pp. 357–374, doi: 10.1108/17465661211283313.
- Singh, R. K., Garg, S. K. and Deshmukh, S. G. (2007). "Strategy development for competitiveness: a study on Indian auto component sector," Int. J. Product. Perform. Manag., vol. 56, no. 4, pp. 285–304, doi: 10.1108/17410400710745315.
- Susilo, Y. S. (2010). "Strategi Meningkatkan Daya Saing Umkm Dalam Menghadapi Implementasi Cafta Dan Mea," Bul. Ekon. Agustus, vol. 8, no. 2, pp. 70–170.
- Sutapa, Mulyana, and Wasitowati, (2017). "The Role of Market Orientation, Creativity and Innovation in Creating Competitive Advantages and Creative Industry Performance," J. Din. Manaj., vol. 8, no. 2, pp. 152–166, doi: 10.15294/jdm.v8i2.12756.
- Trendafilova, S., Babiak, K. and Heinze, K. (2013). "Corporate social responsibility and environmental sustainability: Why professional sport is greening the playing

- field," Sport Manag. Rev., vol. 16, no. 3, pp. 298–313, doi: 10.1016/j.smr.2012.12.006.
- Weerawardena, J., McDonald, R. E. and Mort, G. S. (2010). "Sustainability of nonprofit organizations: An empirical investigation," J. World Bus., vol. 45, no. 4, pp. 346–356, doi: 10.1016/j.jwb.2009.08.004.
- Wheelen, T. L. and Hunger, J. D. (2012). Strategic Management and Business Policy: Toward Global Sustainability, Thirteenth. Boston.
- Yang, J., Zhang, F., Jiang, X. and Sun, W. (2015). "Strategic flexibility, green management, and firm competitiveness in an emerging economy," Technol. Forecast. Soc. Change, vol. 101, pp. 347–356, doi: 10.1016/j.techfore.2015.09.016.
- Zhou, K. Z., Yim, C. K. and Tse, D. K. (2005). "The Effects of Strategic Orientations on Technology- and Market-Based Breakthrough Innovations," J. Mark., vol. 69, no. 2, pp. 42–60, doi: http://dx.doi.org/10.1509/jmkg.69.2.42.6075 6.