

**Factors That Influence Competitive Advantage Moderated by Digital Marketing in Small and Medium Food and Beverage Businesses in East Kalimantan**

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**ABSTRACT**

*This study aims to examine a number of factors that can influence Competitive Advantage moderated by Digital Marketing. There are three factors that researchers believe can influence Competitive Advantages, namely Managerial Competence of Entrepreneurs, Entrepreneur Motivation, and Entrepreneurship. In the end, if a company has good Competitive Advantages, it can influence Business Performance. The objects of this study are related to the Zionist Israeli genocide against Palestine, the International Court of Justice ruling in January 2024, the history of the Israeli-Palestinian dispute, and the impacts resulting from the dispute. This type of research is a research that uses a quantitative approach. The basic reason for using quantitative research is to test the theory by collecting numerical data and then analyzing it statistically. So that quantitative research generally also involves instruments used to collect data and quantitative methods are usually related to making generalizations about the population being investigated. This study is descriptive in nature, where the data to be used is primary data through the distribution of questionnaires in order to prepare data tabulation as material for further analysis to understand and answer research questions. The research model used is to develop from a direct influence model to a direct and indirect influence between factors that influence competitive advantage with business performance and moderated by digital marketing. The population in this study is all classifications of food and beverage sector SMEs spread across East Kalimantan.*

**Keywords:** *Competitive Advantage, Business Performance, Digital Marketing, Entrepreneur Motivation, Entrepreneurship, Managerial Competence*

**ABSTRAK**

Penelitian ini bertujuan untuk mengkaji sejumlah faktor yang dapat mempengaruhi Keunggulan Kompetitif yang dimoderasi oleh Digital Marketing. Ada tiga faktor yang diyakini peneliti dapat mempengaruhi Keunggulan Kompetitif, yaitu Kompetensi Manajerial Wirausahawan, Motivasi Wirausahawan, dan Kewirausahaan. Pada akhirnya, jika sebuah perusahaan memiliki Keunggulan Kompetitif yang baik, dapat mempengaruhi Kinerja Bisnis. Objek penelitian ini terkait dengan genosida Zionis Israel terhadap Palestina, putusan Mahkamah Internasional pada Januari 2024, sejarah sengketa Israel-Palestina, dan dampak yang dihasilkan dari perselisihan tersebut. Jenis penelitian ini merupakan penelitian yang menggunakan pendekatan kuantitatif. Alasan dasar menggunakan penelitian kuantitatif adalah untuk menguji teori dengan mengumpulkan data numerik dan kemudian menganalisisnya secara statistik. Sehingga penelitian kuantitatif umumnya juga melibatkan instrumen yang digunakan untuk mengumpulkan data dan metode kuantitatif biasanya terkait dengan pembuatan generalisasi tentang populasi yang sedang diselidiki. Penelitian ini bersifat deskriptif, dimana data yang akan digunakan adalah data primer melalui pembagian

kuesioner dalam rangka menyiapkan tabulasi data sebagai bahan analisis lebih lanjut untuk memahami dan menjawab pertanyaan penelitian. Model penelitian yang digunakan adalah untuk mengembangkan dari model pengaruh langsung menjadi pengaruh langsung dan tidak langsung antar faktor-faktor yang mempengaruhi keunggulan kompetitif dengan kinerja bisnis dan dimoderasi oleh pemasaran digital. Populasi dalam penelitian ini adalah semua klasifikasi UKM sektor makanan dan minuman yang tersebar di Kalimantan Timur.

**Kata kunci:** Keunggulan Kompetitif, Kinerja Bisnis, Pemasaran Digital, Motivasi Pengusaha, Kewirausahaan, Kompetensi Manajerial

## INTRODUCTION

Small and Medium Enterprises (SMEs) are business activities that run from the lower to the middle classes and are able to absorb and expand employment opportunities and in their contribution provide economic services widely to the entire community. In addition, through these SME activities, they can also play a role in the process of equalizing and increasing community income, encouraging economic growth and playing a role in realizing national stability. SMEs are also one of the main pillars in the national economy, so they must get the main placement order, support, protection, empowerment and development as widely as possible as a form of government attention to the people's economic business group, while still paying attention to the role of large businesses and businesses in the form of State-Owned Enterprises (BUMN) or Regional-Owned Enterprises (BUMD).

In a sustainable agricultural business system, SMEs are one component that cannot be ignored. The agricultural business system includes pre-production, production, processing of agricultural products (post-harvest) and marketing carried out by many Small and Medium Enterprises (SMEs). Based on Law No. 20 of 2008 concerning Small and Medium Enterprises, it is also stated that SMEs are business activities that are able to expand employment opportunities and provide broad economic services to the community and can play a role in the process of equalizing and increasing community income, in order to encourage economic growth and play a role in realizing national stability. By using a socio-legal study approach, the results of this study concluded that the implementation of Law No. 20 of 2008 concerning the development of the SME fisheries sector, does not reflect the conditions expected in the SME Law, and has not provided a sense of justice, especially for the micro and small business sector (Ambarini, 2019).

SMEs also have proven experience and capabilities that have been extraordinary in supporting the economy from the lower sector. This was proven during the monetary crisis in 1997 where the SME sector was a resilient sector and had excellent resilience to the extraordinary economic crisis situation. Facing this situation, SMEs have a high level of adaptation so that when changes occur, they are quickly able to adjust. In Indonesia, SMEs are a very important business unit institution as a source of job growth and a source of income. This fact shows that the job opportunities created by SMEs are much greater than the workforce that can be absorbed by large-scale businesses. So that SMEs are highly expected to be able to continue to play an optimal role in efforts to overcome unemployment, the number of

which tends to increase every year. By absorbing a lot of labor, it means that SMEs also have a very strategic role in supporting the government's efforts to combat poverty throughout Indonesia.

The government also realizes that the role of SMEs is as one of the important solutions in overcoming the problem of heavy economic burdens both in the regions and nationally, so that SMEs need to be developed more optimally as one of the important alternatives. SMEs are also an initial step in the realization of entrepreneurship that is formed and is also one of the dominant business activities that are owned and become an important icon for the Indonesian nation. In addition, the development of SME activities is relatively simple and does not require relatively large capital so that even in an economic crisis situation, SMEs are able to survive well. In this situation, marketing theory becomes a crucial thing and is absolutely owned by SMEs in order to be able to survive and develop in the long term.

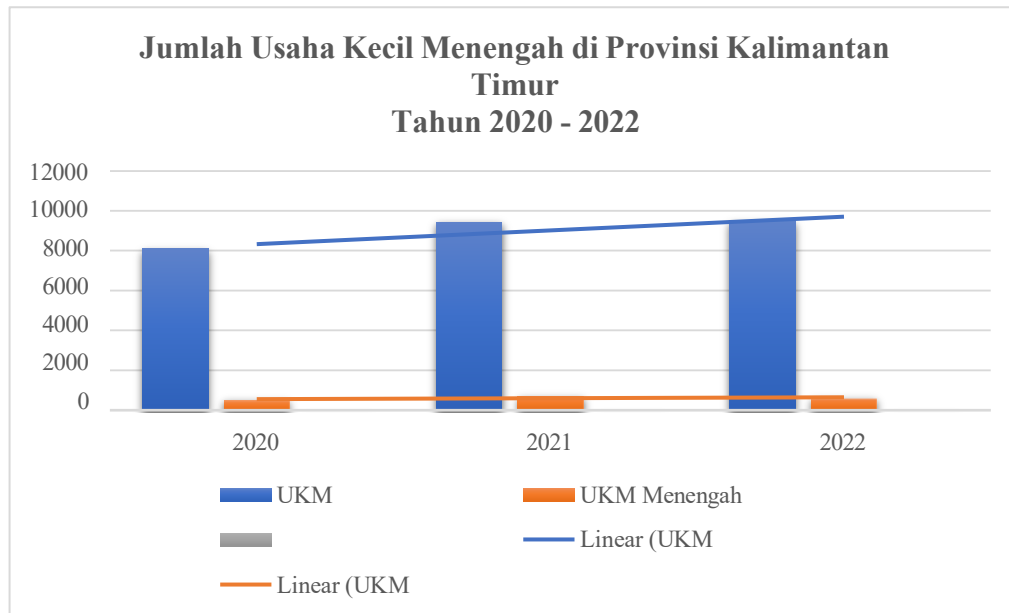
SMEs also have proven experience and capabilities that have been extraordinary in supporting the economy from the lower sector. This was proven during the monetary crisis in 1997 where the SME sector was a resilient sector and had excellent resilience to the extraordinary economic crisis situation. Facing this situation, SMEs have a high level of adaptation so that when changes occur, they are quickly able to adjust. In Indonesia, SMEs are a very important business unit institution as a source of job growth and a source of income. This fact shows that the job opportunities created by SMEs are much greater than the workforce that can be absorbed by large-scale businesses. So that SMEs are highly expected to be able to continue to play an optimal role in efforts to overcome unemployment, the number of which tends to increase every year. By absorbing a lot of labor, it means that SMEs also have a very strategic role in supporting the government's efforts to combat poverty throughout Indonesia.

Over time, SMEs in East Kalimantan province have continued to experience significant growth. However, at the end of 2019, a new and unprecedented global crisis occurred, namely the COVID-19 pandemic which was able to reach remote areas throughout the world and not least throughout Indonesia. This situation was greatly felt by the government's policy of imposing a ban on people from carrying out large-scale free activities to suppress the spread of COVID-19 which is deadly to humanity. This has had a significant impact on the development of SMEs in East Kalimantan province and can be described in Table 1 as follows:

**Table 1. Number of MSME Units in East Kalimantan Province 2020 - 2022**

No.	Noted	2020	2021	2022
1	Small SMEs	8.110	9.440	9.500
2	Middle SMEs	510	696	598
	Total	8.620	10.136	10.098

Table 1 shows that the number of small and medium-scale SMEs experienced quite significant fluctuations in 2020 to 2022. The thing that needs attention is the medium-scale SMEs which experienced a fairly high decline in 2022 compared to the previous year. For more details, the situation and conditions can also be displayed in Figure 1.1 as follows:



**Figure 1. Number of Small and Medium Enterprises in East Kalimantan Province**

Figure 1 shows that in the midst of an increase in the number of small SMEs by 16.40 percent in 2021 and 0.64 percent in 2022, then medium SMEs increased by 36.47 percent in 2021, but these medium SMEs experienced a decrease of 14.08 percent from 2022 compared to 2021. This also shows a contradiction between small and medium SMEs with the same year period. It can be ascertained that after COVID-19, small-scale SMEs began to grow and rise again, while medium-scale SMEs are still recovering and improving themselves by setting their business strategies going forward.

During the COVID-19 pandemic, there was also a very big shift, in this case in the sales channel model of products or services produced by the company. Through the pandemic, digital technology and marketing have become new solutions and means of promoting and selling to consumers. This requires the ability and willingness of entrepreneurs to change their mindset and sales system by looking at the competitive situation and opportunities in the market digitally. This is also a level of competition that is necessary and very important to get the attention of SME entrepreneurs, in order to be able to re-grow opportunities and opportunities in a new era that promises in the future of their business.

This has become a new phenomenon in the world of SMEs, where during the pandemic most activities were carried out using online media and digitalization so that SME entrepreneurs who are able to adapt to these conditions will be superior in

reaching the market. However, the readiness of the internal SME itself is a problem and causes this to have an impact on the decline of SMEs in Figure 1.1. Understanding customers or consumers with a product, place, price and promotion approach is a basic tool in effective marketing. This will trigger the use of actor resources in the form of business motivation and increasing entrepreneurial spirit in supporting important managerial decision-making in the marketing process (Wills et al., 1990).

It is also indicated that products, prices, promotions and market orientation have a positive and significant effect on competitive advantage (Sari & Gultom, 2019). This shows that by paying attention to the basic marketing mix factors, the chances of winning the competition will be greater. In addition, support from the ability in self-creativity will also determine the achievement of superior SME performance (Sulhaini et al., 2018). In addition, it has also been proven that having good competence in entrepreneurship will make the business sustainable and able to compete superiorly in adequate business fields in the long term (Kurniawan & Yun, 2018).

In addition, innovation and entrepreneurial orientation are key factors in creating competitive advantage in the market (Lestari et al., 2019). The digital technology or digitalization factor is very important for today's organizations because it will be able to increase the process innovation capability for businesses and entrepreneurs. This will increase the organization's process innovation capability which in turn has a positive and significant impact on innovation performance as a competitive advantage (Tajudeen et al., 2021). In addition, the role of digital technology, in this case online marketing, moderates the relationship between product quality and price with consumer purchasing interest as a competitive advantage factor (Handayani & Martini, 2017).

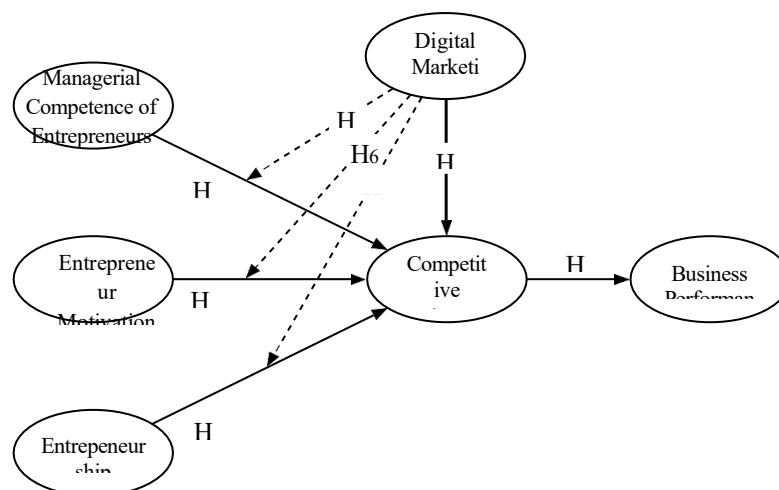
Interactions on digital marketing channels have moved far beyond convincing customers to buy products to making customers key allies in the product development process (Phan et al, 2011). Digital interaction formats enable scale, rapid growth, and engagement where the goal is not to sell, but to engage through ongoing interactions based on various digital platforms (Mingione & Abratt, 2020). Consequently, this point advances the narrative of digital marketing not only as a business development tool, but as an interactive facilitator of co-creation in two-way communication with stakeholders that drives growth in several areas. Digital marketing from a strategic point of digital transformation connects organizational value creation and the market while creating a feedback loop or with metrics for the organization ranging from sales, market analysis, customer support, and engagement (Peter et al, 2020). Supported by analytical systems and metrics through the digital platforms used, digital marketing can support the decision-making process.

Existing research investigates the various objectives influenced by social media as it mainly impacts sales, branding, customer engagement, interactivity, and traffic generation, but also includes other more dynamic objectives (Felix et al, 2017). With an uncertain market environment, the need for flexibility leading to goals is required. Organizations can benefit from the dynamic capabilities of agile marketing by practically responding to changes in the market environment, and setting a (agile) path of resource recalibration (Moi & Cabiddu, 2021). With data analytics

transformed into insights, the mosaic of possibilities gains an enriched portfolio for targeting and personalization across the customer journey, and thereby enabling flexibility options for organizations. The effects of social media on companies include customer satisfaction, value creation, purchase and sale intentions, relationship building, brand awareness, knowledge creation, perceived company credibility, acquiring new customers, salesperson performance, employee brand engagement, and sustainability (Dwivedi et al., 2021). Booking, review and feedback systems are used as channels for support, discovery and opportunities for service innovation (Kuester et al, 2018), and therefore drive the impact of digital marketing to support growth areas as an innovation process and illustrate an established competitive advantage.

Several empirical studies show that the factors of entrepreneur managerial competence, entrepreneur motivation, and entrepreneurship are fundamental factors in entrepreneurship and have an impact on competitive advantage. The moderator factor of digital marketing in various social media facilities and infrastructure is very important as a strengthener between the relationship between entrepreneur managerial competence, entrepreneur motivation, and entrepreneurship and competitive advantage on business performance. This is a research gap that focuses on the role of competitive advantage mediators on the relationship with business performance and is interesting to conduct further research studies to produce an analytical study that is able to answer the problems of entrepreneurs at the SME level, especially in the food and beverage sector in East Kalimantan Province today, so that these conditions can also be novelties in this study.

**RESEARCH METHODS**



**Figure 2. Model**

This type of research is a research that uses a quantitative approach. The basic reason for using quantitative research is to test the theory by collecting numerical data and then analyzing it statistically. So that quantitative research generally also involves instruments used to collect data and quantitative methods are usually

related to making generalizations about the population being investigated (Zikmund et al., 2010), (Valunaite & Sliogeriene, 2020). This study is descriptive in nature, where the data to be used is primary data through the distribution of questionnaires in order to prepare data tabulation as material for further analysis to understand and answer research questions. The research model used is to develop from a direct influence model to a direct and indirect influence between factors that influence competitive advantage with business performance and moderated by digital marketing. The population in this study is all classifications of food and beverage sector SMEs spread across East Kalimantan. Next is to reduce the sample by using a commonly used determination method, which is five to ten times from the direction of the arrow leading to the variable plus the number of latent variables (Hair et al., 2017), (Hair, & Sarstedt, 2011), (Marcoulides & Chin, 2013). The data was analyzed using the SEM PLS analysis tool with the following hypothesis.

**Hypothesis:**

- H1: The Influence of Entrepreneurs' Managerial Competence on Competitive Advantage
- H2: The Influence of Entrepreneurs' Motivation on Competitive Advantage
- H3: The Influence of Entrepreneurs' Entrepreneurship on Competitive Advantage
- H4: The Influence of Digital Marketing on Competitive Advantage
- H5: The Influence of Digital Marketing Moderation on the Relationship between Entrepreneurs' Managerial Competence and Competitive Advantage
- H6: The Influence of Digital Marketing Moderation on the Relationship between Entrepreneurs' Motivation and Competitive Advantage
- H7: The Influence of Digital Marketing Moderation on the Relationship between Entrepreneurship and Competitive Advantage
- H8: The Influence of Competitive Advantage on Business Performance

**RESULT AND DISCUSSION**

**Validity Test**

In relation to the research conducted, a recapitulation of questions was made in relation to all types of variables used, which totaled 6 variables and produced 38 valid questions and were distributed to 344 respondents. However, the questionnaires that had been answered and actually submitted by the respondents were 300 or 85.33 percent, while 44 questionnaires or 14.67 percent were not returned.

Analysis of the validity and reliability of research data is a series of processes in testing the questions or questionnaires that will be given to respondents, whether the contents of the questionnaire items are valid and reliable. If the test results have determined the availability of valid and reliable questions, it will make it easier to present a list of questions that can be used to measure the variables concerned to each respondent.

The validity and reliability testing in this study was carried out using the One Shot method or with a single measurement or often referred to as internal consistency testing to make research time, energy and costs more efficient.

**Table 2. Validity Test**

No	Indikator Variabel	R Tabel	R Hitung	Keterangan
1	X11	0,114	0,826	Valid
2	X12	0,114	0,830	Valid
3	X13	0,114	0,869	Valid
4	X14	0,114	0,802	Valid
5	X15	0,114	0,890	Valid
6	X16	0,114	0,828	Valid
7	X17	0,114	0,785	Valid
8	X18	0,114	0,824	Valid
9	X21	0,114	0,826	Valid
10	X22	0,114	0,843	Valid
11	X23	0,114	0,735	Valid
12	X24	0,114	0,845	Valid
13	X25	0,114	0,784	Valid
14	X31	0,114	0,821	Valid
15	X32	0,114	0,793	Valid
16	X33	0,114	0,826	Valid
17	X34	0,114	0,834	Valid
18	X35	0,114	0,855	Valid
19	M11	0,114	0,821	Valid
20	M12	0,114	0,820	Valid
21	M13	0,114	0,807	Valid
22	M14	0,114	0,853	Valid
23	M15	0,114	0,846	Valid
24	M16	0,114	0,681	Valid
25	M17	0,114	0,845	Valid
26	M18	0,114	0,737	Valid
27	Y11	0,114	0,884	Valid
28	Y12	0,114	0,775	Valid
29	Y13	0,114	0,906	Valid
30	Y14	0,114	0,908	Valid
31	Y15	0,114	0,904	Valid
32	Y16	0,114	0,878	Valid
33	Y17	0,114	0,862	Valid

34	Y21	0,114	0,907	Valid
35	Y22	0,114	0,813	Valid
36	Y23	0,114	0,878	Valid
37	Y24	0,114	0,839	Valid
38	Y25	0,114	0,909	Valid

Data Processed by Researcher, 2024

Based on the results of the validity test of the Corrected Item-total Correlation method that has been carried out, it was obtained that there were six outputs or variables from the first being Entrepreneurial Managerial Competence (X1) with indicators X11, X12, X13, X14, X15, X16, X17, and X18; Entrepreneurial Motivation (X2) with indicators X21, X22, X23, X24 and X25; Entrepreneurship (X3) with indicators X31, X32, X33, X34, and X35; Digital Marketing (M) with indicators M11, M12, M13, M14, M15, M16, M17, and M18; Competitive Advantage (Y1) with indicators Y11, &12, Y13, Y14, Y15, Y16, Y17, and Y18; and Business Performance (Y2) with indicators Y21, Y22, Y23, Y24, and Y25.

The output shows that the correlation value between each question item and the total question item score has been corrected. This correlation value is compared with the r table. R table at a significance of 0.05 with a 2-sided test and the number of data  $(n-2) = 300-2$  or df 292, then the r table value is 0.114. The results of the correlation analysis with correlated bivariate show that all questions are no Corrected Item-total Correlation values that have values below or  $<0.114$  and show the results of data or questions that are entirely valid (Nunnaly J. & Berstein, IH, 1994).

The next step is based on the reliability test, then the reliability statistics value is obtained for each variable which can be presented in more detail in Table 3:

**Table 3. Reliability Test**

No	Indikator Variabel	Cronbach Alpha (Standard)	Cronbach Alpha (Hitung)	Keterangan
1	X11	0,70	0,927	Reliable
2	X12	0,70	0,927	Reliable
3	X13	0,70	0,923	Reliable
4	X14	0,70	0,929	Reliable
5	X15	0,70	0,921	Reliable
6	X16	0,70	0,927	Reliable
7	X17	0,70	0,931	Reliable
8	X18	0,70	0,928	Reliable
9	X21	0,70	0,824	Reliable
10	X22	0,70	0,818	Reliable
11	X23	0,70	0,856	Reliable

12	X24	0,70	0,818	Reliable
13	X25	0,70	0,852	Reliable
14	X31	0,70	0,856	Reliable
15	X32	0,70	0,870	Reliable
16	X33	0,70	0,858	Reliable
17	X34	0,70	0,854	Reliable
18	X35	0,70	0,846	Reliable
19	M11	0,70	0,902	Reliable
20	M12	0,70	0,901	Reliable
21	M13	0,70	0,902	Reliable
22	M14	0,70	0,897	Reliable
23	M15	0,70	0,898	Reliable
24	M16	0,70	0,921	Reliable
25	M17	0,70	0,899	Reliable
26	M18	0,70	0,910	Reliable
27	Y11	0,70	0,939	Reliable
28	Y12	0,70	0,950	Reliable
29	Y13	0,70	0,935	Reliable
30	Y14	0,70	0,935	Reliable
31	Y15	0,70	0,936	Reliable
32	Y16	0,70	0,938	Reliable
33	Y17	0,70	0,940	Reliable
34	Y21	0,70	0,888	Reliable
35	Y22	0,70	0,918	Reliable
36	Y23	0,70	0,897	Reliable
37	Y24	0,70	0,908	Reliable
38	Y25	0,70	0,888	Reliable

Data Processed by Author, 2024

### Path Coefisien

Path Coefficient aims to describe each hypothesis proposed in this article, both hypotheses related to direct and indirect influence. The following are the results of the direct influence test:

**Table 4. Direct Influence Between Variables**

	<i>Original Sample (O)</i>	<i>Sample Mean (M)</i>	<i>Standard Deviation (STDEV)</i>	<i>T Statistics ( O/STERR )</i>	<i>P values</i>
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<b>Kompetensi Manajerial Pengusaha</b> ☑ <i>Competitive Advantage</i>	0.260	0.249	0.098	2.653	0.008
<b>Motivasi Pengusaha</b> ☑ <i>Competitive Advantage</i>	0.058	0.060	0.087	0.670	0.503
<b>Entrepreneurship</b> ☑ <i>Competitive Advantage</i>	0.019	0.021	0.082	0.230	0.818
<b>Digital Marketing</b> ☑ <i>Competitive Advantage</i>	0.756	0.754	0.098	7.748	0.000
<b>Moderating Effect 1</b> ☑ <i>Competitive Advantage</i>	0.080	0.064	0.086	0.925	0.356
<b>Moderating Effect 2</b> ☑ <i>Competitive Advantage</i>	0.054	0.047	0.093	0.584	0.560
<b>Moderating Effect 3</b> ☑ <i>Competitive Advantage</i>	0.130	0.144	0.082	1.583	0.114
<b>Competitive Advantage</b> ☑ <i>Kinerja Bisnis</i>	0.807	0.808	0.026	30.475	0.000

Data Processed by Researcher, 2024

The table above shows that the managerial competence of entrepreneurs has a direct positive and significant effect on competitive advantage or with a t statistic value of  $2.653 > 1.96$  or with a p value of  $0.008 < 0.05$ .

Entrepreneur motivation has a direct positive but insignificant effect on competitive advantage or with a t statistic value of  $0.670 < 1.96$  or with a p value of  $0.503 > 0.05$ . Entrepreneurship has a direct positive but insignificant effect on competitive advantage with a t statistic value of  $0.230 < 1.96$  or with a p value of  $0.818 > 0.05$ . Digital marketing has a direct positive and significant effect on competitive advantage with a t statistic value of  $7.748 > 1.96$  and with a p value of  $0.000 < 0.05$ . On the other hand, competitive advantage has a direct effect on business performance or with a statistical t value of  $30.475 > 1.96$  and a p value of  $0.000 < 0.005$ .

Digital marketing as the 1st moderator has an indirect positive but insignificant effect on the relationship between entrepreneur managerial competence and competitive advantage or with a statistical t value of  $0.925 < 1.96$  or with a p value

of 0.356 > 0.05. Thus, digital marketing does not moderate the relationship between entrepreneur managerial competence and competitive advantage.

Digital marketing as the 2nd moderator has an indirect effect on competitive advantage positively but insignificantly or with a statistical t value of 0.584 < 1.96 and a p value of 0.560 > 0.05. These results also show that digital marketing does not moderate the relationship between entrepreneur motivation and competitive advantage. Next is the role of digital marketing as the 3rd moderator which has an indirect positive but insignificant effect on competitive advantage or with a t statistic value of 1.583 < 1.96 and a p value of 0.114 > 0.05. These results also show that digital marketing does not moderate the relationship between entrepreneurship and competitive advantage.

In addition to direct influence, there is also an indirect influence in this article. Here are the results of the indirect influence test in this article:

**Table 5. Indirect Influence**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STERR )	P values
<b>Kompetensi Manajerial Pengusaha -&gt; Competitive Advantage -&gt; Kinerja Bisnis</b>	0.210	0.202	0.081	2.590	<b>0.010</b>
<b>Motivasi Pengusaha -&gt; Competitive Advantage -&gt; Kinerja Bisnis</b>	0.047	0.049	0.071	0.665	<b>0.507</b>
<b>Entrepreneurship -&gt; Competitive Advantage -&gt; Kinerja Bisnis</b>	0.015	0.017	0.066	0.230	<b>0.818</b>
<b>Digital Marketing -&gt; Competitive Advantage -&gt; Kinerja Bisnis</b>	0.610	0.609	0.081	7.492	<b>0.000</b>

Sumber: Specific Indirect Effect (data olahan 2024)

The table above shows that there is also an indirect influence between exogenous variables on endogenous variables through mediating or intermediary variables or as intervening. Managerial competence indirectly has a significant effect on business performance through competitive advantage mediation or with a t statistic value of 2.590 > 1.96 and a p value of 0.010 < 0.05. Indirect motivation through competitive advantage mediation does not have a significant effect on business performance or with a t statistic value of 0.665 < 1.96 and a p value of 0.507 > 0.05. Meanwhile, entrepreneurship indirectly through competitive advantage mediation does not have a significant effect on business performance or with a t statistic value

of 0.230 < 1.96 and a p value of 0.818 > 0.05. Furthermore, digital marketing indirectly influences business performance through competitive advantage mediation or with a t-statistic value of 7.492 > 1.96 and a p-value of 0.000 < 0.05.

## CONCLUSION

Based on the explanation above, the results of the hypothesis testing of this study can be presented as follows:

- 1) The direct influence of entrepreneur managerial competence on competitive advantage is positive and significant or with a t-statistic value of 2.653 > 1.96 or a p-value of 0.000 < 0.005 so that hypothesis 1 (H1) is accepted.
- 2) The direct influence of entrepreneur motivation on competitive advantage is positive but not significant or with a t-statistic value of 0.570 < 1.96 or a p-value of 0.053 > 0.005 so that hypothesis 2 (H2) is rejected.
- 3) The direct influence of entrepreneurship on competitive advantage is positive but not significant or with a t-statistic value of 0.230 < 1.96 or a p-value of 0.818 > 0.005 so that hypothesis 3 (H3) is rejected.
- 4) The direct influence of digital marketing on competitive advantage is positive and significant or with a t-statistic value of 7.748 > 1.96 or a p-value of 0.000 < 0.005 so that hypothesis 4 (H4) is accepted.
- 5) Digital marketing does not moderate the relationship between entrepreneur managerial competence and competitive advantage or with a t-statistic value of 0.925 < 1.96 and a p-value of 0.356 > 0.005 so that hypothesis 5 (H5) is rejected.
- 6) Digital marketing does not moderate the relationship between entrepreneur motivation and competitive advantage or with a t-statistic value of 0.584 < 1.96 and a p-value of 0.560 > 0.005 so that hypothesis 6 (H6) is rejected.
- 7) Digital marketing does not moderate the relationship between entrepreneurship and competitive advantage or with a t-statistic value of 1.583 < 1.96 and a p-value of 0.114 > 0.005 so that hypothesis 7 (H7) is rejected.
- 8) The direct influence of competitive advantage on business performance is positive and significant or with a t-statistic value of 30.475 > 1.96 or a p-value of 0.000 < 0.005 so that hypothesis 8 (H8) is accepted.

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