

CHAPTER V

CLOSING

This chapter will explain the conclusion based on the analysis and discussion has been discussed in the previous chapter, then also will include the assessment of study's limitations, implication and potential development in form of future research recommendation.

5.1 Conclusion

The purpose of this research is to examine the relationship between entrepreneurial marketing, social media marketing, SMEs performance and competitiveness variable. This research also concerns to assess the mediating role competitiveness in the relationship between entrepreneurial marketing and social media marketing as independent variable on SMEs performance as dependent variable. This test is conducted by using quantitative and uses primary data collection method in form of questionnaire arranged in google form and distributed directly in the field and through social media to the respondent namely the owner/manager or employee of food & beverage SMEs in Padang city, West Sumatera. There are 112 respondents who come from various kind of food & beverage in Padang city. In order to examine 7 hypothesis of this study, various formulation is used namely descriptive statistics, outer model measurement (convergent validity, discriminant validity and reliability test), then continued by inner model measurement (R-square, F-square and T-test) are administered by

using SmartPLS 4.0 after the data has been collected and arranged in Microsoft Excel. Here are the findings of the analysis:

1. Entrepreneurial marketing has a positive and significant effect on competitiveness. It means that every changes on entrepreneurial marketing will be significantly improve competitiveness. With 7 dimensions of entrepreneurial marketing, it can be indicated that the higher level of entrepreneurial marketing approach adopted by food & beverage SMEs in Padang city, so that the higher competitiveness level generate by SMEs to compete in the market.
2. Social media marketing has positive and significant effect on competitiveness. It means that every changes on social media marketing will be significantly improve competitiveness. With 5 dimensions of social media marketing, it can be indicated that the higher level of social media marketing approach adopted by food & beverage SMEs in Padang city so that the higher level of competitiveness SMEs have to compete.
3. Competitiveness has positive and significant effect on SMEs performance. It means that every changes on competitiveness will be significantly improve SMEs performance. Therefore, the higher level of SMEs competitiveness it will give a good effect to SMEs performance it will also be better for SMEs business development.
4. Entrepreneurial marketing has positive and non significant effect on SMEs performance. It indicates that every changes on entrepreneurial marketing

will not be significantly improve SMEs performance, however it has a positive relationship each other. So, it can be concluded that the higher entrepreneurial marketing level adopted by food & beverage SMEs in Padang, so it will not have much effect to SMEs performance even SMEs does't apply the entrepreneurial marketing approach to its business.

5. Social media marketing has positive and significant effect on SMEs performance, it means that every changes on social media marketing will be significantly improve SMEs performance. It indicates that the higher social media marketing approach adopted by food & beverage SMEs in Padang city so that the higher SMEs performance level will be have by SMEs.
6. The relationship between entrepreneurial marketing on SMEs performance is mediated by competitiveness (full mediation), it means that every changes on the influence of entrepreneurial marketing and SMEs performance will be mediated by competitiveness. It also indicates that the higher level of competitiveness will give a big effect to relationship between entrepreneurial marketing on SMEs performance. Then, if there is no competitiveness between them, so that it will influence the effect power between entrepreneurial marketing to SMEs performance.
7. The relationship between social media marketing on SMEs performance is mediated by competitiveness (partial mediation), it means that every changes on the influence of social media marketing and SMEs

performance will be mediated by competitiveness. It also indicates that the higher level of competitiveness may give a part of influence to the relationship between social media marketing on SMEs performance, however if there is no competitiveness between them it will not greatly influence the power of effect between social media marketing and SMEs performance.

5.2 Implication

This research has several implications based on the findings of the research that can be used and exploit to enhance the understanding about innovation of marketing approach that can be applied by food & beverage SMEs especially that is located in Padang city, for academics interest, the researcher and all parties who is involved to formulate a strategic marketing solutions to improve the SMEs performance so that they are be able to have a strong competitiveness to compete in the market.

1. For further theoretical research and academic purpose, this research is expected can be reference and input for future studies related to marketing approach and discuss spesifically about the strategic solutions can be used to improve SMEs performance. In this research, it aseses how far the effectt can be affected by entrepreneurial marketing and social media marketing approach in enchancing the SMEs performance by establishing an innovative and relevan marketing activities can be appllied in the digital era, it also include about how SMEs can encourage all stakeholders in their company to serve a good service to customer, improving product

innovation, doing an online marketing activities through social media, stimulate a supportive and innovative business environment in order to improve performance of SMEs, so that it is expected that SMEs also can be more competitive in the market.

2. According to the finding of this research, in overall the researcher can recommend food and beverage SMEs in Padang to use entrepreneurial marketing and social media marketing practically as one of useful marketing strategy for their business, because as the result in the field found that most of entrepreneurial marketing aspects tend to encourage SMEs to have a better capability in term of organizational performance and competitiveness. The aspects of entrepreneurial marketing such as creating product and service value for customer, being innovative, focus on achieving potential business opportunity, leveraging resources efficiently and the understanding of customer's need, then also social media marketing with its aspects such as increasing of brand awaransess, promotion, building interaction with customer on social media, understanding of customer's need, personalize the products to target market, reaching new customer by using social media, all aspects of these two strategies are potentially can support the improvement of SMEs performance in term of increasing sales growth, market share, employee growth, new product development, customer satisfaction and entreprisse's reputation on social media.. Then along with it, the application of these two strategies also can help SMEs to improve its capability in competing

in the market it can be described by improvement on cost advantage, profit rate, reputation of SMEs in the market, SMEs can improve and maintain a better quality of their products and they are able to have a better internal marketing research than competitors. Then also as an important note from the research finding is that in order to support the SMEs performance, the effectiveness of application of entrepreneurial marketing aspects tend to involve the capability of SMEs to compete in the market as a benchmark and become one of success factor, it means that aspects in entrepreneurial marketing strategy can be applied effectively if SMEs can improve and maintain the aspects contained in competitiveness so that it also will support SMEs to have a better organizational performance. Otherwise from the research finding also found that in order to support its organizational performance through some aspects of social media marketing strategy, SMEs does not really need to involve the aspects of competitiveness as a benchmark and main success factor to make the application of social media marketing strategy effectively can support the aspects contained in SMEs performance.

3. For the government and SMEs actor, this research is expected can be the reference to enhance and explore more the strategic decision and future plan of government to improve Indonesia's SMEs quality as the driving force of economy especially improvement related to marketing strategy that can be adopted and applied directly by SMEs in Indonesia. It means that this research can give some useful knowledge and description of how

effective marketing approach that has been done by SMEs to stimulate its business development. The government may can create a relevan and beneficial regulations about SMEs business development especially in marketing aspect that is potentially will give a positive and significant impact for SMEs to be more innovative and competitive in the market. So, the SMEs actors can follow and corporates with local and national government to build a positive synergy to improve economy quality of Indonesia and excatly will be potentially to create new job opportunities for the community if SMEs can build a strong business development.

4. Entrepreneurial marketing and social media marketing as part of marketing approach that has been discussed in this study, researcher expect that this two approach can be a solution especially for food & beverage SMEs in Padang. It means that SMEs can apply the beneficial and useful aspects of entrepreneurial marketing such as be more innovative, be able to manage risks, creating value for customer and maximize every business opportunity. Then for social media marketing it is expected that SMEs is able to maximize use of social media as one of marketing tools that is relevan to current digital era, the are some important marketing activities that can be done through social media such as advertising, building customer engagment and strenghten SMEs branding through its content, then hopefully by using social media it can help SMEs to personalize the customer needs suit to their preference, be able to analyze the strategy of competitors and current market condition

through social media. So by applying entrepreneurial marketing and social media marketing, it is expected it will give a beneficial impact on SMEs performance for example is be able to improve work efficiency and company's reputation in the competition and also stimulate SMEs growth in term of profit and number of customer, so that SMEs can build and maintain its company competitiveness through product innovation, setting a right pricing and exactly SMEs can be the market leader.

5.3 Limitation of Research

When conducting this study, the researcher discovered several limitations namely:

1. The research has limitation related to its topic, nemely this study just sppecifically on a marketing approach that is closer to entrepreneurship orientation that is entrepreneurial marketing, then it focuses on discussing social media marketing as one of digital marketing solutions that may be adopted by SMEs and it analyzes the impact of this two approach to SMEs performance and competitiveness. In another way, it ma be there are other marketing approaches that is relevan and give potential impact on SMEs in improving its company peformance and stimulate its competitiveness level.
2. The research has limitation on population coverage, namely this study limits the respondent who is only from SMEs that is actively uses social

media as marketing tools for its business who will be selected as respondent of this research.

3. The research also has limitation related to SMEs type and the region as place for SMEs to operate its business, namely this study only focus on researching food & beverage SMEs in Padang city, West Sumatera.
4. The research has the limitation on number of samples, it is limited for only 112 samples.
5. The research has a limitation in adopting the indicators that are used as question items in reserach questionnaire, whereby the researcher did not select all research question items from the reference journal due to researcher considered that not all the research question items in the reference journal are relevan and match to food and beverage SMEs business condition. Then researcher also found the similarity between each questions and some questions are relatively complicated if it is assessed to SMEs, so that the researcher considered to filter and eliminate some questions in order to anticipate any misunderstandings from the respondent to the meaning of research questions.

5.4 Research Recommendation

Based on the findings and limitation of this research, the researcher develop some recommendations for future studies that has simillar research topic with this research:

1. For future research, it will be better to develop more the topic related to another same or simillar marketing approach that can be used for SMEs to improve its performance and competitiveness, it may be there are another potential marketing approach can be appllied for SMEs that is relevan for its marketing activities.
2. Future research may develop the larger population coverage, not only the SMEs in West Sumatera may it makes be larger scope of respondent in order to enchance the perspective of respondent in other regions so that it will be compared more spesific related to research topic.
3. Future research may also expand the type of research object, namely this research only focus on food & beverage SMEs, the future study may choose all SMEs in another or all sector of SMEs so that it will not be focused on food & beverage sector.
4. For the next research, it may be better to add number of research sample in order to get many responses with a larger perspective and opinions from the respondent so that the deeping of research topics can be more further explored.
5. To develop the study, the next research may put business sustainability as dependent variable to see is there a spesific effect can be resulted to sustainability of a business especially for SMEs.
6. For the next research, in arranging the research questionnaire the researcher should make sure that all question items are relevan to the

research object condition and there is no kind of questions that are complicated to be answered by respondent, so that the respondents can understand well about the research questions that is discussed by researcher, then the research objectives can be achieved properly.

