

Enhancing Marketing Performance Through Market Orientation, Relationship Learning, and Brand Orientation: A Structural Equation Modeling Approach in the Javanese Furniture Sector

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Abstract

This study aims to empirically examine the direct and indirect effects of market orientation and relationship learning on marketing performance, with brand orientation positioned as a mediating variable, within the context of furniture companies in Java, Indonesia. Grounded in the theoretical frameworks of generic competitive strategy, market orientation, and relationship learning, this research develops a conceptual model comprising five structural hypotheses. Primary data were gathered through a structured questionnaire administered to a representative sample of furniture company managers across Java, with responses measured on a five-point Likert scale. The hypothesized relationships were tested using Structural Equation Modeling (SEM) via AMOS 7.0. Empirical results confirm that market orientation positively and significantly affects brand orientation (standardized estimate = +0.224, CR = 2.008, $p < 0.05$) and marketing performance (standardized estimate = +0.199, CR = 1.969, $p < 0.05$). Relationship learning exerts a stronger positive effect on brand orientation (standardized estimate = +0.353, CR = 3.095, $p < 0.01$) and the largest direct effect on marketing performance among all constructs (standardized estimate = +0.401, CR = 4.058, $p < 0.001$). Brand orientation, in turn, positively affects marketing performance (standardized estimate = +0.313, CR = 2.964, $p < 0.01$). These findings affirm the strategic centrality of brand orientation as both an outcome of organizational learning and market responsiveness, and as a critical driver of sustainable marketing performance. Theoretical and managerial implications are discussed in relation to competitive advantage strategy in emerging market contexts.

INTRODUCTION

Competitive advantage is conceptualized as a superiority over rival firms, achieved by delivering greater value to consumers than that offered by competitors. Such an advantage may be realized when a company generates superior customer value relative to its competitors at an equivalent price, or when it produces customer value comparable to that of competitors at a reduced price (Hansen & Mowen, 2017). The success of a company, which constitutes an essential contributor to economic growth, is fundamentally contingent upon its level of competitiveness. When a company succeeds in competing within the international arena, it may rightfully be regarded as an ambassador of national growth and prosperity. It is therefore evident that it is the company, rather than the state or the industry, that constitutes the primary unit of competition (Porter, 2015).

To contend with the prevailing forces of competition, Porter (2015) emphasizes the necessity of a strategic framework commonly referred to as generic strategies, which represent a fundamental approach through which a company may attain profitability exceeding the industry average by sustaining a durable competitive advantage. Generic strategy comprises three principal variants: the overall cost advantage strategy, the differentiation strategy, and the focus strategy. The overall cost advantage strategy seeks to achieve a comprehensive cost advantage within the industry through a coordinated set of functional policies directed toward primary objectives. The differentiation strategy involves the differentiation of products or services

offered by the company, thereby creating something that is perceived across the entire industry as distinctively unique. Approaches to differentiation may take various forms, including design or brand image, technology, distinctive product characteristics, customer service, dealer networks, or other competitive dimensions. The focus strategy, by contrast, concentrates on a specific buyer group, a particular product line segment, or a defined geographic market.

A company is said to possess a competitive advantage when it is capable of creating and delivering products of greater value to customers than those offered by its competitors. This added value may be operationalized through dimensions such as speed of delivery, responsiveness to customer complaints, competitive pricing, and the sustained capacity for product innovation. Companies are therefore required to pursue operational efficiency, continuous quality improvement, and ongoing product development in terms of both quality and functionality. Consequently, the products generated by the company become preferred choices for consumers, who, upon achieving satisfaction, are likely to communicate their positive experiences to prospective buyers—a phenomenon commonly referred to as word-of-mouth communication. According to Tjiptono (2017), it is not a straightforward undertaking to define quality with precision, as individual interpretations tend to vary considerably. Among the several definitions frequently encountered in the literature are compatibility with

requirements, freedom from defects, and conformance to customer requirements. Such definitions, however, represent merely one perspective on quality, specifically the results-oriented viewpoint. Quality also encompasses the perspective of design quality, which is a function of product specifications. It is widely acknowledged that quality should be assessed not only from the perspectives of results and design, but also with reference to process, people, and the environment.

Competitive advantage may further be attained through the instrumentality of new technology. One illustrative example from the banking sector demonstrates how financial institutions compete to serve customers continuously by developing 24-hour internet-based services (Internet Banking) and investing in the creation of robust databases. It must be noted, however, that any enhancement in competitive advantage through such means can only be realized when all of the bank's strategies are aligned with a coherent competitive advantage strategy—encompassing both cost structure leadership and differentiation—such that technology functions solely as a supporting instrument.

Valos and FitzRoy (2016) argued that in order to establish implementation initiatives aimed at improving marketing performance, these initiatives must be examined in conjunction with Porter's typology of strategies (Porter, 2015). The first of these, the differentiator strategy, involves competing through superior product image or quality. The second, the cost leadership strategy, involves competing by achieving the lowest costs

within the industry. The third, the combination strategy, involves achieving both differentiation and cost leadership simultaneously. Porter's focus strategy is excluded from this framework, as the present study seeks to incorporate dimensions of customer value rather than market scope or market width, which will be addressed separately within the discussion of focus strategy.

The competitive advantage that enhances marketing performance may also be cultivated through the development of learning relationships. This implies that companies should actively intensify learning activities by facilitating information exchange, developing shared learning domains, and continuously updating their conduct in accordance with stakeholder requirements. Such learning may be derived from a variety of sources, including not only stakeholders but also insights obtained from scholarly and academic research. Within this context, companies are positioned to develop a comprehensive understanding that informs the formulation of any strategy to be adopted. Relationship learning, through the establishment of shared understanding, refers to continuous joint activities between customers and suppliers that are intended to generate an understanding of information with the potential to influence behavior. The joint interpretation undertaken by members of the relational network may take the form of shared assumptions, mental models, or cognitive maps pertaining to the outcomes of activity within the network environment.

Following the conceptualization of relationship learning as developed in the literature, several distinct learning processes may be identified.

Relationship learning occurs through: (1) information sharing, (2) the creation of mutual understanding, and (3) the development of relationship-specific memory. Relationship learning through information sharing refers to the joint activities of customers and suppliers directed toward the exchange of information with the potential to influence behavior. Information sharing is recognized as a key element of effective working relationships. Two organizations must engage in information exchange in order to coordinate and plan their working relationship and to achieve operational efficiency. The expectation of continuous information availability enables partner companies to more effectively manage internal processes and external market conditions. Relationship learning through the creation of joint understanding refers to continuous joint activities between customers and suppliers intended to generate a shared comprehension of information that could potentially influence behavior. Relationship learning through the development of relationship-specific memory refers to continuous joint activities between customers and suppliers aimed at integrating acquired information into a shared, relationship-specific memory domain with the potential to influence behavior, a concept that aligns with the broader notion of organizational memory.

Joint meetings among members of strategic sales alliances—such as suppliers and distributors at trade shows—accelerate the formation of a partner-oriented knowledge creation culture and enable member organizations to engage in collective

learning. Simultaneously, such meetings facilitate the integration of capabilities across multiple companies to capitalize on market opportunities. The dissemination of relationship memories, which constitute a successful behavioral history, may constrain experimentation when sales representatives readily identify precedents. Foreign exporters seeking to cultivate *guanxi* in China rely on such relationship memories to facilitate business negotiations, problem resolution, partner identification, and other activities that ultimately enhance export performance.

The competitive advantage that enhances marketing performance may additionally be developed through the adoption of a Market Orientation (MO) approach. Market Orientation (MO) constitutes a central element within the management philosophy grounded in the marketing concept, and is widely regarded as having a significant influence on long-term profitability. Given the recognized importance of MO as a critical indicator of marketing concept implementation, the Marketing Science Institute has actively encouraged empirical investigations into its conceptualization and measurement. In their seminal article, Kohli and Jaworski (2015) proposed the construct of MO in the early 1990s, introducing the notion of market intelligence—rather than customer focus—as the central element of MO, on the grounds that market intelligence constitutes a broader concept than customer focus. Market intelligence encompasses exogenous market factors that influence consumer needs and preferences, including both current and future requirements.

Market orientation serves as a key differentiator among healthy business organizations competing within modern economies that are characterized by high demand and sophistication. The significance and meaning of market orientation has been studied extensively within the business sector (Kohli & Jaworski, 2015). The marketing concept posits that the achievement of organizational goals is contingent upon the extent to which the organization is aware of client needs and its capacity to fulfill those needs more effectively than competitors. Organizations first identify the needs and preferences of clients, and then focus on their target markets by providing services that are designed to be acceptable and desirable to those markets.

The MO comprises three behavioral components:

1. Customer orientation: This component pertains to the understanding of consumer needs both in the present and in the future, with the objective of creating superior value. The core of MO lies in a focus on the consumer. This entails not merely satisfying consumer needs, but also addressing how value may be added through cost reduction or through the enhancement of consumer benefits.

2. Competitor orientation: This component pertains to the effort to gather intelligence regarding both existing and potential competitors. Such intelligence encompasses information concerning the strengths, weaknesses, and long-term capabilities of competitors. Information about competitors is essential to enable organizations to design strategies for competing effectively.

3. Inter-functional coordination: This component pertains to the coordination of resources possessed by the business organization, directed toward the creation of superior value for consumers. Every function within the organization is significant, and each performs a unique role in the value creation process for the consumer.

Brand orientation is conceptualized as the aggregate of all brand values possessed by a company and all practices oriented toward the development of brand capabilities through interactions with targeted consumers. Brand orientation has been conceptualized as a multidimensional model encompassing the store brand as a differentiator, as well as a means of fulfilling consumer purchase needs, a source of added value, and a symbolic reflection of consumers' identities. Meanwhile, empirical evidence supporting the relationship between brand orientation and competitive advantage has been substantiated in the literature, and it is therefore reasonable to posit that these constructs are interrelated. It has been asserted that product excellence alone no longer constitutes a guarantee of success. This realization was made by the management of TetraPak, a manufacturer and supplier of comprehensive material for food packaging, when the technical dimension was appropriated by Japanese competitors. Claes Nermark, Vice President of Marketing at TetraPak, articulated the role of brand value as a competitive instrument, noting that at the Tokyo Pak 1985 trade show, the Japanese competitor Shikok displayed a copy of the TetraBrik machine system under the designation UP-Fuji-MA60.

This event underscored the importance of brands, as competitors were capable of imitating the machine despite patent objections, whereas brand identity provided a considerably more robust form of protection.

In general, brand orientation comprises the following six elements, as extracted from the brand orientation literature: joint brand vision, joint brand functionality, joint brand positioning, brand ROI (i.e., financial performance), brand symbolism, and brand value-added capabilities. Joint brand vision denotes the treatment of a brand as integral to organizational resources and other competencies, accompanied by an explicitly articulated vision with clearly delineated responsibilities and authorities. Organizations recognize that the brand assists in differentiating them from competitors by communicating functional attributes and distinctive benefits to customers. Brand shapes the processes of identification, differentiation, and assurance of consistency for customers. Organizations recognize that the brand is critical to the cultivation of customer loyalty in the market, and that all communications associated with the brand are aligned with competitive positioning and precise brand value. The cultivation of brand equity is acknowledged as essential in achieving superior market positioning and generating financial rewards. Brand-oriented managers conceptualize the brand as a fundamental strategic resource of the organization. Managerial recognition that the brand embodies a potent emotional and symbolic dimension renders it an expression of personality and customer value. The emotional dimensions

associated with a brand are recognized for their capacity to bind customers to the brand. Brand orientation concentrates on utilitarian customer satisfaction, with particular emphasis on the confidence and communicative capability employed by organizations to generate value beyond functional attributes. This may include an emphasis on service quality, product quality, and brand personality, and serves to facilitate the co-creation of brand knowledge with customers and other key stakeholders.

Prior to the 1970s, marketing performance was predominantly assessed from a partial and productivity-oriented perspective. Performance measurement was generally expressed through achievement indicators grounded in marketing output and input. A number of the indicators employed appeared to reflect an efficiency orientation for the benefit of producers, and were short-term and monetary in nature, thereby generating conflicts of interest and creating a misalignment of objectives between employees and companies. Furthermore, in the long term, without awareness, such approaches could obscure the vision, mission, and objectives of the company, including its organizational morale and philosophy. The overemphasis on financial profit-and-loss measurement in marketing performance often leads to erroneous conclusions and flawed strategic decision-making. For example, the decision to divest assets deemed unproductive—including the reduction of a genuinely skilled workforce—undertaken by management in pursuit of productivity targets on the basis of efficiency considerations, may result in

the company forfeiting the capacity and opportunities necessary for future growth.

Consequently, the measurement of marketing performance in the 2000s underwent substantial transformation and has since been developed in various directions, yielding a number of more relevant marketing performance measurement indicators. For example, the measurement of customer satisfaction and customer loyalty as performance indicators has become considerably more pertinent to contemporary marketing performance, as these measures are conducive to improvements in product quality and value, service quality, and the application of effective customer relationship techniques. Such indicators genuinely recognize and account for the value 'paid' by customers in order to obtain a company's goods and services beyond the monetary price of the product. The temporal and psychological costs incurred by customers, while difficult to quantify in monetary units, must be acknowledged and not disregarded by companies. These performance measurement indicators are not financially oriented or short-term in nature; rather, they exert a highly positive influence on the formation of employee attitudes and behaviors within companies, thereby supporting organizational growth and corporate image. Further examples include marketing assets. The assets controlled and owned by a company do not invariably manifest as tangible physical facilities or a quantifiable workforce. Of no lesser significance are intangible assets, which have assumed increasing importance given their demonstrated capacity to generate

greater value than tangible assets. Intangible assets of significance in marketing include: the type and quality of customers who support and contribute profitably to the business; reliable distribution channels that are willing to function as 'supporting partners' of the business; and various other relational arrangements that facilitate access to target markets. These constitute invaluable business-supporting elements in the smooth conduct of activities, encompassing various specific resources capable of supplying valuable information to the company's decision-making and strategic policy processes.

The role of marketing has increased considerably within companies, evolving from a service function to a strategic function and assuming greater influence over corporate decision-making. The functional approach to marketing has consequently been transformed into a concept governing how companies are led.

LITERATURE REVIEW

Brand Orientation

According to Kotler and Armstrong (2018), competitive advantage constitutes a superiority over competitors attained by offering consumers greater value than that provided by rival firms. Competitive advantage is conceptualized as an advantage that exceeds all competitors, obtained by delivering greater value to consumers than that offered by competitors. Such an advantage may be realized when a company generates superior customer value relative to its competitors at an equivalent price, or produces customer value comparable to

that of competitors at a reduced price (Hansen & Mowen, 2017). Competitive strategy involves the search for a favorable competitive position within an industry, with the objective of establishing a profitable and sustainable position in relation to the forces that determine industry competition (Hooley, Piercy, & Nicoulaud, 2017).

Hansen and Mowen (2017) stated that customer value is defined as the difference between what is received by the consumer and what has been sacrificed by the consumer. A company is considered to possess a sustainable competitive advantage only when consumers perceive a meaningful distinction between the company's products and those of competitors, where such distinctions arise from capability gaps that can be maintained over time. Strategy may also be defined at several levels, as follows:

1. Corporate strategy, which pertains to the allocation of resources across different businesses or divisions within the company.

2. Business strategy, which operates at the level of a specific business unit or division, addressing in particular the positioning of competition (i.e., competitive advantage).

3. Functional strategy, which is confined to the actions of specific functions within a business, including marketing, personnel, finance, and other functions.

Creating Competitive Advantage

Competitive advantage may be attained by a company through the creation of superior customer value relative to competitors at an equivalent price, or through the generation of

customer value equivalent to that of competitors at a reduced price (Hansen & Mowen, 2017). Customers will perceive brand orientation and customer advantages as conferring upon the company an edge over its competitors (Kotler & Armstrong, 2018). Consumers will regard a competitive advantage as a benefit to themselves, which positions the company above its competitors. The stages involved in creating a competitive advantage are as follows:

1. Analysis of competitors.

2. Development of a competitive marketing strategy.

3. Efforts to create a sustainable competitive advantage, including the use of organizational resources. Many organizations are able to compile extensive lists of resources; however, only certain resources will prove more valuable than others in the creation of a competitive advantage.

The Common Pathways of Competitive Advantage

Porter (2015) as discussed in Hooley, Piercy, and Nicoulaud (2017) identifies two principal pathways through which competitive advantage may be created: price leadership and differentiation. Each activity within the value chain—comprising both primary activities and support functions—may be employed to enhance the value of the final product or service. These two pathways correspond to the strategic approaches of achieving cost leadership and achieving differentiation, respectively.

Dimensions of Competitive Advantage

In addressing the strength of competitive forces, Porter (2015)

identifies the necessity of a strategic framework known as generic strategies, which constitute fundamental approaches through which a company may achieve profitability exceeding the industry average by sustaining a durable competitive advantage. Generic strategy comprises three principal variants:

1. Overall cost advantage strategy, which seeks to achieve a comprehensive cost advantage within the industry through a coordinated set of functional policies directed toward primary objectives.

2. Differentiation strategy, which involves the differentiation of products or services offered by the company, with the aim of creating something perceived across the entire industry as distinctively unique. Approaches to differentiation may take various forms, including design or brand image, technology, distinctive product characteristics, customer service, dealer networks, or other competitive dimensions.

3. Focus strategy, which concentrates on a specific buyer group, a particular product line segment, or a defined geographic market.

The planning of marketing strategy decisions is supported by SWOT analysis (Strengths, Weaknesses, Opportunities, Threats), which compares the company's internal environment (strengths and weaknesses) with its external environment (opportunities and threats) in order to determine the organization's competitive positioning within the industry.

Factors Affecting Competitive Advantage

Relationship Learning and Competitive Advantage

A study was conducted to explore the positive impact of relationship learning and absorptive capacity on the competitive advantages of companies through innovation performance in the Taiwanese manufacturing industry. This investigation, entitled "The Positive Effects of Relationship Learning and Absorptive Capacity on Innovation Performance and Brand Orientation in Industrial Markets," demonstrated that relationship learning and absorptive capacity exert significant influence on a company through innovation performance, which in turn produces a positive effect on the company's competitive advantage.

Relationship learning is defined as the processing of information in order to change or improve specific behavior in anticipation of potential future outcomes (Chang & Gotcher, 2018). It is posited that relationship learning comprises three principal components: information sharing, the creation of joint understanding, and relationship-specific memory, which may be conceptualized as characteristics inherent to the relationship itself. Information sharing denotes the exchange of information with partners regarding products, customer needs, strategies, and related matters. The creation of joint understanding refers to the establishment of joint teams for problem-solving through mutual interaction. Relationship-specific memory involves the updating and refreshing of relational knowledge, as well as the integration of shared memory, constituting a higher-order

learning activity. Relationship learning encompasses all forms of interaction between two organizations—including values, information, common language, and related elements—that precede the formation of shared memory between the two partners. This represents a distinctive capability in relationship development and emphasizes the interactive learning perspective of partner engagement. It also constitutes an important pathway to the achievement of differential advantage. Accordingly, there is a compelling rationale for developing learning capabilities within the scope of customer and supplier relationships.

Learning and knowledge are widely recognized as playing a significant role in inter-organizational relationships. Organizational learning activities generate positive outcomes in inter-firm relations, including the development of shared memory. Given that most relationships do not conform to a classical linear developmental trajectory—and are therefore more dynamic in nature—they tend to orient toward a joint vision. Nevertheless, the joint vision of a relationship is subject to variation over time as needs and opportunities evolve. It is not only the members of the organization themselves who require continuous learning, but all organizational members must also learn from one another. Inter-organizational learning can assist partners in realizing the greatest possible gains in terms of economic outcomes, cultural understanding, and relational quality. Consequently, relationship learning capability constitutes a pivotal mechanism through which companies establish competitive advantages.

Relationship Learning and Marketing Performance

The development of sound measurement practices in the domains of brand equity and financial return measurement has been found to be positively associated with company performance and organizational learning. Recent investigations have indicated that marketing dashboards yield significant benefits for the dissemination and utilization of MPM information systems.

The effective organizational alignment around customer-related processes confers strong positive advantages for CRM programs, exceeding the impact attributable to the extent of CRM technology deployment. Beyond anecdotal evidence, the process of measuring customer satisfaction—encompassing data collection, analysis, distribution, and utilization—has yielded qualitative evidence that superior processes are associated with superior performance. This suggests the existence of broad contingency diversity relating to measurement implementation processes, which may be grouped under dimensions including organizational culture, customer and competitor strengths, resources, and strategies.

Market Orientation and Competitive Advantage

The decline in new student enrollment at private high schools in West Java and Banten since the 2002/2003 through 2007 academic years illustrates the influence of the marketing environment, as observed through the macro-environment—encompassing demographic, economic,

technological, political, and cultural factors—as well as the micro-environment, comprising vendors, intermediaries, consumer markets, competitors, and customers. These factors, combined with competitive advantages derived from superior sources such as superior resources, superior skills, and superior control, were found to exert an influence on organizational image and marketing performance.

Market orientation is defined as the organization-wide generation of market intelligence pertaining to current and future customer needs, the dissemination of that intelligence across departments, and the organization-wide responsiveness to it (Kohli & Jaworski, 2015). Market orientation constitutes an organizational culture that fosters the behavioral dispositions necessary to create superior value for buyers in the most efficient and effective manner possible, along with the continuous generation of superior value for buyers and superior performance for the business. Kohli and Jaworski (2015) employ the term 'marketing orientation' to denote the implementation of the marketing concept. More formally, they adopt an information-processing perspective and interpret market orientation as "the organization-wide generation of market intelligence pertaining to current and future customer needs, the dissemination of that intelligence across departments, and the organization-wide responsiveness to market intelligence".

Market Orientation and Marketing Performance

The dissemination of a marketing paradigm that emphasizes the importance of involving customers in marketing processes (e.g., co-creation) and acknowledges the relationship between the company and its customers has encouraged a magnification of marketing activities. This has led to a gradual expansion in the scope of customer integration performance—that is, the ability to acquire and retain profitable customers—as measured through customer lifetime value, customer loyalty, customer satisfaction, and other metrics proposed by relationship marketing scholars (Lamberti & Noci, 2015).

An additional significant perspective involves the analysis of the relationship between supply chain management and marketing, which posits that marketing may also be responsible for supply chain integration performance—defined as the ability to engage effectively and efficiently with marketing channels and suppliers. Co-design in new product development (value creation), strategic alignment in supply chain competition (value communication), and retail management (value delivery) represent examples of the expanded role of supply chain management in marketing activities (Lamberti & Noci, 2015).

Various types of marketing performance and associated metrics—such as time delays, service levels, and the percentage of turnover generated by products developed jointly with supply chain partners—have been examined in both the marketing literature and the supply chain literature (Lamberti & Noci, 2015).

The performance of internal consistency—defined as marketing's capacity to engage efficiently and effectively with non-marketing functions (e.g., behavioral control in support of cross-functional teamwork, responsiveness and accuracy in information determination)—is attracting increasing attention in the marketing literature (Kohli & Jaworski, 2015), as the requirement for inter-functional coordination, articulated by market orientation theory as well as by customer centricity, service-dominant logic, and balanced centricity, underscores the relevance of coherence between marketing and non-marketing activities within the company (Lamberti & Noci, 2015).

The performance of knowledge and intellectual capital-based assets constitutes a relevant dimension in analyzing marketing outcomes, particularly in light of the emergent role of marketing culture. Numerous scholars attribute to marketing departments the responsibility for disseminating a market-oriented culture throughout the organization (Kohli & Jaworski, 2015). In this respect, given that organizational culture and knowledge sharing are positively correlated with corporate esprit de corps, job satisfaction, and organizational commitment among employees, there is a compelling rationale for companies to measure this dimension of performance in order to obtain a comprehensive understanding of the evolution of marketing strategy.

Brand Orientation and Competitive Advantage

Research examining the interrelationships among market

orientation, learning, and brand orientation with competitive advantage and organizational performance among retail companies in the United Kingdom found that competitive advantage contributes to strategy effectiveness and mediates the relationship between learning and brand orientation and strategy effectiveness. No significant relationship was identified between brand orientation and company performance. Furthermore, market orientation was not found to have a significant relationship, either direct or indirect, with competitive advantage or an indirect impact on financial performance.

Wong and Merrilees (2016) stated that in the planning stages of marketing, a favorable orientation toward brands plays a critical role in determining whether a brand will be deployed to gain a competitive advantage. Researchers have examined brand management from several distinct perspectives. Some have undertaken comprehensive reviews of the brand management process, while others have focused on specific elements. These approaches may be grouped into four distinct thematic areas: the creation of a unique brand identity, the development of brand portfolios, the management of brand communications, and the monitoring of brand value.

By focusing on each of these dimensions, organizations are able to effectively monitor consumer brand perceptions, determine whether consumer attitudes toward the brand are aligned with the brand vision itself, and implement strategies that reinforce positive brand beliefs or alter negative perceptions. Future growth

opportunities may also be identified, and estimates may be formulated regarding the relative value of a brand in consumers' minds. In doing so, organizations can create brands that genuinely persuade stakeholders and deliver to them the tangible and intangible benefits they seek. Ultimately, this encourages the development of stronger brands and enhances organizational performance. Although developed within the context of for-profit organizations, these principles are equally applicable to the non-profit sector (Ewing & Napoli, 2016).

Product excellence alone no longer constitutes a guarantee of success. This realization was made by the management of TetraPak, a manufacturer and supplier of comprehensive material for food packaging, when the technical dimension was appropriated by Japanese competitors. Claes Nermark, Vice President of Marketing at TetraPak, articulated the role of brand value as a competitive instrument, noting that at the Tokyo Pak 1985 trade show, the Japanese competitor Shikok displayed a copy of the TetraBrik machine system under the designation UP-Fuji-MA60. This event underscored the importance of brands, as competitors were capable of imitating the machine despite patent objections, and notwithstanding the fact that papers for the machines had been sold by USA International Paper. Brand identity, by contrast, provides a considerably more robust form of protection.

Brand Orientation and Marketing Performance

The development of sound measurement practices in the domains of brand equity and financial return measurement has been found to be positively associated with company performance and organizational learning. Recent investigations have indicated that marketing dashboards yield significant benefits for the dissemination and utilization of MPM information systems.

Segev (2016) stated that researchers have reached a consensus that market orientation represents a means by which organizations regulate all stakeholders and assess the extent to which the company acts, or tends to act, in conformity with the marketing concept. Market orientation has accordingly been conceptualized from both cultural and behavioral perspectives. The cultural approach posits that market orientation is grounded in the organizational norms and values that foster behavior deemed to be market-oriented. The behavioral approach, by contrast, concentrates on organizational activities directed by managers, specifically those activities associated with the generation of market information, the cross-departmental dissemination of that information, and responsiveness to the disseminated information. Although the latter approach has been criticized for neglecting the competitive dimension, the literature continues to accept it as a valid empirical approach, one that measures the antecedents of market orientation and explicates the relationship between market orientation and performance. It has been demonstrated to assist organizations in enhancing customer satisfaction, encouraging innovation,

and developing organizational commitment (Kohli & Jaworski, 2015).

Marketing Performance

Performance is defined as the end result of activity. At one level, this definition may appear straightforward; however, at another level, the general measurement of performance is considerably more complex and, at times, unsatisfactory. In recent years, the measurement of business performance has attracted active investigation from both practitioners and academics, as evidenced by new reports and articles on this topic appearing at a rate of approximately one every five hours on every working day since 1994, with a web search yielding some 70 references (Pont & Shaw, 2017).

Key performance dimensions targeted by marketing include the marketing efficiency performance dimension, which relates to intra-functional processes such as outcomes in terms of costs and turnover directly attributable to promotional, sales, pricing, and distribution activities (Lamberti & Noci, 2015). The historical trajectory of marketing performance measurement indicates that the measures employed have shifted consistently in three directions over time: first, from financial output measures to non-financial measures; second, from output measures to input measures; and third, from unidimensional measures to multidimensional measures (Pont & Shaw, 2017). The Marketing Performance Measurement System (MPMS) constitutes a component of the corporate Performance Management System (PMS), directed toward the

measurement of performance that is influenced by marketing activities (Lamberti & Noci, 2015).

A gap has been identified between what might be presented as a normative model for performance measurement and the contextual situations encountered by individual businesses. Effective performance measurement constitutes a contingent process; the nature of the performance measurement system will vary depending on the company's marketing strategy, corporate context, and environmental task context.

The corporate context identified by Morgan, Clark, and Gooner is considered to be of significant importance. In terms of information availability, some organizations are replete with data, while others face a scarcity of data. The provisions for performance measurement also vary dramatically across companies, depending on the attitudes of the senior management board, industry norms, and the regulatory regime. This involves two central issues. The autonomy of the Strategic Business Unit (SBU) indicates the extent to which a particular business unit is able to design a measurement system independently of corporate leadership. Stakeholder strength reflects the reality that multiple constituencies outside the executive level have an interest in the basis and reporting of performance; employees, regulators, customers, and marketing partners—such as suppliers and advertising agencies—all have a stake in the marketing activities undertaken by the organization. A notable emerging trend is the increasing scrutiny by non-governmental organizations of the practices of supplier and marketing

organizations. The fair trade movement constitutes a prominent example of the former, while this domain also encompasses substantial criticism of the advertisement and distribution of unhealthy products in the United States, including carbonated beverages, alcohol, and tobacco. These stakeholders, whose interests may be irreconcilable, serve only to complicate the depiction of which organizational approaches function most effectively.

CONCEPTUAL FRAMEWORK AND HYPOTHESES

Brand orientation is capable of augmenting competitive advantage. In support of this position, Nermark, Vice President of Marketing at TetraPak, articulated the value of brand as a competitive instrument, noting that at the Tokyo Pak 1985 trade show, the Japanese competitor Shikok displayed a copy of the TetraBrik machine system under the designation UP-Fuji-MA60. This event underscored the importance of brands, demonstrating that competitors were capable of imitating the machine—despite patent objections and the fact that papers for the machines had been sold by USA International Paper—whereas brand identity provided a considerably more robust form of protection (Urde, 2015). The research findings of Jaworski and Kohli (2015) further substantiated that brand orientation is capable of significantly enhancing competitive advantage. Wong and Merrilees (2016) validated this assertion by contending that brand should constitute the foundation of corporate strategy. A brand-oriented corporate strategy approach enables companies to sustain a competitive edge over rivals for a

longer period, thereby facilitating growth and expansion. Brand orientation constitutes a strategic choice that can determine a company's competitive positioning, with the consequent benefit of enhanced long-term survival. Furthermore, from a theoretical standpoint, it is posited that future growth opportunities can be identified and that estimates can be formulated regarding the relative value of a brand in consumers' minds. In so doing, organizations can create brands that genuinely persuade stakeholders and deliver to them the tangible and intangible benefits they seek, ultimately encouraging the development of stronger brands and improving organizational performance (Ewing & Napoli, 2016).

Brand orientation has a significant relationship with competitive advantage in competitive environments, where organizations must be acutely aware of and responsive to customer needs; otherwise, competitors will offer products that are more closely aligned with those needs and will gain control of the market. The stronger the market orientation within a business, the greater the effort directed toward offering superior value to buyers (Dawes, 2015). Market-oriented culture has been identified as a significant factor in achieving superior corporate performance (Vazquez, Santos, & Alvarez, 2015).

The value of building relationship learning to enhance competitive advantage has been demonstrated, as relationship learning has been found to exert a positive influence on a company's competitive advantage. As companies extend the

scope of their organizational operations, they must consider global strategic objectives encompassing innovation, learning, and adaptation (Cheung, Myers, & Mentzer, 2015). The collaborative process of relationship learning is idiosyncratic and difficult for competitors to imitate; accordingly, learning relationships may be leveraged to develop competitive advantages (Chang & Gotcher, 2018). Theoretical perspectives suggest that relationship learning constitutes an effective long-term strategy. While it may be relatively straightforward for companies to enhance economic performance—such as through cost reduction—relationship performance is intangible in nature and cannot be measured in concrete terms. Companies frequently assume that the relationship is positively associated with performance; however, relatively little is known about the underlying mechanisms of this performance. Competitive advantage plays a mediating role in influencing marketing performance.

HYPOTHESES

1. H1: Market orientation has a positive effect on brand orientation.
2. H2: Relationship learning has a positive effect on brand orientation.
3. H3: Market orientation has a positive effect on marketing performance.
4. H4: Relationship learning has an effect on marketing performance.
5. H5: Brand orientation has an effect on marketing performance.

RESEARCH METHOD

The present study employs a survey research design, which aims to examine one or several variables across a broader population.

Samples

The determination of sample size was based on representative sample calculations for the population, with a sampling tolerance level of 10% (the application of a 5% tolerance level was found to yield an excessively large sample size, rendering it technically impractical for research operations given the geographic distribution of population members).

$$n = N / (1 + Ne^2)$$

Based on the total calculated sample size, the number of samples was determined accordingly. Data collection was conducted through the administration of questionnaires designed to measure the observed variables in the model. Measurement of the variables constituting the constructs of Market Orientation (X1), Brand Orientation (X2), Relationship Learning (X3), Competitive Advantage (Z), and Marketing Performance (Y) was performed using a Likert scale with values ranging from 1 to 5.

Models and Techniques of Data

Analysis

The analytical approach employed in this research is Structural Equation Modeling (SEM) analysis. This approach was selected primarily because the model construction involves at least two intervening variables and is expected to elucidate direct and indirect causal relationships through simultaneous relationships.

The results of Structural Equation Modeling (SEM) testing across the various causality relationships examined demonstrated the following:

1. Market orientation has a positive effect on brand orientation.

2. Relationship learning has a positive effect on brand orientation.

3. Market orientation has a positive effect on marketing performance.

4. Relationship learning has a positive effect on marketing performance.

5. Brand orientation has positive effects on marketing performance.

Market Orientation and Brand Orientation

The results of hypothesis testing, conducted with the assistance of AMOS 7.0 software, indicate that the effect of market orientation on brand orientation among furniture companies in Java is positive, as evidenced by a positive standardized estimate value of (+0.224). The level of significance is indicated by a calculated critical value of $2.008 > 1.960$, with a causality probability of $0.045 < 0.05$, which is statistically significant. This demonstrates that the first research hypothesis (H1), which posits that 'market orientation has an effect on the company's brand orientation,' is supported. The magnitude of the effect of market orientation on the company's brand orientation of +0.224 indicates that market orientation contributes 22.4% to the company's brand orientation.

The hypothesis testing results, which demonstrate the effect of market orientation on the company's brand orientation, indicate a tendency whereby a stronger market orientation developed by the company is associated with a higher level of brand orientation, positioning the company to achieve a competitive advantage as perceived by furniture consumers in accordance with customer expectations regarding the

furniture products offered. Conversely, a weaker market orientation developed by the company will result in a declining level of brand orientation relative to foreign companies whose products are marketed in Indonesia.

Relationship Learning and Competitive Advantage

The test results indicate that the effect of relationship learning on the company's brand orientation is positive. The level of significance is evidenced by a positive standardized estimate value of (+0.353), while the calculated critical value of $3.095 > 1.960$ and the causality probability of $0.002 < 0.05$ confirm statistical significance. This demonstrates that the second research hypothesis (H2), which posits that 'relationship learning has an effect on the company's brand orientation,' is supported. The magnitude of the effect of relationship learning on the company's brand orientation of +0.353 indicates that relationship learning contributes 35.3% to the company's brand orientation.

The positive effect of relationship learning on the company's brand orientation indicates that a stronger and more well-developed relationship learning within the company will result in a higher level of brand orientation, positioning the company to achieve a competitive advantage as perceived by furniture consumers in accordance with customer expectations regarding the furniture products offered. Conversely, the deterioration of relationship learning within the company will result in a declining level of brand orientation, diminishing the company's capacity to position itself as competitively

advantageous in the perception of consumers in accordance with customer expectations regarding the furniture products offered.

Market Orientation and Marketing Performance

The test results indicate that the effect of market orientation on the company's marketing performance is positive. The level of significance is evidenced by a positive standardized estimate value of (+0.199), while the calculated critical value of $1.969 > 1.960$ and the causality probability of $0.049 < 0.05$ confirm statistical significance. This demonstrates that the third research hypothesis (H3), which posits that 'market orientation has an effect on the company's marketing performance,' is supported. The magnitude of the effect of market orientation on the marketing performance of furniture companies in Java of +0.199 indicates that market orientation contributes 19.9% to the company's marketing performance.

The analysis of the contribution of market orientation to the company's marketing performance demonstrates that a well-developed market orientation is capable of ensuring the company's sustainability and of informing the policies required to advance the company. The finding of 19.9% indicates that market orientation, operationalized through the processes of intelligence generation, intelligence dissemination, and responsiveness, contributes a 19.9% effect on the improvement of the company's marketing performance, thereby ensuring corporate sustainability, enhancing cross-functional processes within the company, and generating

turnover attributable to marketing activities.

Relationship Learning and Marketing Performance

The test results indicate that the effect of relationship learning on the company's marketing performance is positive. The level of significance is evidenced by a positive standardized estimate value of (+0.401), while the calculated critical value of $4.058 > 1.960$ and the causality probability of $0.000 < 0.05$ confirm statistical significance. This demonstrates that the fourth research hypothesis (H4), which posits that 'relationship learning has an effect on the company's marketing performance,' is supported. The magnitude of the effect of relationship learning on the company's marketing performance of +0.401 indicates that relationship learning contributes 40.1% to the company's marketing performance.

The positive effect of relationship learning on the company's marketing performance indicates that a stronger and more well-developed relationship learning within the company will result in an improvement in the company's marketing performance, enhancing the prospects for achieving marketing performance outcomes that more effectively ensure corporate sustainability and that inform the policies required to advance the company, ultimately influencing cross-functional processes within the company and turnover generated by marketing activities. Conversely, the deterioration of relationship learning within the company will result in a decline in the company's marketing performance, diminishing the prospects for achieving marketing performance

outcomes that effectively ensure corporate sustainability and that inform the policies required to advance the company, ultimately reducing the influence on cross-functional processes within the company and turnover generated by marketing activities.

Brand Orientation and Marketing Performance

The test results indicate that the effect of brand orientation on the company's marketing performance is positive. The level of significance is evidenced by a positive standardized estimate value of (+0.313), while the calculated critical value of $2.964 > 1.960$ and the causality probability of $0.003 < 0.05$ confirm statistical significance. This demonstrates that the fifth research hypothesis (H5), which posits that 'brand orientation has an effect on the company's marketing performance,' is supported. The magnitude of the effect of brand orientation on the company's marketing performance of +0.313 indicates that brand orientation contributes 31.3% to the company's marketing performance.

The positive effect of brand orientation on the company's marketing performance indicates that a stronger and more well-developed brand orientation within the company will result in an improvement in the company's marketing performance, enhancing the prospects for achieving marketing performance outcomes that more effectively ensure corporate sustainability and that inform the policies required to advance the company, ultimately influencing cross-functional processes within the company and turnover generated by marketing activities. Conversely, the

deterioration of brand orientation within the company will result in a decline in the company's marketing performance, diminishing the prospects for achieving marketing performance outcomes that effectively ensure corporate sustainability and that inform the policies required to advance the company, reducing outcomes related to competitive market measures, consumer behavior measures, customer agency measures, and innovative measures. The analysis demonstrates a contribution of 31.3%, indicating that brand orientation—operationalized through cost leadership strategy, differentiation strategy, and focus strategy—contributes 31.3% to the improvement of the company's marketing performance in ensuring the achievement of performance outcomes and the company's prospects in relation to competitive market measures, consumer behavior measures, customer agency measures, and innovative measures.

RESEARCH FINDINGS

1. Market orientation, operationalized through the processes of intelligence generation, intelligence dissemination, and responsiveness, has an effect on the company's relationship learning, strengthening its business positioning and ensuring robust information flows and relationships among the company, experts, suppliers, and distributors through information sharing, the creation of mutual understanding, and the development of relationship-specific memory.
2. Market orientation, operationalized through the processes of intelligence generation, intelligence dissemination, and responsiveness, has an effect on brand

orientation, positioning the company to achieve a competitive advantage as perceived by consumers in accordance with consumer expectations regarding the products offered, through cost leadership strategy, differentiation strategy, and focus strategy.

3. Market orientation, operationalized through the processes of intelligence generation, intelligence dissemination, and responsiveness, has an effect on the company's marketing performance, enhancing the prospects for achieving marketing performance outcomes that more effectively ensure corporate sustainability and that inform the policies required to advance the company, as reflected in competitive market measures, consumer behavior measures, customer agency measures, and innovative measures.

4. Relationship learning, operationalized through information sharing, the creation of mutual understanding, and the development of relationship-specific memory, has an effect on the company's brand orientation, enabling it to execute its strategic positioning through cost leadership strategy, differentiation strategy, and focus strategy.

5. Relationship learning, operationalized through information sharing, the creation of mutual understanding, and the development of relationship-specific memory, has an effect on marketing performance, enhancing the prospects for achieving marketing performance outcomes that more effectively ensure corporate sustainability and that inform the policies required to advance the company in terms of competitive market measures, consumer behavior measures, customer agency measures, and innovative measures.

6. Brand orientation, operationalized through the strategic positioning of the company as competitively advantageous in the perception of consumers in accordance with their expectations regarding the products offered—through cost leadership strategy, differentiation strategy, and focus strategy—has an effect on marketing

performance, enhancing the prospects for achieving marketing performance outcomes that more effectively ensure corporate sustainability and that inform the policies required to advance the company in terms of competitive market measures, consumer behavior measures, customer agency measures, and innovative measures.

CONCLUSION

1. A stronger market orientation within a company will heighten organizational awareness and stimulate action toward developing learning relationships with companies, suppliers, experts, and consumers, thereby enlarging the scope of marketing performance improvement.

2. Market orientation has a significant effect on brand orientation.

3. Relationship learning has a significant effect on brand orientation, such that a stronger and more well-developed relationship learning within a company will result in a higher level of brand orientation.

4. Market orientation has a significant effect on marketing performance. A stronger market orientation developed by the company will result in an improvement in the company's marketing performance, which in turn will contribute to ensuring the company's long-term survival.

5. Relationship learning has a significant effect on marketing performance, such that a stronger and more well-developed relationship learning will result in an improvement in marketing performance. When relationship learning is sustained over time, it generates a distinctive memory or relationship-specific memory among the parties involved—comprising the company, suppliers, experts, and academics.

6. Brand orientation has a significant effect on marketing performance. A stronger brand orientation will result in an improvement in marketing performance.

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