



The Effect of Market Orientation and Product Innovation to Increase Marketing Performance Moderated by Creativity

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Abstract

There are many factors that can affect marketing performance. Orientation to competitors, customers, market information, and product innovation can be one of the factors that affect a company's marketing performance. This study aims to determine the effect of market orientation and product innovation on marketing performance, and to determine the effect of creativity in moderating the effect of market orientation and product innovation on marketing performance. The population in this study is the owner/manager of culinary SMEs in the city of Mataram, amounting to 882 people. Sampling technique used was proportional stratified random sampling method with a sample of 90 respondents. The analysis used is PLS (partial least square) with the help of the smartPLS application. The results showed that market orientation had a positive but not significant effect on marketing performance, while product innovation had a positive and significant effect on marketing performance. In addition, as a moderating variable, creativity does not significantly weaken the influence of market orientation and product innovation on marketing performance.

Keywords: *Market Orientation; Product Innovation; Creativity; Marketing Performance*

Introduction

The creative industry has a very significant role in the Indonesian economy. In the city of Mataram, one of the creative industry sub-sectors that is growing and most developed is the culinary creative industry. Although the development of the number of culinary SMEs in the city of Mataram is very fast, the 2019 data shows a decline in income. The lack of knowledge of SMEs regarding the need to develop new innovations with creative ideas is assumed to be the reason for the lack of innovative SME products currently circulating. This is the reason the researcher considers that the topic of this research is important to educate SMEs, especially in the city of Mataram, that in order to survive in business competition, SMEs must pay great attention to the marketing aspect.

Marketing performance is a measure of the success or failure of a management step taken in a business, such as increasing sales volume, number of customers, and growth in company profits. Marketing performance is influenced by several variables, including market orientation and product innovation (Mulyawati, et al., 2020). Market orientation is very important to improve marketing performance because it can help companies to be more responsive in processing their market information and make market predictions and more precise actions based on changes in customer needs on an ongoing basis (Best, 2009; Athar, 2020). On the other hand, product innovation is urgently needed to match customer needs and can help maintain the viability of the company, because existing products are vulnerable to changing consumer needs and tastes (Crawford & De Benedetto, 2000).

In addition, this research stems from the inconsistency of the results of previous studies. Research conducted by Jaworski and Kohli (1993) states that market orientation does not significantly affect marketing performance. The results of that study are supported by several other studies conducted by Han et al. (1998) and Johnson et al (2009) which state that market orientation does not always have a significant positive effect on marketing performance. This is reinforced by Greenley (1995) who in his research also explains that market orientation has a less significant effect on marketing performance with different results.

On the other hand, Ferdinand (2002), Baker & Sinkula (2009), Hussain et al. (2019), and Kara et al. (2005), Julian (2010) and Wahyono (2017) in their respective studies explain that market orientation has a significant effect on marketing performance. This is also supported by a research conducted by Utaminingsih (2016) which explains that market orientation has a positive and significant effect on marketing performance. Thus, there are differences in the results that are very contradictory so that researchers are interested in conducting research on the effect of market orientation on marketing performance.

Meanwhile, previous research on product innovation also showed different results. Rosli & Sidek (2013) found that product innovation significantly affects a company's marketing performance. Zhang & Zhu (2016) stated that marketing performance is significantly influenced by product innovation. The results of other research conducted by Utaminingsih (2016) also strengthen this statement where research shows that product innovation has a positive and significant effect on marketing performance. However, Cillo et al. (2010) and Salim et al. (2021) oppose this through their research which explains that product innovation does not significantly affect marketing performance. Thus, there is a research gap that can still be filled by researchers in this case so that researchers are interested in bringing up the topic. In addition, the researchers added creativity as a moderating variable in this study. The addition of creativity as a moderating variable in this study is expected to be a novelty in similar research and can enrich the findings in this study.

Literature Review

Marketing Performance

One of the keys for companies to be successful in today's competitive environment is knowing how to maintain a competitive advantage. Barney (1991) mentions a theory that examines the resources and capabilities of firms, which enable them to gain competitive advantage and above-average returns called The Resource Based Theory (RBT). According to RBT theory, firms with valuable and scarce assets have a competitive advantage and may earn superior returns or good marketing performance.

Marketing performance measurement is part of performance measurement (business), which is a field of science that aims to support the implementation of business strategy by creating insights about

company performance. Marketing performance measurement aims to assess the relationship between marketing activities and business performance (Clark & Ambler, 2001). Here marketing is related to all activities carried out to stimulate, facilitate, and accelerate sales (Alsem, 2007), one of which is all forms of activities to seek information about the market, competitors, consumers (market orientation) and innovative actions taken in an effort to increase marketing performance (product innovation).

Market Orientation

Narver and Slater (1990) in Prakoso (2005) and Ghazali (2005) define market orientation as an orientation concept that focuses on creating high values for consumers. The concept of market orientation relates to the company's activities that emphasize its strategic policies to consumers by understanding competitors' reactions and creating a conducive internal environment. Market orientation in this study refers to Dewi (2006) research with three (3) indicators: consumer orientation, competitor orientation and market information. Consumer and competitor orientation includes any activity related to any information about buyers and competitors in the target market and activities that spread through the business whereas market information is how the company attempts to find information about market conditions.

Product Innovation

Myers and Marquis in Kotler (2007) state that product innovation is a combination of various processes that influence each other. According to Damanpour (1991) in Srivastava (1998), there are two types of product innovation, namely technical innovation related to products, services and product process technology, and administrative innovation which includes administrative structures and processes. Lukas (2000) in his research states that product innovation is defined as the process of bringing new technology to be useful.

Product innovation will produce several product designs that increase alternative choices, benefits, or value for consumers resulting in an expected increase in product quality (Prajogo & Sohal, 2001). Product innovation in the business world is very important because it can create a new product from the appearance, system, process, and other aspects. Various studies that show the positive effect of product innovation on marketing performance have been carried out.

Creativity

Creativity is defined as the ability to take the initiative in a product or process that is useful, correct, appropriate and valuable for a task that is more heuristic in nature, namely something that is an incomplete guide that will lead us to understand, learn, or find something new (Hadiyati, 2011). Customer-oriented companies tend to increase creativity by producing new products and marketing programs that are novel and meaningful.

A Roe Psychological Approaches to Creativity in Science in Frinces (2004) states that several indicators of creative people are: a) Openness to experience; b) Observing things in unusual ways; c) Strong curiosity; d) Independence in judgment, thought and action; e) Self-confidence; and f) Availability to take calculated risks (willing to take calculated risks).

Relationship between Market Orientation and Marketing Performance

Customer loyalty is a real phenomenon that every company continuously strives to maintain its business existence. Relationship marketing is a long-term marketing program with the aim of establishing, developing, and maintaining relationships between companies and customers, one of which is to build customer trust in the company (Morgan and Hunt, 1994). To build customer trust, companies need to emphasize market orientation in running their business.

Research by Baker and Sinkula (2009) shows that market orientation has a positive influence on marketing performance. Another study by Julian (2010) on export companies also found that orientation had a significant effect on marketing performance. The results of those studies are supported by Kara et al (2005) which states that market orientation has a significant influence on marketing performance in service retail companies. In China, Zhang & Zhu (2016) who conducted research on factories in China also found that there was a positive effect of market orientation on marketing performance. This result is in line with the results of research by Utaminingsih (2016) which states that market orientation has a positive and significant influence on the marketing performance of SMEs in Jepara.

Meanwhile, Hussain (2019) in another study concluded that market orientation has a significant influence on marketing performance. Manzano et al (2006) and Susanto (2012) also state that if market orientation increases, marketing performance will also increase. Pertiwi and Siswoyo (2016) conducted research on SMEs in Malang City and found that market orientation positively and significantly affects marketing performance. Pitt et al (1996) also prove that there is a positive relationship between market orientation and marketing performance of several companies in Europe. Based on the theory and references from previous research, the first hypothesis proposed in this study is:

H1: The higher the market orientation, the higher the marketing performance.

Relationship between Product Innovation and Marketing Performance

Teece et al (1997) say that dynamic capability is the company's ability to integrate, build and reconfigure internal and external competencies in the face of rapid environmental changes, including product innovation as a response to changing market needs and wants. Thus, dynamic capabilities reflect an organization's ability to achieve new and innovative forms of competitive advantage. Competitive advantage comes not only from the company's resources but also from the ability to create, integrate, and reconfigure new resources continuously. Several product innovation indicators based on previous research are product innovation culture, technical innovation, and new product innovation (Elenkov and Manev, 2009; West et al, 2003; and Dewi, 2006).

Julian (2010) found that product innovation has a positive and significant influence on the marketing performance of export companies. In a separate study, Rosli and Sidek (2013) conducted a study to determine the effect of product innovation on the performance of textile, food, and wood companies in Malaysia. Both researchers found that product innovation has a positive influence on marketing performance. The results of the study are also supported by research by Zhang & Zhu (2016) which found that there is an effect of product innovation on the marketing (export) performance of factories in China. In addition, Suendro (2010) in his research also found that product innovation significantly affects the marketing performance of a company. This research is in line with the results of a study conducted by Utaminingsih (2016) which states that product innovation has a positive and significant influence on the marketing performance of SMEs in Jepara.

Avlonitis and Salavou (2007) found that product innovation has the potential to affect marketing performance. Hoonspoon and Ruenrom (2012) in a separate study empirically investigated the effect of radical and incremental product innovation on marketing performance in five industries located in Thailand and found that product innovation had a significant effect on marketing performance. Aksoy (2017) supports this statement through the results of his research which states that product innovation directly has a positive influence on marketing performance. Based on the theory and various references to previous research, the second hypothesis proposed in this study is:

H2: The higher the product innovation, the higher the marketing performance.

Creativity as a Moderating Variable

Ali and Asrori (2012) explained that creativity is a characteristic possessed by individuals which is characterized by the ability to create something from a combination of works that have existed before, into a new work that is different from what has been existed before and is done through interaction with the environment to deal with problems, and look for alternative solutions by divergent thinking. Several researchers have conducted studies on how market orientation and creativity can jointly affect the performance of a company.

Im et al (2008) stated in their research to examine how the interaction of cross-functional market orientation with marketing creativity can affect the company's performance that the two variables interact significantly in improving marketing programs. Another study on the interaction of market orientation and activeness conducted by Wang and Miao (2015) showed that the interaction effect of the two variables differs in influencing the company's performance, in this case is the context of sales performance. In another study, Sari (2013) stated that the power of creativity and market orientation simultaneously have a positive and significant effect on marketing performance. In addition, Merakati and Rusdarti (2017) also find that both creativity and market orientation have a positive and significant influence on marketing performance.

To add novelty in research on the factors that affect marketing performance, the researchers raised the creativity variable as a moderating variable to see whether this variable could strengthen or weaken the influence of market orientation on marketing performance. Therefore, the third hypothesis in this study is:

H3: Creativity can strengthen or weaken the influence of market orientation on marketing performance.

Creativity in previous research by Sok and O'Cas (2015) is said to have a positive influence on company performance so that it becomes a very important part in improving the company's financial situation. In addition, Merakati and Rusdarti (2017) also find that creativity and product innovation is able to positively and significantly affect the company's marketing performance. Likewise, research by Astiti and Novarini (2019) and Utaminingsih (2016) in their respective studies also found that product innovation and creativity together have a positive influence on marketing performance. The results of this study are supported by research by Methasari et al (2018) which examined the marketing performance of SMEs where it was found that product innovation and creativity together had a positive influence on marketing performance.

Although the stimulation of creativity has long been assumed to increase product innovation which can ultimately affect marketing performance, the literature on creativity has not yet produced sufficient empirical evidence to confirm this assumption (Cokpekin and Knudsen, 2012). So to enrich the findings of this study, creativity is also used as a moderating variable to see whether creativity has an influence in strengthening or weakening the influence of product innovation on marketing performance. So that the fourth hypothesis is formulated as follows:

H4: Creativity strengthens or weakens the influence of product innovation on marketing performance

Conceptual Framework

Based on the description above, the conceptual framework can be formulated as follows:

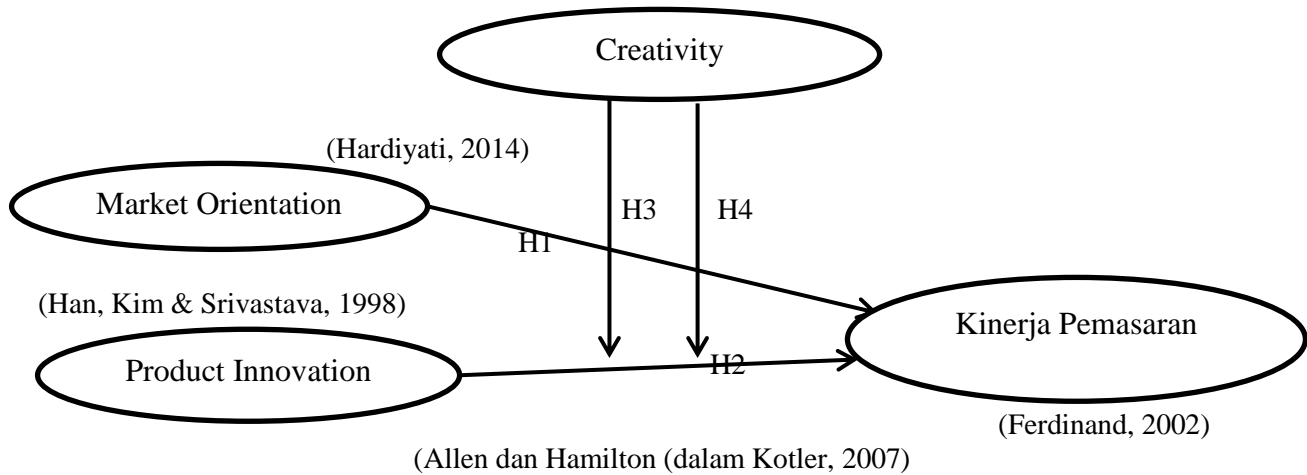


Figure 1. Conceptual Framework

Research Methods

The type of research used in this study is quantitative (causal) research. The sample survey was carried out using the help of the Whatsapp application. The population of this research is all owners or managers of culinary SMEs in Mataram City. The total population in this study was 882. The sampling technique used in this study was the proportional stratified random sampling technique. The sample of this study amounted to 90 people. The data collection techniques used in this research are observation, questionnaires, and documentary research. The data collection tool in this study was a questionnaire. The questions in the questionnaire are made using a scale of 1 – 10.

The research instrument test was conducted to determine whether the instrument used was valid and reliable by using the SPSS application. Questionnaires were distributed to 30 respondents and analyzed before continuing the research to the next step. After it was known that the research instrument used was valid and reliable, the research continued by distributing questionnaires to the entire sample of 90 respondents.

The data analysis used in this research is partial least square (PLS). PLS itself is a form of Structural Equation Modeling equation analysis or often called SEM, SEM itself means a group of statistical techniques that allow for the simultaneous testing of a series of relatively complex relationships. Stages of analysis carried out is the Outer Model Testing which consists of a) Outer loading testing; b) Reliability Test; c) Validity Test (Convergent Validity and Discriminant Validity) and Inner Model Testing to see the relationship between variables.

Results and Discussion

1. Results

a. Characteristics of Respondents

This study collected responses from 90 respondents. Characteristics of respondents vary widely, the results are as follows: Male respondents are still dominant (51.11%) compared to female. The majority of respondents are between 18-25 years old (26.67%), and are high school graduates (58.89%). Most of the respondents have been operating only for 1-3 years (36.67%) with assets of IDR 10.000.000 mostly. Complete data can be seen in the following table:

Tabel 1. Characteristics of Respondents

Variable	Description	Sum	%
Gender	Male	46	51.11%
	Female	44	48.89%
Age of Respondents	18-25 years old	24	26.67%
	26-32 years old	8	8.89%
	33-39 years old	19	21.11%
	40-46 years old	18	20%
	>46 years old	21	23.33%
Educational Background	≤ Elementary School	18	20%
	Junior High School	1	1.11%
	Senior High School	53	58.89%
	Diploma	3	3.33%
	Bachelor	15	16.67%
Operating Year	1-3 year	33	36.67%
	4-6 year	26	28.89%
	7-10 year	14	15.56%
	>10 year	17	18.89%
Total Asset	≤ Rp 10.000.000	59	64.44
	Rp 11.000.000- Rp 25.000.000	12	13.33
	Rp 26.000.000-Rp 50.000.000	10	11.11
	Rp 51.000.000-Rp 100.000.000	8	8.89
	≥Rp 101.000.000	1	1.11

2. Data Analysis

From the descriptive analysis of this study, it was found that the culinary SMEs are very market-oriented, innovative, and have high creativity.

Measurement Model (Outer Model Testing)

1. Outer loading's Testing

Table 2. Loading Factor Value

Variable	Statements	Loading Factor	Criteria
<i>Market Orientation</i>	I always monitor competitors for innovations, situations and their business movements to be taken into consideration in taking business decisions.	0,796	Valid
	I am always looking for information about consumer needs so that business decisions taken according to consumer needs.	0,710	Valid
	I always look for information about consumer desires so that decisions business according to consumer needs.	0,830	Valid
<i>Product Innovation</i>	I always want to make some product innovations	0,917	Valid
	I am always looking for new ideas for further product development	0,911	Valid
	I always try to make technical changes in creating new products	0,716	Valid
	I always adapt to consumer needs in an effort to developing our products	0,483	Valid
<i>Creativity</i>	I am always looking for useful information for business progress	0,758	Valid
	I am always looking for new experiences that are useful for business progress	0,639	Valid
	I am always looking for new ideas that are useful for business progress	-0,007	Valid
	I always see things from a new, different angle	0,509	Valid
	I always have a strong curiosity in running a business	0,824	Valid
	I am a person who has high confidence in running a business	0,820	Valid
	I always try to find a solution for every problem that occurs in the company	0,849	Valid
<i>Marketing Performance</i>	My product sales always meet the target	0,462	Valid
	Product sales figures are relatively increasing every month/year	0,425	Valid
	The number of customers is increasing every year	0,916	Valid
	New products released add to sales figures	0,446	Valid
	New products released increase the number of customers	0,885	Valid
	I always get profit every month		
	More business profits after using new techniques in making product	0,237	Valid
	0,673	Valid	

2. Reliability Test

Table 3. Quality Criteria

Variable	AVE	Composite Reliability	Cronbach's Alpha
Market Orientation (X1)	0.596	0.755	0.693
Product Innovation (X2)	0.734	0.891	0.814
Creativity (X3)	0.450	0.796	0.701
Marketing Performance (Y)	0.745	0.897	0.826

The composite reliability value of each variable is greater than 0.70. Likewise, the value of Cronbach's alpha is in accordance with the recommended value (>0.70). Therefore, it is concluded that internal consistency has been fulfilled so that all of the variables in this study are said to be reliable.

3. Validity Test

The discriminant validity test was carried out using the Average Variance Extract (AVE) value. In this step, the first condition that must be met is that the AVE value must be greater than 0.50. In Table 3 it can be seen that the AVE value of most variables is > 0.50 and one of the variables has a value close to 5, so the first condition is fulfilled. Based on the data in table 3, it can also be concluded that all items meet the requirements, so all items are valid and can be used to test this research model.

Inner Model Testing

1. Testing the Path Coefficient and Coefficient of Determination (R^2)

Table 4. R Square Value

Variable	R-Square	R-Square Adjusted
Marketing Performance (Y)	0.521	0.492

According to Chin (1998), the value of R square is 0.67 in the strong category, 0.33 in the moderate category and 0.19 in the weak category. Based on the table above, it can be seen that the R^2 value is 0.521, so it can be said that the ability of market orientation variables, product innovation, and creativity in explaining marketing performance is quite strong. In addition, the R^2 value for marketing performance of 0.492 means that 49.2% of the dimensions of marketing performance are influenced by the independent variables of this study, namely market orientation and product innovation, while the remaining 50.8% is the influence of other dependent variables not measured in this study.

2. Hypothesis Test

To determine the significance level of the path coefficient, the value of t (t-count) generated by running the Bootstrapping algorithm is used to determine whether the proposed hypothesis is accepted or not. At a significance level of 0.05, the hypothesis will be supported if the significance level is below 0.05 (5%).

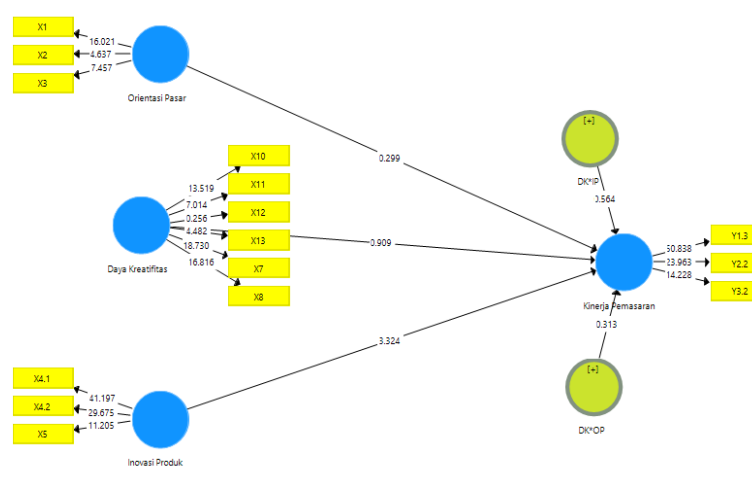


Figure 2. Inner Model Structure

Tabel 5. Results of Structural Model Test

Influence between Variables	Coefficient	T Stat	P Value	Conclusion
Market Orientation -> Marketing Performance	0.042	0.299	0.765	Positive, not significant
Product Innovation -> Marketing Performance	0.515	3.324	0.001	Positive, significant
Creativity*Market Orientation -> Marketing Performance	-0.038	0.313	0.755	Negative, insignificant
Creativity*Product Innovation -> Marketing Performance	-0.058	0.564	0.573	Negative, insignificant

The first hypothesis (H1) in this study states "the higher the market orientation, the higher the marketing performance.". Through hypothesis testing with PLS, the test results on the parameter coefficients between market orientation and marketing performance indicate a positive influence with a path coefficient value of 0.042. In addition, the table shows a t-statistic value of 0.299 (<t table 1.662) with a p value of 0.763. Thus, it can be concluded that hypothesis 1 is supported, where the results of this study are market orientation has a positive, although not significant, effect on marketing performance.

Hypothesis 2 states that the higher the product innovation, the higher the marketing performance. The test results on the parameter coefficients between product innovation and marketing performance show a positive influence with a path coefficient value of 0.515 with a t-statistic value of 3.324 with a p value of 0.001 (p value <0.05). The t-statistic value is greater than t table 1.662, thus hypothesis 2 is supported so that it can be concluded that product innovation has a positive and significant effect on marketing performance.

Meanwhile, hypothesis 3 of this study states that creativity can strengthen or weaken the influence of market orientation on marketing performance. The test results on the coefficient of the moderating effect of creativity on market orientation in influencing marketing performance showed a

negative influence with a path coefficient value of 0.038, a t-statistic value of 0.313 (smaller than t table 1.662), and a p value of 0.755 (p value > 0.05). Thus, it can be concluded that creativity as a moderating variable can weaken the influence of market orientation in influencing marketing performance but not significantly. Furthermore, hypothesis 4 states that creativity can strengthen or weaken the effect of product innovation on marketing performance. The test results on the coefficient of the moderating effect of creativity power on product innovation in influencing marketing performance showed a negative influence with a path coefficient value of 0.058, a t-statistic value of 0.564 (smaller than t table 1.662), and a p value of 0.573 (p value > 0.05). Thus, it can be concluded that creativity as a moderating variable, although it can weaken the influence of product innovation in influencing marketing performance, but not significantly.

3. Discussion

The results of data analysis on market orientation variables are in the interesting category. In contrast to the majority of previous studies, the findings of this study reveal that market orientation has a positive but not significant effect on marketing performance. This means that the information and understanding possessed by culinary SMEs regarding the market, customers, and competitors cannot significantly affect the company's marketing performance.

This is corroborated by the response of culinary SME actors who show their perception that on average SME actors are very market-oriented, but marketing performance, although perceived as good, is still relatively low where this can be due to a mismatch of market-oriented efforts with expected profits from these efforts. For example, searching for information either through direct or indirect research on current market conditions, types of products that are in demand, number of competitors, selling prices offered by competitors, and consumer needs and desires carried out by culinary SMEs will not significantly affect business profits. This is understandable because the information held cannot always be used to increase company's profits if the information cannot be applied in business decisions and strategy.

The results of this study prove the previous research conducted by Li et al (2008) which stated that market orientation has a positive influence on marketing performance. Johnson (2009) in his research also states that market orientation does not always have a significant effect on marketing performance. Market orientation is only related to the company's knowledge of customers, competitors, and market information. This knowledge will be useless without real action taken by the company, especially if the company is in an industry with the highest competition such as the creative industry. In other words, knowledge related to customers and competitors owned cannot necessarily improve the marketing performance of a company.

In the product innovation variable, the results show a significant positive effect on marketing performance. This means that the more product innovations carried out by culinary SMEs, the higher their marketing performance will be. That also means that if SMEs carry out high product innovation, then the marketing performance or profits obtained will increase significantly. The examples of product innovations carried out by SMEs in this study are adding flavor variants to existing products, adding new products to their menu, offering take away services, and technically some SMEs have started collaborating with online-based marketplaces. This innovation step provides more opportunities for SMEs to increase profits and sales volume as well as expand their reach to customers.

The results of this study are in line with research by Rosli and Sidek (2013) which states that product innovation has a significant positive effect on marketing performance. Zhang and Zhu (2016) also state the same thing as the results of this study, where in their research it was found that product innovation has a positive and significant influence on marketing performance. In addition, Avlonitis and

Salavou (2007) state that product innovation has the potential to affect the company's marketing performance.

As a moderating variable, creativity in this study can not significantly weaken the influence of market orientation on marketing performance. This means that the creative ability of SMEs does not have much effect on their knowledge about the market, competitors, and consumers in influencing marketing performance. This could be because the creativity of culinary SMEs cannot be fully implemented in business decisions made based on this information and knowledge, due to the consideration of the company's financial limitations as complained by the respondents. For example, culinary SMEs have many ideas to create new products or products with new packaging that are more attractive to consumers, but these ideas cannot be executed because they are not in accordance with the existing market in the city of Mataram.

Thus, it can also be explained that the misalignment between high creativity and knowledge of competitors, customer needs, and information about the market with the business decisions made will not give the company an advantage. Sethi et al (2001) also explain that in order for creativity in an organization to improve the company's marketing performance, it must also pay attention to the extent to which new products or services offered by companies are different from existing alternatives, be it in a new way or in a better way that is more useful for customers.

Furthermore, based on data analysis, it can be concluded that creativity as a moderating variable can insignificantly weaken the influence of product innovation on marketing performance. This means that the creativity of SMEs does not have the ability to influence or increase company profits. This is in accordance with the response of SMEs who stated that although culinary SME actors perceive themselves as highly creative individuals, innovation based on their creativity are perceived as not providing a significant increase in profits. For example, culinary SMEs have many ideas to create new products or products with new packaging that are more attractive to consumers, but these ideas cannot always be implemented because they are not in accordance with the interests of consumers in the city of Mataram so that consumer acceptance is less positive than expected.

Sok and O'Cas (2015) state that high-level creativity will only succeed in significantly increasing performance if each individual pays great attention to details in developing new product innovations, such as market information, customer desires, competitive situations, and the company. This is because the creativity dimension drives market performance in a complex manner, depending on whether the creativity component is used to develop organizational processes and product innovation capabilities, and whether the target market conditions are dynamic enough, and whether the company has the ability to respond to market demands (Boso et al, 2017).

Conclusion

Based on the discussion above, several conclusions can be drawn, including: 1) Market orientation has no significant effect on marketing performance. This is due to the incompatibility of market-oriented efforts with the benefits that SMEs expect from these efforts; 2) Product innovation has a positive and significant effect on marketing performance. This means that if SMEs perform high product innovation, then the marketing performance or profits will increase significantly; 3) Creativity does not significantly weaken the influence of market orientation on marketing performance. This means that the creative ability of SME actors does not have much effect on knowledge about markets, competitors, and consumers in influencing marketing performance; and 4) Creativity does not significantly weaken the effect of product innovation on marketing performance. This means that the creativity of SMEs does not have the ability to influence or increase company profits.

Theoretical Implications

The results of the research on the effect of market orientation prove the previous research conducted by Li et al (2008) which stated that market orientation has a positive influence on marketing performance. In addition, Johnson (2009) in his research also states that market orientation does not always have a significant effect on marketing performance. Another finding from this study shows that the product innovation variable also has a positive and significant impact on marketing performance. This finding enriches the results of previous studies as well as proves previous research by Rosli and Sidek (2013) which states that product innovation has a significant positive effect on marketing performance. This study also supports research by Zhang and Zhu (2016) which states that product innovation has a positive and significant influence on marketing performance. In addition, Avlonitis and Salavou (2007) state that product innovation has the potential to affect the company's marketing performance.

In addition to the above findings, the novel results with creativity as a moderating variable is also a finding that can enrich knowledge regarding marketing performance, where in this study it was found that creativity did not have a significant influence in moderating the effect of market orientation and product innovation on marketing performance.

Managerial Implications

The findings of this study can be used as a reference for the culinary SMEs in the city of Mataram to take more appropriate considerations and steps in product innovation and adjust their creativity to the market situation and the needs and desires of consumers. Furthermore, culinary SME actors should not only pay attention to customer needs and desires, it is also important to know the advantages and disadvantages of competitor's business movements in the market so that SME players do not lose new opportunities and can take advantage of this information to adjust the business steps taken. In addition, SME actors can use it as a reference and consideration for innovation, both in the form of new product development and technical changes so that new product developments that are carried out can maximize company profits.

In addition, the information in this research can be used as a reference for culinary actors so that in running their business they can be more open to other investors, seek new opportunities, participate in many trainings on culinary creativity, and other relevant training. In addition, both the relevant government, such as the Department of Industry, Cooperatives, and SMEs in the city of Mataram, can accommodate more intense training and assistance for SME actors so that they can improve their human resource capabilities in innovation and business development.

Limitations of Research and Suggestions for Further Research

This research was specifically conducted regarding the effect of market orientation and product innovation, as well as creativity in moderating the influence of these two variables on the marketing performance of culinary SMEs in Mataram using proportional stratified random sampling technique so that the number of respondents is relatively small. So it is recommended for further researchers to use different sampling techniques so that the number of samples is larger and more representative to describe a large and heterogeneous population such as the creative industry.

As it was found in this study that market orientation and product innovation variables only affect marketing performance by 49.2%, meaning that there are still other variables or factors of 50.8% that can affect marketing performance. This indicates that there is still a very large space for further researchers,

so the authors suggest that further researchers add other variables in the research model so that the research results become more accurate and comprehensive. In addition, to add to the updating of research on marketing performance, further researchers can conduct more specific research on the digital marketing performance of SMEs because currently online campaigns are still not widely applied by culinary SME actors in the city of Mataram.

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