

## IMPLEMENTATION OF THE INTERNAL MARKETING MODEL AND EXPERT POWER AGAINST MARKETING PERFORMANCE

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### Abstract

Study this about the internal marketing implementation model and expert power to performance marketing to industrial SMEs creative sector crafts in West Java. Objective study this is to know and analyze description as well as internal marketing influence consisting from the integrated internal communication and improvement plan with expert power against performance marketing to industrial SMEs creative sector crafts in West Java. Study this uses method descriptive and verification, as well type study this is "Explanatory Research". Subject study or the selected unit of analysis in study this is owner / manager of industrial Micro, Small and Medium Enterprises (MSMEs). Creative sector crafts in West Java. Amount population in study this is 520,235 SMEs and the sample that becomes respondent in study this customized to be 100 people from the total number of owners or MSME manager. Based on purposive sampling technique. Data analysis technique used in study this is analysis descriptive and equation models structural with partial least squares (PLS) method. Based on findings from results research that has been done, look that internal marketing and expert power which is influencing variables \_ performance marketing have positive and significant influence, so \_ prove that variables have real influence \_ to enhance performance marketing especially in the SMEs industry creative sector craft West Java.

**Keywords:** Internal Marketing, Expert Power, Marketing Performance, industrial SMEs Creative Sector Craft West Java.

### INTRODUCTION

Global pandemic Coronavirus disease 2019 or Covid-19 has given enough challenge \_ weight yet \_ Once happened previously for individuals, the economy, financial markets, institutions finance and government, as well as those that tend to be the most visible is disturbing very big economies around the world including in Indonesia itself. Pandemic covid-19 also gives impact on instability economy including on SMEs and general majority from para perpetrator MSMEs experience decline income even bankruptcy consequence exists pandemic where is covid-19 aspect main very impactful for SMEs is one of them is happening decline amount sale Which make condition finance MSMEs experience crisis (Sugiarti, Sari and hadith, 2020; Pakpahan, 2020). Based on data from the Ministry of Cooperatives and SMEs it was announced that there are 1,785 cooperatives and 163,713 actors and small and medium enterprises affected by Covid-19 (Ministry of Cooperatives and SMEs; Aisyah, 2020). Based on the statement above, one of the most affected impacts on the sector trade, because of the Covid-19 pandemic in Indonesia is Micro, Small and Medium Enterprises (MSMEs), which are bone back economies nationwide. It got worse the Indonesian economy as a result this covid-19 pandemic needs effort acceleration in matter recovery. sector SMEs industry creative own great potential \_ For

can grow and give contribution for Indonesia's economy, many culture diverse and rooted locale \_ strong in Indonesian society, as well availability Lots talents owned by its inhabitants, making industry creative as one \_ potency that Indonesia has for \_ can compete. Industry creativity in Indonesia, has a strategic role, ie \_ capable of giving sufficient donations \_ big for the economy national.

West Java is one \_ provinces in Indonesia that has diverse products which craft \_ can be favored and promoted until their own mark high economy. \_ There are around 27 districts / cities in West Java and all of them that own characteristic typical their respective culture, start of woven batik until furniture that has its uniqueness alone. The craftsmen in West Java \_ many produce \_ craft with mark economy tall so that Can marketed (Dekranasda West Java, 2022).

The Government of West Java continues to encourage industrial SMEs creative, specifically sector craft capable to compete not only for the domestic market but also can penetrate the international /global market. Besides matter that too, is wealthy province \_ will diversity culture, as center education with supported existence various R&D centers, as well as trendsetters various industry such as: center mode / fashion, music and pioneers film, then West Java can interesting generation young from various area so that can increase diversity potency local (diversity and variety of local potentials) that are rich in product innovative have \_ potency export, with availability potency high local \_ as supporters industry creative, then matter the can make West Java is related tight with industry relevant creative \_ with development economy based knowledge (Sidauruk, 2013).

## LITERATURE REVIEW AND FRAMEWORK THINKING

The problem experienced by almost whole SMEs are \_ how difficult create brand or brands from product or services produced, lack of creative ideas in produce work new or innovation to various design products and packaging (packaging), the difficulty create brand image that can interesting attention and gain market or customer all new \_ become current problem \_ This faced by SMEs (Lili Marlinah, 2020). Temtime and Pansiri (2014) did SMEs research in Botswana. Research results show that development source Power human, development organization, background behind manager / owner, leadership management, and competitive strategy is a component that influences \_ MSME performance. In line with results above, Maupa (2004) found: (1) Characteristics individual manager / owner, characteristics company, environment external business, and impact policy economic and social have influence direct, positive, and significant to business strategy and growth business small, (2) Characteristics company, and impact policy social and economic have influence direct on business strategy; and (3) Business strategy have influence direct, positive, and significant to growth company.

related with results study above, Al- Hawary (2013) argued that Internal marketing is approach best For build orientation service as very important thing for organization, because This focus on a successful exchange with external market, creates a strong and delivering brand service quality to customer, it is possible with skills and competencies employee. Payne (in Farzad et al., 2008) proposes that key from internal marketing is development inside and outside awareness consumer and loss function obstacle for reach effectiveness of an organization. In

the framework to reach the satisfaction of internal customers then some companies must apply several marketing strategies. The strategy among them is internal communication and improvement plans. The strategy is dimensions adopted internal marketing from Lings and Greenley (2005); Tortosa et al, (2009); Chang and Chang (2010), Rafiq and Ahmed (2000); Akroush et al, (2008), Rahul (2011); Pervaiz et al, (2003), Oktriwina (2020); Valamis (2021). Shiu & Yu (2010) stated that draft internal marketing used in sector products and services are urgently needed for provision of excellent service and marketing successful external. \_

The other side, the researchers / experts marketing strategic test sources strength / power in relation with distribution channel, buyer-seller relationship, co-marketing and partnership strategy studies. Explained that in a manner conceptual in behavior connection between organizations often found happening conflict. Conflict happens because exists use strength / power of one party to other party \_ overproducing \_ \_ dissatisfaction and reduce performance relational. Lusch (1976) tested and proved that conflict will come down if between intertwining parties \_ connection uses expert power in exchange. Furthermore, Frenz and Raven (1959); Gaski and Nevin (1985) explain that at the moment strength is implemented so that strength / power that can be distinguished becomes coercive power and non-coercive power. Second form power this will impact different moments implemented. Non-coercive power No will damage However No can produce big impact \_ in something exchanged socially. Impact the can become positive or negative for organization, it depends from how much big benefit for intertwined organization \_ relationship (Gaski and Nevin, 1985). Superior competence is skill in building networks or superiority in owned resources \_ that is own more customers \_ many, or more loyal, capable of producing more goods and services \_ efficiently. Because \_ that, as confirmed by Alfred (1997) that performance marketing is mirrored by three dimensions: company effectiveness (firm effectiveness), level growth (growth sales, market share, customers, quantity partners / networking) and the resulting profitability \_ from activity marketing.

### **Hypothesis Study**

Based on the above argument, then can stated hypothesis as following:

- 1) When internal marketing (Internal Communication) and expert power the more well, then intensity performance marketing the more ok.
- 2) When internal marketing (Improvement Plan) and expert power the more well, then intensity performance marketing the more ok.

### **METHOD STUDY**

Subject selected research \_ in study this is owner / manager of industrial Micro, Small and Medium Enterprises (MSMEs). Creative sector crafts in West Java. Industry creativity is one \_ strength capable economy \_ give contribution big for West Java. Craft is one \_ the most sectors of interest to the offender economy in West Java. This business in the country is one of the tough sectors \_ in face of the impact of the Covid-19 pandemic. Existence products Indonesian crafts are not Can released from function double craft in life.

Study this use method descriptive and verification. Type study This is “Explanatory research” or characteristic research \_ explain, meaning study This emphasizes relationships \_ between variable research (causality) with test hypothesis the description contain description but focus lies in the relationship between variable (Ismail, 2018; Singarimbun and Efendi, 2012:4). Study this use analysis descriptive used \_ for give description on the data collected (Ferdinand, 2006). Next, Method study verification is a purposeful method \_ for knowing the connection between every variable independent and then dependent \_ tested use analysis hypothesis (Singarimbun and Efendi, 2012:4). On research this, method verification used for answer formula problem. Obtained data then processed, analyzed and processed more carry on with the basics theory that has studied for interesting conclusion. Whereas analysis done through approach quantitative use \_ method relevant statistics \_ for test hypothesis. Approach in study this is approach quantitative, because study this serves with numbers. This \_ in accordance with the opinion of Creswell (2017) who put forward that study quantitative is approach study with method observe and measure information in a manner numeric (numbers). Data collected with help specifically designed \_ for evaluating behaviors, meanwhile information analyzed with use procedures statistics and testing hypotheses.

Researchers in a manner early do study introduction for now and appreciate quality and or characteristics of the members population. Study This is the Micro, Small, and Medium Enterprises (MSMEs) sector industry crafts in West Java (Open Data Jabar, 2021) based on Districts /Cities totaling 520,235 MSMEs (overall) spread across 27 Regencies /Cities in West Java, while sample is a subset of population, consists from a number of member population (Ferdinand, 2014:171). Method taking sample used \_ in study This that is purposive sampling It means taking sample to every member population Where group sample targeted own attributes certain or set characteristic features appropriate specialty \_ with objective study so that expected can answer problem research, including: turnover per year, amount employee, long standing, building Alone or separately, percentage profit, production Alone or as a reseller. Sample in study this are the owners or MSME sector managers craft based on existing data chosen based on West Java Open Data year 2021.

Then that becomes the base calculation amount sample in study this based on purposive sampling is as many as 100 respondents. Determination amount sample use statistical formula with use formula Slovin because in withdrawal sample, amount must represent representative order results study can generalized and the calculations do not need table amount sample.

Respondents who become subject to research this is owner / manager of industrial Micro, Small and Medium Enterprises (MSMEs). Creative sector crafts in West Java where industry is creative this is one \_ strength capable economy \_ give contribution big for West Java.

## DISCUSSION AND FINDINGS

No.	Characteristics	Amount	Percentage (%)
1.	<b>Age</b>		
	26 – 35	4	4
	36–45	33	33
	46 – 55	47	47
	> 55	16	16
	<b>Total</b>	<b>100</b>	<b>100</b>
2.	<b>Gender</b>		
	Man	69	69
	Woman	31	31
	<b>Total</b>	<b>100</b>	<b>100</b>
3.	<b>Last education</b>		
	SD	9	9
	JUNIOR HIGH SCHOOL	68	68
	SENIOR HIGH SCHOOL	16	16
	S1	6	6
	S2	1	1
	<b>Total</b>	<b>100</b>	<b>100</b>
4.	<b>Annual Turnover</b>		
	< 300,000,000	69	69
	300,000,001 - 2,500,000,000	31	31
	<b>Total</b>	<b>100</b>	<b>100</b>
5.	<b>Number of Employees</b>		
	1 – 4	58	58
	5 – 19	42	42
	<b>Total</b>	<b>100</b>	<b>100</b>
6.	<b>Long Standing</b>		
	< 10	9	9
	11 – 15	26	26
	16 – 20	36	36
	21–25	12	12
	26 – 30	16	16
	31>	1	1
	<b>Total</b>	<b>100</b>	<b>100</b>
7.	<b>Own/Separate Building</b>		
	Unite With Own Building	43	43
	Separated	57	57
	<b>Total</b>	<b>100</b>	<b>100</b>
8.	<b>Profit Percentage</b>		
	< 25%	0	0
	26% - 50%	3	3
	51% - 75%	43	43
	76% - 100%	54	54
	<b>Total</b>	<b>100</b>	<b>100</b>
9.	<b>Own Production / Reseller</b>		
	Own Production	55	55
	reseller	45	45
	<b>Total</b>	<b>100</b>	<b>100</b>

To find out the number of frequencies of the Internal Marketing – Internal Communication variable, a table of the score recapitulation of the respondents' responses is made as follows:

**Respondents Response Variable Internal Marketing – Internal Communication**

Exchange of Ideas	5		4		3		2		1		TOTAL		% Score
	F	%	F	%	F	%	F	%	F	%	%	Score	
The communication process that occurs between the owner and the employees on a daily basis takes place in a pleasant atmosphere.	21	21	53	53	26	26	0	0	0	0	100	395	5.08
Making discussions with all employees a forum for exchanging ideas in developing products.	37	37	52	52	10	10	1	1	0	0	100	425	5.47
Trust	5		4		3		2		1		TOTAL		% Score
	F	%	F	%	F	%	F	%	F	%	%	Score	
All employees are always honest in their work.	30	30	60	60	10	10	0	0	0	0	100	420	5.41
Placing employees according to their respective areas of ability.	12	12	56	56	32	32	0	0	0	0	100	380	4.89
Giving trust to employees to be accountable for their duties.	38	38	52	52	7	7	3	3	0	0	100	428	5.51
Joint Decision Making	5		4		3		2		1		TOTAL		% Score
	F	%	F	%	F	%	F	%	F	%	%	Score	
The owner of the company invites employees to participate in decision making.	49	49	47	47	4	4	0	0	0	0	100	445	5.73
Involve all employees in seeking advice before making decisions.	21	21	63	63	16	16	0	0	0	0	100	405	5.21
Support	5		4		3		2		1		TOTAL		% Score
	F	%	F	%	F	%	F	%	F	%	%	Score	
Providing confidence that employees are capable of carrying out their duties properly.	21	21	70	70	7	7	2	2	0	0	100	410	5.28
Provide encouragement to employees to complete work on time.	26	26	64	64	10	10	0	0	0	0	100	416	5.35
The business owner provides support in the form of direct action as an example of concern between colleagues.	18	18	52	52	30	30	0	0	0	0	100	388	4.99

Business owners provide support in the form of words to create enthusiasm at work.	19	19	67	67	13	13	1	1	0	0	100	404	5,20
<b>Openness</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	
With openness about work, employees can complete the work properly.	18	18	64	64	17	17	1	1	0	0	100	399	5,13
Give employees the freedom to submit complaints.	21	21	65	65	13	13	1	1	0	0	100	406	5,23
Business owners are open to employees about all information about the company.	18	18	66	66	16	16	0	0	0	0	100	402	5,17
Trying to respond honestly to all forms of questions/statements that come from employees.	19	19	64	64	17	17	0	0	0	0	100	402	5,17
<b>Attention to high performance goals</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	
Provide detailed instructions to employees in carrying out their respective jobs.	29	29	62	62	9	9	0	0	0	0	100	420	5,41
The company gives appreciation to high performing employees.	30	30	62	62	8	8	0	0	0	0	100	422	5,43
The company provides health facilities to employees.	27	27	55	55	18	18	0	0	0	0	100	409	5,26
Tolerance for mistakes that employees make makes employees motivated to do better.	18	18	60	60	21	21	1	1	0	0	100	395	5,08
<b>TOTAL SCORE</b>												7771	100

Based on the table above, it can be seen that the aspects or indicators of Internal Marketing - Internal Communication (IM-IC) are the exchange of ideas, trust, joint decision making, support, openness, and concern for high performance goals. The results of obtaining the highest score were found in the decision making indicator along with one of the question indicators, namely the company owner inviting his employees to participate in decision making by 5.73 %. While those with the lowest scores were found on the trust indicator with one of the questions namely placing employees according to their respective areas of ability at 4.89%. This shows that the involvement of employees in joint decision making by the company is very effective and is an important factor, especially for the development of MSMEs in the creative industry in the craft sector in West Java.



To find out the number of frequencies of the Internal Marketing – Improvement Plan variable, a table of recapitulation of the respondent's score is made as follows:

**Respondents' Responses Internal Marketing Variables – Improvement Plan**

Problem Investigation	5		4		3		2		1		TOTAL		% Score
	F	%	F	%	F	%	F	%	F	%	%	Score	
The owner of the company plans in advance in overcoming the work problems that employees face.	23	23	70	70	4	4	2	2	1	1	100	412	5,66
Company owners can monitor the problems that exist in the company.	26	26	61	61	10	10	3	3	0	0	100	410	5,63
The company tries to follow current trends according to the times.	25	25	61	61	9	9	4	4	1	1	100	405	5,57
Employees take part in the investigation of company matters.	29	29	60	60	7	7	3	3	1	1	100	413	5,68
The facilities provided by the company are in accordance with the required needs.	29	29	50	50	15	15	6	6	0	0	100	402	5,52
Solution to problem	5		4		3		2		1		TOTAL		% Score
	F	%	F	%	F	%	F	%	F	%	%	Score	
Able to solve difficult problems with alternatives to develop new strategies to solve problems.	49	49	45	45	4	4	1	1	1	1	100	440	6.05
Able to make decisions effectively, both based on direct experience and indirect experience.	26	26	63	63	7	7	4	4	0	0	100	411	5,65
Ask for opinions from outsiders to solve problems.	21	21	63	63	11	11	4	4	1	1	100	399	5,48
The effectiveness of continuous improvement techniques	5		4		3		2		1		TOTAL		% Score
	F	%	F	%	F	%	F	%	F	%	%	Score	
The company makes continuous improvements to the quality of the products the company produces.	33	33	52	52	12	12	2	2	1	1	100	414	5,69
The company makes continuous improvements to operational production equipment.	30	30	59	59	8	8	2	2	1	1	100	415	5,70
Companies and employees have work commitments.	8	8	38	38	32	32	1	8	4	4	100	328	4,51
The company always evaluates employee performance.	31	31	57	57	6	6	5	5	1	1	100	412	5,66



Business owners always provide the best service to employees.	27	27	62	62	6	6	4	4	1	1	100	410	5,63
<b>Efforts to deal with quality improvement</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	
The company is making efforts to improve product quality in terms of materials.	26	26	61	61	10	10	3	3	0	0	100	410	5,63
Observing competitors who sell similar products.	29	29	60	60	7	7	3	3	1	1	100	413	5,6 8
The company establishes an effective communication relationship with consumers regarding quality.	21	21	50	50	19	19	7	7	3	3	100	379	5,2 1
The company identifies needs according to consumer demand.	18	18	66	66	14	14	2	2	0	0	100	400	5.50 _
The company guarantees the quality of the products it produces.	25	25	61	61	9	9	4	4	1	1	100	405	5,5 7
<b>TOTAL SCORE</b>												7278	100

Based on the table above, it can be seen that the aspects or indicators of the Internal Marketing – Improvement Plan (IM- IMP) are problem investigation, problem solving, the effectiveness of continuous improvement techniques, and efforts to deal with quality improvement. The highest results are found in the problem solving indicator with one of the questions being able to solve a difficult problem with an alternative to developing a new strategy of 6.05%. While the lowest indicator of the effectiveness of continuous improvement techniques with one of the questions is that the company and employees have a work commitment of 4.51 %. This shows that the efforts of employees and companies to solve a problem with new alternative strategies have a high role and are the most important factor especially for the development of Micro, Small and Medium Enterprises (MSMEs) in the creative industry of the craft sector in West Java.

To find out the number of frequencies of the Expert Power variable, a table of recapitulation of the respondent's score is made as follows:

### Respondents' Responses Expert Power Variable

Availability of Experts	5		4		3		2		1		TOTAL		% Score
	F	%	F	%	F	%	F	%	F	%	%	Score	
The company brings in experts to improve employee performance.	33	33	52	52	12	12	2	2	1	1	100	414	1 2, 9 3
Experts who have skills in the field of craft are easy to find.	23	23	70	70	4	4	2	2	1	1	100	412	1 2, 88

Work productivity is achieved when the availability of experts.	38	38	52	52	7	7	3	3	0	0	100	425	1 3, 28
Availability of experts will meet the needs of the company.	8	8	38	38	32	32	18	18	4	4	100	328	1 0, 25
<b>Expert Quality</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	
Skills possessed by experts can drive productivity.	12	12	55	55	20	20	10	10	3	3	100	363	1 1, 34
An expert has more experience in upgrading skills.	49	49	45	45	4	4	1	1	1	1	100	440	1 3,7 5
Experts are able to encourage the creativity of employees.	25	25	61	61	9	9	4	4	1	1	100	405	1 2, 65
Skills possessed by experts can motivate the achievement of company performance.	29	29	60	60	7	7	3	3	1	1	100	413	1 2,9 0
<b>TOTAL SCORE</b>												3200	1 00

In the table above, it can be seen that the aspects or indicators of Expert Power (EXP) are the availability of experts, and the quality of experts. The highest results were found in the indicator of the quality of experts with one of the questions an expert had more experience in improving skills by 1 3.7 5 %. While the lowest indicator is the availability of experts with one of the questions, namely the availability of experts will meet the company's needs by 10.25 %. This shows that experience accompanied by more skills possessed by an expert will play a very important role and be a major factor especially for Micro, Small and Medium Enterprises (MSMEs) in the creative industry of the craft sector in West Java.

To find out the number of frequencies from the marketing performance variable, a table of recapitulation of the respondent's score is made as follows:

#### Respondents Response Marketing Performance Variables

Continuity Level	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	
This company makes the same product on an ongoing basis.	26	26	68	68	6	6	0	0	0	0	100	420	6.05
Our sales numbers have increased from year to year.	26	26	67	67	7	7	0	0	0	0	100	419	6.0 4
<b>Increasing market share and market coverage</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	

The company is able to achieve market share and broad market coverage, for example covering the entire area of West Java	29	29	55	55	15	15	1	1	0	0	100	412	5,94
Increasing market share and market coverage by carrying out various effective marketing strategies for artisan businesses.	26	26	63	63	11	11	0	0	0	0	100	415	5.98
<b>Increased Profitability and Capability</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	
By improving the quality of handicraft products, it can increase the profitability of the handicraft business.	18	18	65	65	17	17	0	0	0	0	100	401	5,78
By adding variations in handicraft products, it can increase the profitability of the handicraft business.	19	19	68	68	13	13	0	0	0	0	100	406	5.85
Fewer craftsmen can be an opportunity to increase sales and profitability for surviving artisan businesses.	29	29	58	58	13	13	0	0	0	0	100	416	5.99
<b>Increasing Popularity of Companies</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	
Implementing a promotional strategy on social media can introduce craft products from artisan businesses. Such as through FB, IG or other social media.	26	26	61	61	13	13	0	0	0	0	100	413	5.95
Implementing promotional strategies on social media can increase the popularity of artisan businesses.	27	27	59	59	14	14	0	0	0	0	100	413	5.95
Having a brand can introduce and increase the popularity of artisan businesses.	12	12	55	55	33	33	0	0	0	0	100	379	5,46
<b>Customer Enhancement</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>% Score</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	
With promotions through social media such as FB, IG, etc., it can increase customers for artisan businesses.	33	33	53	53	14	14	0	0	0	0	100	419	6.04
By maintaining product quality, it can increase customers for artisan businesses.	16	16	65	65	19	19	0	0	0	0	100	397	5,72

In retaining customers, artisan businesses need to provide the best service.	24	24	73	73	3	3	0	0	0	0	100	421	6.07
In an effort to increase customers, provide the best service for customers.	18	18	67	67	14	14	1	1	0	0	100	402	5.79
<b>Increased Innovation Capability</b>	<b>5</b>		<b>4</b>		<b>3</b>		<b>2</b>		<b>1</b>		<b>TOTAL</b>		<b>%</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>%</b>	<b>Score</b>	<b>Score</b>
The company always tries to actively seek information related to business opportunities.	21	21	54	54	25	25	0	0	0	0	100	396	5,71
Improving the ability to create innovative handicraft products in the form of unique/distinctive products will become an attraction for the community/customers.	18	18	53	53	29	29	0	0	0	0	100	389	5,61
Improving the ability to create a product that refers to technological developments and handicraft products in the form of products that are different from competitors	29	29	63	63	8	8	0	0	0	0	100	421	6.07
<b>TOTAL SCORE</b>												6939	100

Based on the table above, it can be seen that the aspects or indicators of Marketing Performance (KP) are the level of continuity, increasing market share and market coverage, increasing profit and capability profitability, increasing company popularity, increasing customers, and increasing innovation capabilities. The highest score results are found in indicators of increasing customers and increasing innovation capabilities with one of the questions in retaining customers, artisan businesses need to provide the best service and improve capabilities in creating a product that refers to technological developments and handicraft products in the form of products that are different from competitors each of 6.07%. Meanwhile, the one with the lowest score on the indicator increases the popularity of the company with one of the questions, namely the existence of a brand can introduce and increase the popularity of artisan businesses by 5.46%. This shows that by improving services and capabilities in creating a product followed by product innovation that is different from competitors as well as the development of handicraft product technology will play a very important role and become a major factor especially for the development of the Micro, Small and Medium Enterprises (MSMEs) industry. Creative craft sector in West Java.

Data analysis activities using Partial Least Square (PLS) as a structural equation modeling technique to test the predictive effects of hypotheses measured at the construct or latent variable level (Hair et al., 2014).

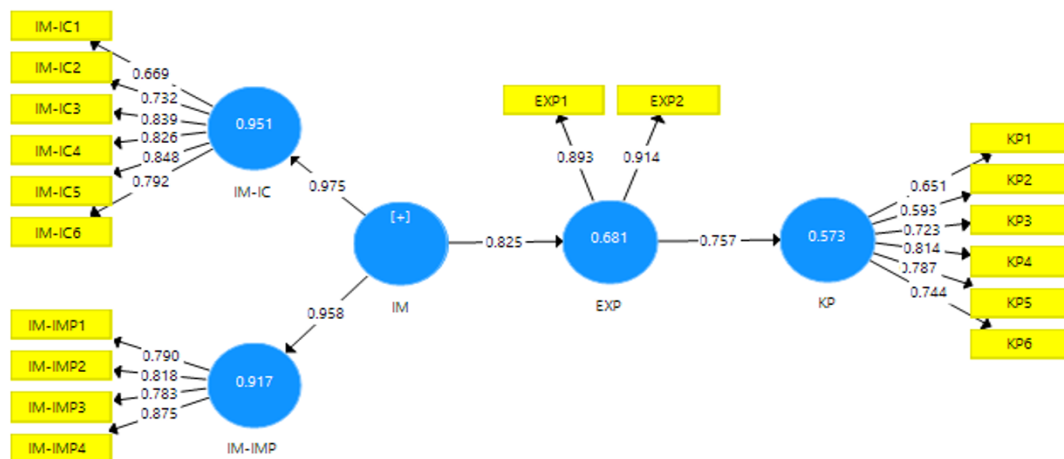
PLS analysis is operated through the SmartPLS 3.0 program / software, which consists of:

- 1) Outer Model Analysis / Measurement Model
- 2) Analysis of Inner Model / Structural Model

### Analysis of the Outer Model / Measurement Model

The initial stage of PLS analysis is the conceptualization of the model. This is done to test the validity and reliability of a construct. In this study there were 7 (seven) variables tested in the research model, namely Internal Marketing – internal marketing – internal communication (IM-IC), internal marketing – improvement plan (IM-IMP), Expert Power (E XP), and marketing performance (KP).

The model in this study is included in the Reflective Second Order Construct, as follows:



### Picture Reflective Second Order Construct

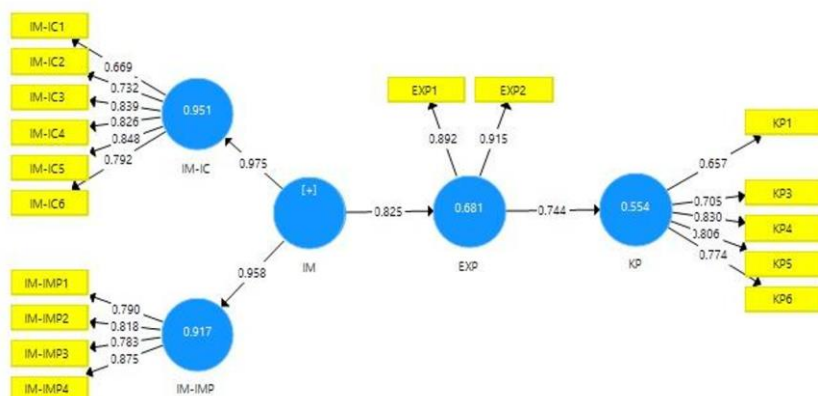
Based on Figure 4.2:

- There are 3 latent or construct variables, namely IM, EXP, and KP.
- IM-IC, IM-IMP, EXP, and KP variables are latent variables or constructs that are measured using one stage (**first order construct**).

While the IM variable is a latent or construct variable that is measured using 2 stages (**second order construct**).

In outer model testing, will evaluate loading value, average variance extracted (AVE) and composite reliability (CR). Figure 4.3 displays loading score (outer loading) respectively indicator on the construct it forms. The loading score parameter in the measurement model must be more of 0.70, however the value is 0.60 too considered adequate. All constructs Already show each indicator with mark scores above 0.60 which means that all indicators capable measure each construct it forms (Gaston Sanchez, 2013; Hair, et al, 2014).

Based on the picture above, on the KP2 obtained mark the loading score is 0.593 below 0.6 then KP indicator removed / removed of models. The following models have evaluated from loading value as following:



Besides the form figure, evaluation of the measurement model is also presented in the form report that displays more data output detail. Kindly Overall, evaluate the measurement model consists of the reliability test construct and validity test construct.

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
EXP	0.776	0.783	0.899	0.817
IM	0.924	0.926	0.936	0.597
IM-IC	0.875	0.881	0.907	0.620
IM-IMP	0.835	0.838	0.889	0.668
KP	0.812	0.835	0.870	0.573

Composite Reliability (CR) is group measuring indicators \_ A variable own reliability good composite \_ If has Composite Reliability > 0.7. And from the table above \_ can conclude that every variable has Composite Reliability > 0.7 which shows that all variable Already consistent / reliable. Testing validity constructs seen from mark validity converge. Validity test convergent rating of loading factors measuring indicators \_ construct, as well AVE score and communality in the construct. Criteria or rule of thumbs for testing validity convergent is loading score above 0.70 or 0.60 and AVE above 0.50. With this, it can be concluded that composed construct \_ on Internal Marketing – internal communication (IM-IC), internal marketing – improvement plan (IM-IMP), expert power (EXP), and performance marketing (KP) has fulfilled criteria validity converge.

	EXP	IM	IM-IC	IM-IMP	KP
EXP					0.744
IM	0.825		0.975	0.958	
IM-IC					
IM-IMP					
KP					

- 1) The direct influence of Internal Marketing (IM) on Expert Power (EXP) is 0.825 which means if Internal Marketing (IM) increases as a big One unit, then Expert Power (EXP) can increase by 82.5%. Influence This characteristic is positive or compared straight.
- 2) The direct effect of Expert Power (EXP) on Marketing Performance (KP) is 0.744 which means if Expert Power (EXP) increases one unit, then Marketing Performance can increase by 74.4%. Influence This characteristic is positive or compared straight.

Path coefficient values range between -1 to +1. The more approach +1 value, relationship second construct the more strong. Increasing relationship \_ close to -1 indicates that connection is the characteristic negative (Sarstedt et al., 2017).

Specific Indirect Effects	
	<b>Specific Indirect Effects</b>
<b>IM -&gt; EXP -&gt; KP</b>	0.614

As shown in the Table above, explained \_ that influence No direct internal marketing (IM) to performance marketing (KP) through expert power (EXP) is of 0.614 which has meaning that in a manner Specific If all elements / dimensions of internal marketing (IM) that consists from internal communication (IM-IC), improvement plans (IM-IMP), then expert power (EXP) increased One unit, then performance marketing (KP) can increase by 61.4%. Influence No direct this characteristic positive or compared straight.

### R-Square (Coefficient determination)

	R Square	R Square Adjusted	Information
<b>EXP</b>	0.681	0.678	Category strong
<b>IM-IC</b>	0.951	0.950	Category strong
<b>IM-IMP</b>	0.917	0.916	Category strong
<b>KP</b>	0.554	0.549	Category moderate

### Significance Test

	Original Sample (O)	Sample Means (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV)	P Values	Information
<b>EXP -&gt; KP</b>	0.744	0.739	0.064	11,551	<b>0.000</b>	<b>Positive and significant</b>
<b>IM -&gt; EXP</b>	0.825	0.820	0.050	16,392	<b>0.000</b>	<b>Positive and significant</b>
<b>IM -&gt; IM-IC</b>	0.975	0.974	0.007	131,560	<b>0.000</b>	<b>Positive and significant</b>
<b>IM -&gt; IM-IMP</b>	0.958	0.957	0.011	90,493	<b>0.000</b>	<b>Positive and significant</b>

### Construct Cross Validated Redundancy

	SSO	SSE	Q <sup>2</sup> (=1-SSE/SSO)
<b>EXP</b>	200,000	92,449	0.538
<b>KP</b>	500,000	349,416	0.301

Based on the data presented in the table above, you can is known that Q square value on the endogenous variable with look at the value the  $Q^2 > 0.05$  (Chin, 1998) it can be concluded that



the construct model is relevant in the sense that the exogenous variables used to predict the endogenous variables are appropriate or study This own mark good / good observation. \_

## CONCLUSION

Whole indicator question from every internal marketing variable that has scored highest namely Internal Marketing – Internal Communication. Next, the indicator of expert power that has the highest mark on quality power expert will question a power expert's own experience more in increasing skill. For indicator performance marketing that has marked highest with what he asked is enhancement customers and improvements ability innovation.

Influence No direct internal marketing (IM) - internal communication (IM-IC) to performance marketing (KP) through expert power (EXP) is characteristic positive or compared straight. Influence No direct internal marketing (IM) - improvement plan (IM-IMP) against performance marketing (KP) through expert power (EXP) is characteristic positive or compared straight.

Deep models study This is a Reflective Second Order Construct where in the process stages through 2 stages, the variables IM-IC, IM-IMP, EXP, and KP, are latent variable or measured construct \_ use One stage (first order construct), while the IM variable represents latent variable or measured construct \_ using 2 stages (second order construct).

## RECOMMENDATION

Based on results recapitulation questionnaire or response IM-IC indicator respondents trust with one \_ he asked that is put employees in accordance with their abilities, p This shows that owner business still lack trust and lack of depth matter management to employees so that they need intensity in supervision and communication.

Based on from results recapitulation questionnaire or response IM-IMP indicator respondents effectiveness technique repair sustainable with one \_ he asked that is company / owner business and employees own commitment work, p This showing that owner business with employee still minimal \_ commitment work, should between owner business with employee work together to achieve goals and progress company, eg in meet targets, employees must Can follow and keep commitment (keep peculiarity product, keep quality, material, model, color) so company will give feedback. \_

Based on from results recapitulation questionnaire or response respondent related to the lowest expert power on the indicator availability power expert with one \_ he asked that is availability power expert will fulfill need company, p This means power expert not enough influential or not enough effective in development of handicraft SMEs especially in West Java, the most important That is factor management, bookkeeping (eg key For material evaluation), capital, loyalty program customers and marketing, no have a mentor inside do business. Meanwhile, that true expert power is the owner or the SMEs \_ alone.

Based on from results recapitulation questionnaire or response respondent related performance marketing that has score lowest on the indicator increase popularity company with one \_ he

asked that is with exists brand can introduce and improve popularity business artisans, p This means Not yet many SMEs are aware \_ will the importance of branding for products and also business, so most SMEs only \_ focus sell and sell without think about quality brand from the product whereas guard the quality of branding really important in effort raise business. With good branding qualities, an product will more easy remembered audiences, so opportunity happening sales are also increasing great, the solution do SWOT analysis of product, which one becomes the thing that stands out and is the most differentiating product the with product else, then consistency highlight characteristic typical product the as material promotion, here's what will be determine How brand quality or brand product them.

Researchers who will come and wish to develop study This can do on- site research or more other areas wide coverage as well as product superior enter into sub- sector category crafts / crafts. this \_ expected can ensure whether the research model carried out will also be relevant If used in research in other areas of coverage more wide for example coverage throughout Indonesia and is expected get findings empirical about impact strength expertise (expert power) in comprehensive internal marketing so that produce influence that belongs to the individual from perpetrators / owners / managers of SMEs, especially in the industry creative sector crafts in Indonesia that are superior in A company and will trigger performance sustainable marketing and impact on excellence \_ compete in the current digital era this.

## IMPLICATIONS OF FINDINGS

### Findings \_ characteristic Theoretical

Based on the results of research that has been done, it looks that internal marketing and expert power which is influencing variables \_ performance marketing and excellence compete have positive and significant influence, so \_ prove that variables have real influence \_ to enhance performance marketing and excellence compete especially in the SMEs industry creative sector craft West Java. Furthermore from the research model that has been done there are necessary limitations \_ developed or modified For study next and necessary explained regarding the process for reaching superiority compete through performance marketing from internal marketing conception and expert power where performance marketing to be intervening/ mediating variables to superiority compete.

Test results prove and give conclusion for answer question the in a manner short and productive three processes for reach superiority compete,

- a) First, analyze the elements important or the internal marketing dimension then combined with the concept of power (expert power).
- b) Second, influencing factors performance marketing is the expert power that has combined with internal marketing elements. Research results this prove that internal marketing and expert power constitute a stages important in reaching performance marketing.

## Findings \_ characteristic Empirical

Implications results findings in study this is one \_ business for answer possible factors \_ increase performance optimal marketing so will achieve superiority seen competition \_ from internal side of the company. Research results: This can give input to party owners or SMEs in particular the industrial creative sector craft area of West Java so that more people pay attention to the company's internal and superiority skills that can increase objective company, Performance Company and Excellence Company.

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