

FACTORS INFLUENCING ON MARKETING PERFORMANCE: THE MEDIATING ROLE OF BUSINESS AGILITY

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Abstract

In a time when the world economy is undergoing unprecedented change and disruption, the role of market orientation, digital orientation or business agility becomes even more important and necessary, especially the relationship of these factors with the marketing performance of the business is a topic of great interest. This study aims to determine the impact of factors affecting marketing performance including market orientation, digital orientation. It also examines the mediating role of business agility in the relationship between market orientation, digital orientation and marketing performance. The study uses a linear structural model (SEM) regression analysis method based on data including 216 surveys from CEOs, directors and senior managers in enterprises. Research results show that market orientation and digital orientation have a direct and positive impact on marketing performance. Along with that, market orientation and digital orientation also positively affect business agility, and these two factors also indirectly affect marketing performance through the intermediary factor of business agility. These findings of the study are the basis for proposing a number of implications and solutions to help businesses improve marketing performance in order to optimize operational results.

Keywords: Market Orientation, Digital Orientation, Business Agility, Marketing Performance.

1. INTRODUCTION

In the context that the consequences of the COVID-19 pandemic have not been completely overcome, the world economy is still in a recession, inflation has cooled down but remains high, and countries continue to tighten monetary policies, businesses are facing a lot of difficulties to continue to operate as well as develop.

The Covid-19 pandemic has caused the marketing performance of businesses to decrease, reflected in reduced sales, reduced profits, and reduced customers. Many changes have occurred during the pandemic, such as communication methods, work models, consumer behavior models (Suprapti & Suparmi 2022). This situation requires businesses to take measures to respond to changes, especially market changes.

In the face of market difficulties and increasingly fierce competition, business owners realize that marketing performance has an important role to play in winning the competition because marketing performance is a measure of achievement derived from the overall marketing process activities of a company or organization.

In addition, marketing performance can be viewed as a concept used to measure the extent to which a product manufactured by a company achieves market success (Sri Suprapti et al., 2022) and is a structure that can be used to measure the impact of corporate strategy as marketing effectiveness is a measure of a company's performance with respect to the products being marketed (Ferdinand, 2005; Handayani & Handoyo, 2020; Nasution, 2014; Wrenn, 1997).

Marketing performance is influenced by many factors, such as marketing mix and market orientation (Julian & O'Cass, 2002). Along with increasing competition and changes in customer demand, market orientation plays an important role, because all companies recognize that customers are assets that can improve company performance (Astrid Puspaningrum, 2020). Therefore, the success of marketing activities is determined by how effective the company is in creating market orientation (Cravens et al., 2009; Asashi and Sukaatmadja, 2017; Protcko and Dornberger, 2014). In addition, Lings and Greenley (2009) concluded that market orientation contributes to the success of external marketing, such as firm performance, financials and satisfaction. According to Baker and Sinkula (1999), Protcko and Dornberger (2014), Riswanto et al (2020) also demonstrated that market orientation contributes to improved marketing performance.

In addition to the importance of market orientation in building marketing capabilities within a company, a company's digital orientation can also play an important role. The ability to digitally transform has changed the way companies create value (Autio, 2017). Companies need a strong digital orientation combined with a strong market orientation to take advantage of the new opportunities of digital technology. Both of these strategic orientations can explain superior performance in marketability, as they form the basis for new product development and market information, and guide the marketing behavior of a company. This is especially important for SMEs that are struggling with fewer resources (Matsuno et al., 2005).

Along with market orientation and digital orientation, pressure from adverse market changes has encouraged business entities to maintain business continuity through flexibility in business management. (Suprapti & Suparmi 2022). "Agility" is a new way for organizations to develop organizational agility and responsiveness so that they can face changes in a very fast, dynamic and turbulent business environment (Sharifi & Zhang, 1999; Sambamurthy et al., 2003; Lin et al., 2006; Sambamurthy et al., 2007; Yaghoubi & Dahmardeh, 2010; Chen & Siau, 2012). Organizational agility shows that an organization can succeed in a business environment through responsiveness, capacity, flexibility and speed; this will ensure the suitability and viability of the company. Flexibility and the ability to innovate quickly are important factors for organizations to adapt to the environment (Juminto, 2020). Research results of Sri Suprapti, Suparmi (2022) shows that business acumen positively and significantly affects marketing effectiveness. Increasing business agility is measured by indicators of the ability to adapt to changes that occur and to detect existing opportunities and threats, as well as the ability to use the company's knowledge and resources to implement changes (innovations) faster than competitors, becoming a consideration for business owners especially SMEs to improve marketing performance. Thus, although there have been studies on the positive effects of market orientation, digital orientation as well as business agility to the marketing performance of the business shows that there is a link between these factors. However, the topic of market orientation and digital orientation affecting marketing performance through the intermediary factor is business agility, there is almost no research on it. Therefore, in order to determine the relationship between these factors and improve the marketing performance of enterprises, the study on the mediating role of business agility in the relationship between market orientation, digital orientation and marketing performance of the business is essential.

2. LITERATURE REVIEW AND THEORY FRAMEWORK

Market orientation is extremely important for companies in the context of increasing global competition and ever-changing customer needs. Companies realize that they must stay on top of their markets in order to compete effectively. A market-oriented company is a company that uses customers as a reference to run its business (customer-oriented). To achieve maximum effectiveness, market orientation must be seen as a business culture in which the organization is committed to continuously innovate to create superior value for customers.

Kohli & Jaworski introduced market-oriented conceptualization and operations in which the definition of an organization's market orientation is the implementation of the marketing concept (Kohli & Jaworski, 1990) following the approach of King (1965) and other researchers. This activity is consistent using market intelligence research from a variety of sources (Deshpande & Zaltman, 1982; Jaworski & Kohli, 1996; Maltz & Kohli, 1996; Menon & Varadarajan, 1992; Moorman, 1995; Sinkula, 1994), focuses on processing information related to customer needs and the market environment that affects organizations. Kohli and Jaworski described the three-step organizational process for market orientation: (1) generating market information, (2) disseminating it, and (3) responding to such intelligence between departments. From a behavioral (implementation) process perspective, Kohli & Jaworski provide a useful distinction and interpretation of marketing concepts and market orientation.

Narver and Slater (1999) (NS) also introduced the concept of market orientation as organizational culture. NS believes that organizational culture is the driving force of behaviors and market-oriented behaviors cannot manifest in an organization if the culture lacks commitment to deliver superior value to customers. Narver and Slater (1999) stated that market orientation would include three behavioral components: customer orientation, competitor orientation, and cross-functional coordination. Zhou et al (2009) studied the relationship between market orientation, competitive advantage and firm performance, with two measures per variable. They measure utilization performance by financial and non-financial performance. The results of this study show that market orientation has a significant relationship with competitive advantage. Competitive advantage also has a significant positive relationship with firm performance. However, research by Miller (1993) and Raju & Lonial (2001) shows that the relationship between competitive advantage and firm performance is predicted to increase through the perception of uncertainty of the environment.

Digital orientation is a pre-calculated strategic position where organizations allocate their budget and resources financial to successfully manage IT projects, leveraging the benefits of the latest technological innovations and becoming trendsetters by introducing new processes and tools (Yu and Moon, 2021). While the digital orientation has played an important role in successfully managing IT programs for a long time, previous studies had underestimated the relationship between digital orientation and successful IT management. However, digital orientation remains a supportive factor in the long-term success of organizations that adopt the latest software and IT programs to compete in the market and pursue digital technology that creates opportunities to provide new machinery, tools, and processes (Dutta and Sarma, 2020).

To cope with the volatility of the business environment, companies need to possess dynamic capabilities to adapt. Dynamic capability is described as a part of capability or competence that enables the company to create new processes and products to respond to market turbulence (Mubarak and Petraite, 2020). Digital capability is considered an important part of dynamic capability and is a mandatory requirement for achieving success in business. In the digital economy, the success of a company depends heavily on its ability to explore and exploit digital technologies (Shen, Zhang, and Liu, 2022). Digital orientation has provided awareness of the latest tools, equipment, software, and applications tailored to observe, act, record, report, and reason implemented by service providers in the patient testing process (Dutta & Sarma, 2020). Currently, researchers suggest that the success of an organization primarily depends on the digital orientation of digital technology, reflecting the healthcare organization's ability to apply, select, history, and identify the latest advancements to meet the demands of staff and satisfy customers (Vrontis, Chaudhuri, & Chatterjee, 2022). Digital-related capabilities have an indirect impact on the company's performance, with performance management systems acting as a mediator to reconcile the relationship (Esposito De Falco, Renzi, Orlando, & Cucari, 2017). An online unlimited survey of 49 digitalization experts indicated that changes in work and health, the use of information and communication technology (ICT), performance and talent management, as well as organizational hierarchy, have affected job design and leadership development (Octavia, Indrawijaya, Sriayudha, & Hasbullah, 2020).

Chetan Juneja, Hemant Kothari, and Rai (2018) argued that business flexibility is crucial for the survival of organizations in a chaotic environment characterized by rapid changes in technology, customer preferences, and competitive contexts. Organizational flexibility is seen as reflecting a company's "ability to identify and capture business opportunities faster than its competitors" and is considered critical to the company's survival in a chaotic environment. Yusuf, Sarhadi, and Gunassakheran (1999) define agility as "the successful discovery of competitive platforms (speed, flexibility, professional innovation, quality, and profitability) by integrating reconfigurable resources and best practices in a rich knowledge-environment to provide customer-oriented products and services in a rapidly changing market environment." The concept of agility has attracted widespread interest from practitioners and academic scholars alike.

Business flexibility is seen as the ability of a company with certain dimensions (agility dimensions), supported by agility-enabling factors, and activated by agile drivers (Walter, Anna Theresa, 2021). According to Nopriadi Saputraa and Ningky Sasantib Firdaus Alamsjaha (2022), business flexibility is divided into three distinct aspects: supply chain flexibility, operational flexibility, and agile marketing. To measure supply chain flexibility, this article adapts the tools used in previous research (Blome, Constantin, Tobias Schoenherr, & Daniel Rexhausen, 2013). Meanwhile, to measure operational and marketing flexibility, this article adapts the organizational flexibility scale (Lu & Ram, 2011). Empirical studies involving 141 apparel manufacturers have shown that flexibility in strategy and production affects supply chain flexibility, which subsequently affects the company's operational efficiency (DeGroot, Sharon et al, 2013; Chan, Alan et al, 2017).

Performance is all the systems related to activities and results obtained. In the field of marketing, marketing performance is a measure of the achievement of overall marketing activities of a company or organization. It is also used to evaluate the success of a product in the market. Marketing performance is often used to measure the impact of marketing strategies implemented by a company (Ferdinand & Fitriani, 2000).

According to Ferdinand, good marketing performance can be measured by three key values which are sales value, growth rate, and market share. Meanwhile, (Voss & Voss ,2000) define marketing performance as an effort to measure the level of performance in marketing activities, including sales volume, customer numbers, profit, and sales growth.

The factors that create superior marketing performance may differ across businesses because the effectiveness and efficiency of marketing activities may not converge and may even have an inverse relationship in the short term (Bhargava, Dubelaar et al, 1994). Therefore, businesses often have to make important decisions to tradeoff between effectiveness and efficiency in setting marketing goals and allocating resources (Walker & Ruekert, 1987).

According to Homburg (2007), marketing performance is defined as the ability to achieve the effectiveness and efficiency of marketing activities of an organization, related to market-related objectives such as revenue, growth, and market share.

Although research on the marketing performance of companies has generated a vast amount of literature, research on the impact of market orientation and digital orientation on flexible management and marketing performance is still scarce, especially with a lack of empirical evidence on the relationship between flexible management and marketing performance of companies. This is still a new and interesting topic, especially in emerging and developing economies in the era of Industry 4.0.

Most studies have focused on the impact of digital orientation on flexible management in general, but there is no research that delves into its impact on the marketing performance of companies. Some studies have examined business flexibility through economic development indicators, but there has been no mention of a direct relationship between flexible management and marketing performance of companies.

The concept of marketing performance in this study refers to the entire system related to activities and outcomes obtained when implementing activities in a business, measured through the following indicators:

- a) Market orientation
- b) Digital orientation
- c) Flexible management

3. RESEARCH METHODOLOGY AND RESEARCH MODELS

3.1. Research hypothesis

3.1.1. Market Orientation and Business Agility

Market orientation mediates the relationship between balanced APM and strategic flexibility, and that strategic flexibility mediates the relationship between market orientation and firm performance (Randy Kurniawan, 2020).

Market orientation completely mediates the link between network connectivity-business process agility and business process agility-balanced APM. Furthermore, business process flexibility mediates the relationship between market orientation and firm performance (Kurniawan, Manurung, Hamsal & Kosasih, (2021).

Hypothesis H1: Market orientation positively influences Business Agility

3.1.2. Digital Orientation and Business Agility

Digital capabilities as an important enabler of business agility have also attracted interest from scientists (Sambamurthy et al, 2003). In addition, digital capabilities can directly affect flexibility through “managing by wire”, through which organizational sensing can be indirectly supported through digital options.

Indeed, digital options have been defined as digitized workflows and IT systems that enhance business knowledge as well as reach and process richness. The decisive remote support system provides high-quality information, thereby helping businesses get a sense of their business environment in a timely manner.

In addition, effectively integrated technological processes will increase activities that span the boundaries of the organization and thereby improve the ability to respond to changes in the business environment effectively and just in time (Overby et al. 2006).

The digital or IT orientation provides digital options, enhancing the business capabilities of the enterprise and thereby increasing the flexibility in the business environment (Sambamurthy et al, 2003). Based on the above opinion, the following hypothesis can be formed:

Hypothesis H2: Digital orientation positively influences Business Agility

3.1.3. Business Agility and Marketing Performance

Business agility is the ability to identify and take advantage of business opportunities more quickly than competitors (Nurcholis, 2020b). Business agility allows companies to face changes in the environment and engage in new actions to manage the risks and uncertainties of the market environment (Tallon et al, 2019); Sugiyarti (2016) marketing performance is measured against all activities in the company's overall marketing process.

The concept of marketing performance refers to the extent to which the product is achieved in the market, and the ability to seize business opportunities and be agile in business plays an important role in achieving better marketing performance (Nurcholis, 2020b).

From that result, it was confirmed that business agility significantly affects marketing effectiveness. That is, the better the level of business acumen, the better the marketing effect, reflected in the growth rate of sales; Customer growth and sales volume can increase when reacting quickly to changes in demand, innovation, service, and pricing. Based on the above opinion, the following hypothesis can be formed:

Hypothesis H3: Business agility positively influences marketing performance.

3.1.4. Market Orientation and Marketing Performance

Market orientation, balancing the focus on customers and competitors, can create value and lead to superior business performance (Astuti et al., 2015; Tsiotsou & Vlachopoulou, 2011). These studies suggest that companies that implement a market orientation can achieve their desired marketing effectiveness.

Marketing performance is a criterion to determine the level of work that a company has accomplished, which can indicate the level of success of its business operations in market competition. According to Astuti et al. (2015), research results show that market orientation has a significant and positive impact on marketing effectiveness.

Market orientation typically focuses on the customer strategy by paying attention to competitors to increase performance. Based on these comments, we can form the following hypothesis:

Hypothesis H4: Market orientation positively influences marketing performance.

3.1.5. Digital Orientation and Marketing Performance

Digital competence is defined as organizational capacity, expertise and talent to drive digital technology transport Developing new products or services (Khin et al., 2019). Although related to digital technology, digital competence is more than just technological competence.

It concerns the ability of human resources to develop collaboration and innovation using digital technology (Nasiri, Mina, et al., 2020).

Previous studies have shown that digital capabilities have indirect positive effects on financial and non-financial performance, and digital innovation mediates the impact of digital capabilities on operational performance. of the company (Lu & Ram, 2011).

The ability to relate to digital indirectly impacts company performance. Based on the above comments one can form the following hypothesis:

Hypothesis H5: Digital orientation positively influences marketing performance.

3.2. Research models and methods

- Research models

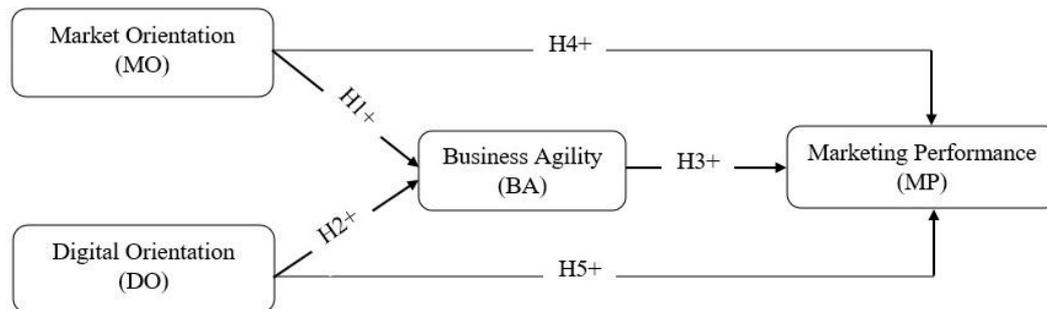


Figure 1: Proposed Research Model

- Variable measurement

Table 1: Variables and their measurement scales in the sample and data

Variable	Variable code	Variable scale	Source
Market Orientation (MO)	MO1	We meet with customers at least once a year to find out what products or services they will need in the future.	Kohli et al., (1993). Homburg & Pflesser, (2000).
	MO2	We poll end users at least once a year to assess the quality of our products and services.	Kohli et al., (1993). Homburg & Pflesser, (2000).
	MO3	Data on customer satisfaction are disseminated at all levels on a regular basis.	Kohli et al., (1993). Homburg & Pflesser, (2000).
	MO4	We periodically review our product development efforts to ensure that they are in line with what customers want.	Kohli et al., (1993). Homburg & Pflesser, (2000).
Digital Orientation (DO)	DO1	New digital technology is readily accepted in our organization	Khin & Ho (2019)
	DO2	We always look out for opportunities to use digital technology in our innovation	Khin & Ho (2019)
	DO3	We proactively apply new digital technologies to meet the digital transformation process.	Zhou & Wu (2010)
	DO4	We strive step by step mastering the state-of-the-art digital technologies	Zhou & Wu (2010)
	DO5	We focus on developing innovative products/service/process using digital technology	Zhou & Wu (2010)
Business Agility (BA)	BA1	We fulfil demands FASTER for special requests whenever such demands arise.	Saputra et al., (2022)
	BA2	Whenever there is a DISRUPTION in SUPPLY from our suppliers, we can QUICKLY make necessary alternative arrangements	Saputra et al., (2022)

	BA3	We are more responsive to make and IMPLEMENT appropriate DECISIONS in the face of market/customer-changes.	Saputra et al., (2022)
	BA4	We apply flexible policies and management methods to enhance business operational flexibility.	Juneja, Kothari & Rai, (2018).
Marketing Performance (MP)	MP1	We have focused on conducting market research to analyze information in order to understand customer needs and develop appropriate business strategies.	Nurcholis (2020a) Nurcholis (2020b) Nurcholis (2018)
	MP2	We research and develop innovative marketing strategies such as testing new products/services, advertising, promotions, etc., to create a distinctiveness for the business and attract a large customer base.	Saputra et al., (2022).
	MP3	We have effectively translated marketing strategies into actions to achieve the business objectives.	Voss & Voss (2000) Suprapti & Suparmi (2022).
	MP4	We have effectively implemented sales management to ensure distribution and achieve business objectives.	Nurcholis, (2020b).
	MP5	The implementation of policies to attract and retain the best distributors has helped our business expand the market and increase sales.	Nurcholis, (2020b)

• **Research Methods**

The research utilized a quantitative analysis method based on data collected through online surveys (Google Form) sent to managers and administrators at various levels. The quantitative research was conducted to test hypotheses and assess the fit of the model. Data was collected using a questionnaire designed with a 5-point Likert scale. According to Comrey (1973) and Roger (2006), in quantitative research, "The appropriate sample size for factor analysis studies should be at least five times the total number of observed variables." In this study, the number of observed variables is 18, therefore the minimum sample size is $5 * 18 = 90$ participants. This research determined a sample size of 150 businesses. Due to resource constraints, the survey sample was selected using a non-probability method, specifically convenience sampling and snowball sampling techniques. In the research process, to achieve stratification in sample selection, the survey questionnaire was sent to different levels of managers (senior level, middle level, and operational level) across various business fields encompassing different products and services, ensuring the highest possible coverage and objectivity. The final analysis sample size consisted of 216 responses that met the requirements for use in the regression analysis to identify factors influencing marketing effectiveness. Considering the need to meet the requirements of the research sample under certain limitations, and to optimize data quality and suitability for the research objectives, the sample size used for analysis underwent screening and data cleaning, which was considered reasonable and ensured the reliability of the regression analysis. The quantitative analysis process involved conducting Exploratory Factor Analysis (EFA) to assess the reliability and convergence of the measurement scales,

followed by Confirmatory Factor Analysis (CFA) to validate the fit of the factors and analysis data. Regression analysis was performed to determine the direction and magnitude of the influences of the factors in the research model, as well as the mediating role of the flexible management factor, using Structural Equation Modeling (SEM) with the AMOS 24 software.

4. RESEARCH RESULTS

4.1. Descriptive statistics of the study sample

Table 2: Profile of respondents

Profile of respondents			
Gender	Male	159	73,61%
	Female	57	26,39%
Age	Below 25 years old	37	17,13%
	25 - 35 years old	74	34,26%
	36 - 45 years old	59	27,31%
	Above 45 years old	46	21,30%
Education	High school level	64	29,63%
	College - university degree	98	45,37%
	Postgraduate level	54	25,00%
Position	Director	23	10,65%
	Vice president	34	15,74%
	Manager	86	39,81%
	Leader	73	33,80%
Take the position within	Less than 5 years	69	31,94%
	From 5 to 10 years	91	42,13%
	Over 10 years	56	25,93%
Enterprise size	Less than 10 people	34	15,74%
	From 10 - under 200 people	87	40,28%
	From 200 - 300 people	68	31,48%
	Over 300 people	27	12,50%
Field of activity	Agriculture	13	6,02%
	Industry	69	31,94%
	Forestry	41	18,98%
	Trade in Services	87	40,28%
	Other	6	2,78%
Business is up and running	Less than 5 years	73	33,80%
	From 5 to 10 years	85	39,35%
	Over 10 years	58	26,85%

The author of the study obtained 216 valid questionnaires out of 240 distributed questionnaires, during the period from May 2023 to June 2023. In 216 survey samples, the number of male managers accounts for a higher proportion (73.61%); The survey respondents also belong to many different age groups, in which the majority are young/middle-aged managers (from 25 to 35 years old, accounting for 34.26%); mainly those with college-university education (45.37%). Regarding the job positions that managers are taking in the enterprise, most of them are department heads (39.81%); with an enterprise size of 10 - less than 200 people, accounting for 40.28%; belong to many different groups of fields but mainly trade and services (40.28%).

4.2. Scale reliability with Cronbach's Alpha coefficient

Table 3: The results of testing the reliability of Cronbach's Alpha scale

Variable	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item–Total Correlation	Cronbach’s Alpha if Item Deleted
Market Orientation - Cronbach's Alpha coefficient = 0.748				
MO1	10.96	7.05	0.56	0.68
MO2	11.06	7.084	0.503	0.712
MO3	10.99	6.744	0.573	0.672
MO4	10.93	7.046	0.534	0.694
Digital Orientation - Cronbach's Alpha coefficient = 0.793				
DO1	15.13	12.123	0.491	0.78
DO2	15.13	11.341	0.626	0.736
DO3	15.09	11.709	0.612	0.741
DO3	15.05	11.765	0.632	0.736
DO4	15.18	12.121	0.51	0.774
Business Agility - Cronbach's Alpha coefficient = 0.763				
BA1	11.17	7.851	0.533	0.722
BA2	11.26	7.681	0.539	0.719
BA3	11.11	7.057	0.625	0.671
BA4	11.19	7.584	0.551	0.713
Marketing Performance - Cronbach's Alpha coefficient = 0.801				
MP1	15	13.112	0.584	0.764
MP2	15.04	12.728	0.627	0.75
MP3	15.1	12.213	0.642	0.744
MP4	15.02	12.893	0.551	0.774
MP5	15.14	12.911	0.523	0.784

Source: Author's synthesis from calculation results on SPSS software

The results show that the scales have high reliability, when the Cronbach-Alpha coefficients both reach > 0.7 in the first test with each scale, the variable correlation - the sum of the observed variables is represented. for a concept is > 0.4 , showing that these variables have a good correlation with the overall scale, and these variables are suitable to represent each concept of Market Orientation, Digital Orientation, Business Agility and Marketing Performance. With such confidence, the scales are suitable to use to express the concepts of each scale in subsequent regression and factor analysis.

4.3. Correlation analysis results

Correlation analysis is a measure of the strength of the association between the research variables in the model expressed through the Pearson correlation coefficient. Specifically, it is possible to consider the impact of the independent variable on the dependent variable, even between the independent variables. If the independent variables are strongly correlated, we must pay attention to the phenomenon of multicollinearity. In addition, remove any independent variable from the model if it is not correlated with the dependent variable ($\text{sig} > 0.05$).

Table 4: Results of correlation analysis of research variables

Correlations					
		hstt_mp	snn_ba	dhkts_do	dhtt_mo
hstt_mp	Pearson Correlation	1	.410**	.473**	.423**
	Sig. (2-tailed)		0	0	0
	N	216	216	216	216
snn_ba	Pearson Correlation	.410**	1	.418**	.437**
	Sig. (2-tailed)	0		0	0
	N	216	216	216	216
dhkts_do	Pearson Correlation	.473**	.418**	1	.327**
	Sig. (2-tailed)	0	0		0
	N	216	216	216	216
dhtt_mo	Pearson Correlation	.423**	.437**	.327**	1
	Sig. (2-tailed)	0	0	0	
	N	216	216	216	216

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Author's synthesis from calculation results on SPSS software

Through the results of the correlation analysis, it is found that the linear correlation at the 99% confidence level (corresponding to the significance level of 1% = 0.01), the sig value of the independent variable and the dependent variable are both less than 0.05. (sig=000). In which, the independent variables of the model have average correlation with the dependent variable ($|r| < 0.5$). Some independent variables have average correlation with each other, with this result, the study will use additional results on the magnification of variance to test the phenomenon of multicollinearity.

4.4. Regression analysis

Table 5: Results of Regression Analysis

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.956	0.283		3.376	0.001		
	snn_ba	0.167	0.066	0.168	2.538	0.012	0.724	1.38
	dhkts_do	0.336	0.066	0.323	5.109	0	0.799	1.251
	dhtt_mo	0.251	0.066	0.243	3.817	0	0.784	1.276

a. Dependent Variable: hstt_mp

Source: Author's synthesis from calculation results on SPSS software

Based on the table of Sig index results of the T test above, we see that 3 independent variables reached the Sig significance level < 0.05 , respectively BA (0.012), DO (0.000), MO (0.000), proving that All variables are significant in the model. Looking at the table of results, we can see that all variables have Beta > 0 , so the independent and dependent variables have positive effects on each other; That is, when any factor is increased, the Marketing Performance in the business also increases and vice versa.

The normalized regression model is presented as follows:

$$MP = 0.168BA + 0.323DO + 0.243MO + e_i$$

Thus, after running multiple regression, the group results of 3 factors that affect Marketing Performance in the enterprise. In which, the group of factors Digital Orientation is the factor that has the strongest impact on Marketing Performance in enterprises, followed by the group of factors on Market Orientation and Business Agility that positively affect Marketing Performance in enterprises. Therefore, testing the research model with the aim of affirming that the measurement scales in the research and the concepts of the research model reach a certain amount of theoretical value.

4.5. Exploratory Factor Analysis (EFA)

According to Hair & Anderson (2004), factor loadings serve as indicators to ensure the substantive significance of exploratory factor analysis (EFA). Factor loadings greater than 0.3 are considered as the minimum threshold, greater than 0.4 as important, and greater than 0.5 as substantively significant. Therefore, after conducting EFA, factors with factor loadings greater than 0.4 will be selected. Factor analysis is employed when the Kaiser-Meyer-Olkin (KMO) measure has a significant value (between 0.5 and 1) and the total variance extracted is greater than 50%. In this study, the Principal Axis Factoring method with Promax rotation will be used for factor analysis.

Table 6: Variables Factor Rotation Matrix

Variable	Marketing Performance	Digital Orientation	Business Agility	Market Orientation
MP2	0.741			
MP3	0.74			
MP4	0.624			
MP5	0.61			
MP1	0.594			
DO2		0.758		
DO4		0.732		
DO3		0.646		
DO1		0.583		
DO5		0.51		
BA3			0.79	
BA1			0.641	
BA2			0.631	
BA4			0.512	
MO1				0.718
MO2				0.678
MO3				0.654
MO4				0.482
KMO = 0.849, Sig = 0.000, Variance extraction = 57.908%, Eigenvalues = 1.268				

Source: Author's synthesis from calculation results on SPSS software

According to the analysis results, the coefficient KMO = 0.849, the value of Bartlett's test is significant (sig < 0.05) to ensure reliability for the factor analysis, 4 groups of factors are extracted with total variance extracted = 57,908 % and observed variables all have factor loading coefficients greater than 0.4, so no variables are excluded. This is an acceptable ratio, demonstrating that the obtained data have a good convergence, representing well for the 4 factors given from the analysis.

Thus, the factor analysis has given us completely reliable results, these factors will be determined representative variables through calculating the average value of the observed variables representing that factor. These factors will be used in regression analysis to evaluate the influence of each factor on Marketing Performance. Thereby, we will have specific measures to influence one or more factors to effectively improve Marketing Performance in the business.

4.6. The results of the confirmatory factor analysis (CFA).

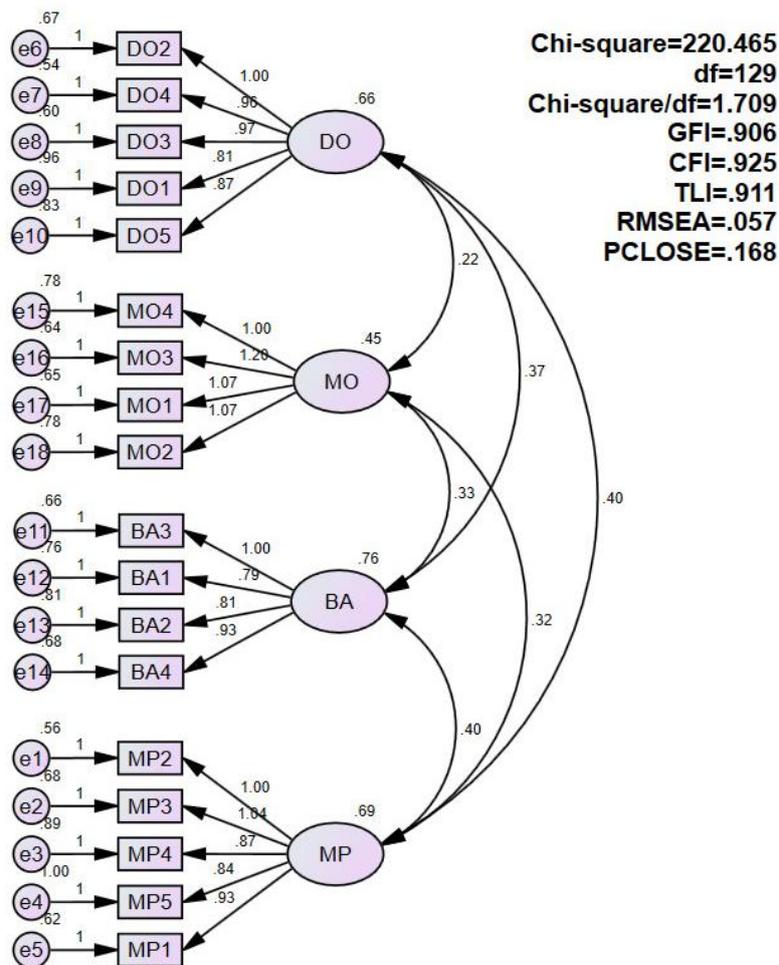


Figure 2: Confirmatory factor analysis results for the CFA scales

The SEM model analysis method through AMOS software was used to test the fit of the research model. The results of the critical model (saturate model) show that there are 129 degrees of freedom, the criteria for measuring the model's fit with the value Chi- square/df= 1.709 ≤ 3, TLI= 0.911 ≥ 0.9, CFI= 0.925 ≥ 0.9, GFI= 0.906 ≥ 0.9 and RMSEA= 0.057 ≤ 0.06 are all satisfactory according to Hu & Bentler (1999). Thus, the confirmatory factor analysis results ensure the necessary level of significance. The scales ensure reliability.

4.7. Results of Linear Structural Equation Modeling (SEM) and Discussion

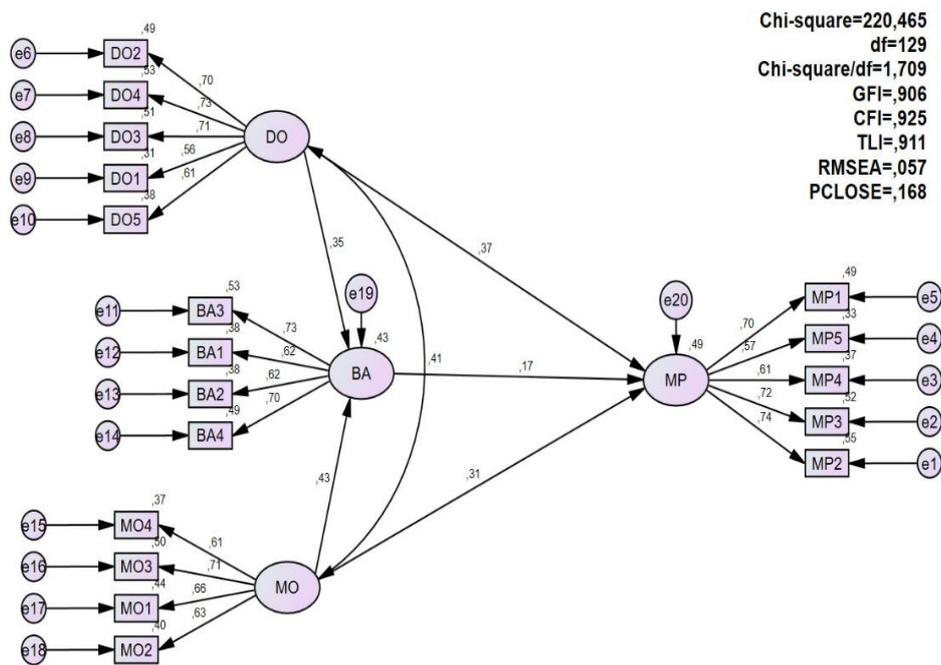


Figure 3: Results of the adjusted SEM model

The first structural model gives the following test results: Chi - Square/df = 1.709 ≤ 3, TLI = 0.911 ≥ 0.9, CFI = 0.925 ≥ 0.9, GFI = 0.906 ≥ 0.9, RMSEA coefficient = 0.057 ≤ 0.06, all indexes are satisfactory according to Hu & Bentler (1999), so the model is suitable for the market.

Table 7: Summary of standardized impact coefficients in the standardized model

Dependent variable	Direction of effect	Independent variable	P-values	Estimate
BA	< - - - - -	DO	0	0.379
BA	< - - - - -	MO	0	0.551
MP	< - - - - -	DO	0	0.381
MP	< - - - - -	BA	0.005	0.366
MP	< - - - - -	MO	0.003	0.384

Source: Results of AMOS data analysis.

The analysis results show that the factors Market Orientation and Digital Orientation have a positive and statistically significant impact on the dependent variable, Business Agility in the enterprise. The factors Market Orientation, Digital Orientation and Business Agility also have a clear influence on the dependent variable Marketing Performance in the business.

5. CONCLUSION

The research paper has achieved the set research objectives including: systematizing the theoretical bases of market orientation, digital orientation, business ability and marketing performance; building research models of factors affecting marketing performance; examines the positive impact of market orientation, digital orientation on business agility and marketing performance, and affirms the important mediating role of business agility factor in the positive relationship between market orientation, digital orientation and marketing performance.

Marketing performance plays an important role in a company's operations and typically during new product development. Therefore, companies with high marketing capacity test and introduce new products and services to the market, outperforming companies with low marketing capacity.

However, digital transformation has changed the way companies create value. To enhance marketing performance, companies need a strong digital orientation combined with a strong market orientation to take advantage of the new opportunities of digital technology (Joensuu-Salo, S. 2021).

At the same time, the mediating role of agility in business is also very important, especially in the period when the economy is changed by scientific and technological advances, by political conflicts, by the challenge of the market. Business agility has a positive, significant and direct impact on a company's operations – both in terms of market, growth and revenue.

To develop business agility, top management is recommended to be more explorative with strengthening opening behaviors rather than exploitative which tends to be closing behaviors in leading the business; always stay up to date with information constantly update, stay ahead of trends, be sensitive, adaptive and always have a plan to deal with the challenge and changes of the environment.

The authors acknowledge that this study still has some limitations when the sample size is not large enough; The CEOs, directors and senior managers that the authors approach are mainly located in one area, Hanoi. The results can't be generalized.

Future research may examine the influence of market orientation, digital orientation, and the mediating role of business agility on marketing effectiveness in different contexts, expand the area for all Vietnamese businesses and compare the impact between large organizations and SMEs.

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