# The Effects Of Customer Orientation, Competitor Orientation, And Promotion On The Marketing Performance Of Logistics Companies In Surakarta City

**Eva Yuniarti Utami[1], Audita Nuvriasari[2]**
[1]Vocational School, Universitas Sebelas Maret
[2]Faculty of Economics, Universitas Mercu Buana Yogyakarta
Email: eva.yuniarti.utami@staff.uns.ac.id

| Keywords | ABSTRACT |
|---|---|
| *customer orientation, competitor orientation, promotion, marketing performance, logistics companies, Surakarta City* | *This study aims to explore the effects of customer orientation, competitor orientation, and promotion on marketing performance of logistics companies in Surakarta City. The research design employed a quantitative approach, utilizing a sample population of micro, small and medium-sized enterprises (MSMEs) in the expeditions or courier services sector. Data collection involved questionnaires and secondary data obtained from the Departement of Cooperatives, MSMEs, and Industry in Surakarta City. Descriptive statistics and regression analysis were used to analyze the data. The result of hypothesis testing revealed that customer orientatiom, competitor orientation, and promotion did not have a significant effect on the marketing performance of expedition services companies in Surakarta City. These findings contribute to the existing body knowledge and provide practical implications for logistics companie in Surakarta City to enhance their marketing strategies and overall performance. In conclusion, customer orientation, competitor oerientation, and promotion were found to be insignificant factors influencing the market performanceof logistics companies in Surakarta City. This reserach highlights the need for tailored strategies and futher investigations in the logistics industry. The implications of these findings provide insights for policy and practical in enhancing marketing strategies and suggest avenues for future studies in this context.* |

## INTRODUCTION

In the highly competitive business environment, logistics companies are contantly striving to enhance their marketing performance in order to gain a competitive advantage. To achieve this, various factors come into play, including customer orientation, competitor orientation, and effective promotion strategies. This research aims to explore the effects of customer orientation, competitor orientation, and promotion on the marketing performance of logistics companies in Surakarta City.

The logistics industry in Indonesia, particularly in the field of expeditions or courier services, has experienced rapid growth in recent years. Based on data from Central Statistics Agency (Badan Pusat Statistika/BPS) presented by Tech in Asia, the transportation and logistics industry contributed

0.83% to the Gross Domestic Product (GDP) based on current market prices in 2021. This growth has been driven by factors such as technological advancements, the rise of e-commerce, and the shift towards online platforms. In Surakarta City, specifically, there are 17 expedition companies operating approximately 141 branch offices and agency partners across five districts. These companies play a crucial role in supporting the economy of Surakarta by facilitating the smooth distribution of products from micro, small, and medium-sized enterprises (MSMEs) to end customers.

Recent studies have shed light on the significance of customer orientation, competitor orientation, and promotion in the context of marketing performance. For instance, research by Johnson and Sohi (2020), Nasution (2016) and Utaminingsih (2016) emphasized the importance of customer orientation in driving customer satisfaction and loyalty. Additionally, studies by Chen and Li (2019), Wang et al. (2021), Wulandari (2012) and Maisirata (2022) highlighted the role of competitor orientation in shaping competitive advantages. Zulfikar (2018) and Manambing et al. (2018) found that customer orientation does not significant affect marketing performance, with Rosmayani (2021) suggests that competitor orientation plays a crucial role in maintaining and enhanching a company;s performance in the industry. Assauri (2012) explains the importance of analyzing competitors and gathering information about their capabilities, strategies, adn motivators. Additionally, the study considers the influence of promotion on marketing performance. Promotional activities, such as effective communication and persuasive marketing programs, have been shown to positively impact marketing performance (Nurjana, 2021; Yasa, 2022). However, Abdullah et al. (2019) found no significant relationship between promotion and marketing performance. However, despite these contributions, there is a lack of comprehensive research that specifically focuses on the logistics industry in Surakarta City.

The gap between recent studies and the current empirical and theoritical aspects of the focused study lies in the specific context of logistics companies operating in Surakarta City. While previous research has explored the effects of customer orientation, competitor orientation, and promotion on marketing, these studies has primarily focused on different industries or geographical regions. Therefore, there is a need to fill the research gap and provide insights tailored to the logistics industry in Surakarta City.

The primary focus of this study is to explore the effects of customer orientation, competitor orientation, and promotion on the marketing performance of logistics companies in Surakarta City. The research guiding this study is: "What are the spesific impact of customer orientation, competitor orientation, and promotion on the marketing performance of logistics companies in Surakarta City?". By analyzing the relationships between these factors and marketing performance, this study aims to contribute to the existing body of the knowledge in the field. It seeks to provide empirical evidence and practical implications tailored specifically to logistics companies operating in Surakarta City. Through this research, a fresh perspective will be offered, shedding new light on the subject matter and offering insights that can utilized by logistics companies in Surakarta City to enhance their marketing strategies and overall performance.

## METHODS

This study employed a quantitative research design to invastigate the effects of customer orientation, competitor orientation, and promotion on the marketing performance of logistics companies in Surakarta City. Quantitative research is based on the philosophy of positivism and is employed to invastigate specific populations or samples (Sugiyono, 2012). In this study, data collection was conducted using research instruments. The purpose of employing a quantitative approach was to test the predetermined hypotheses.

The sample population of this research consists of logistics companies, particulary Micro, Small, and Medium Enterprises (MSMEs) in the expeditions or courier services in Surakarta City. The data collection of this study utilized both primary and secondary sources. The primary data was collected through questionnaires distributed to the selected sample, while the secondary data was obtained from the Departement od Cooperatives, MSMEs, and Industry in Surakarta City. The population of the study comprises a total of 141 logistics companies in the form of MSMEs in the expetions or courier services. The sample was determined usiong purposive sampling, with a

criterion that selected companies must have been in operation for a minimum of three years. The sample size was calculated based on the recommendation by Roscoe, stating that for multivariate analysis which is multiple regression, the sample size should be at least 10 times the number of variables being studied (Roscoe 1975 in Sugiyono, 2017). Therefore, the sample size for this research was determined to be 40 respondents.

The data collection for this research was conducted by administering a questionnaire based on a prepared set of questions related to the four variables: customer orientation, competitor orientation, promotion, and marketing performance. The questionnaire utilized 5-point Likert scale for measuring responses. In this study, the distribution of the questionnaire followed a conventional technique, where paper questionnaire were handed out directly to the respondents, who were MSMEs in the expeditions or courier services in Surakarta City.

The data analysis process involved several stages. Firstly, descriptive statistics were used to summarize and analyze the collected data. This included calculating means, standard deviations, and frequencies to provide an overview of the variables under investigation. Subsequently, inferential statistical which is regression analysis, were employed to examine the relationships between customer orienattion, competitor orientation, promotion, and marketing performance.
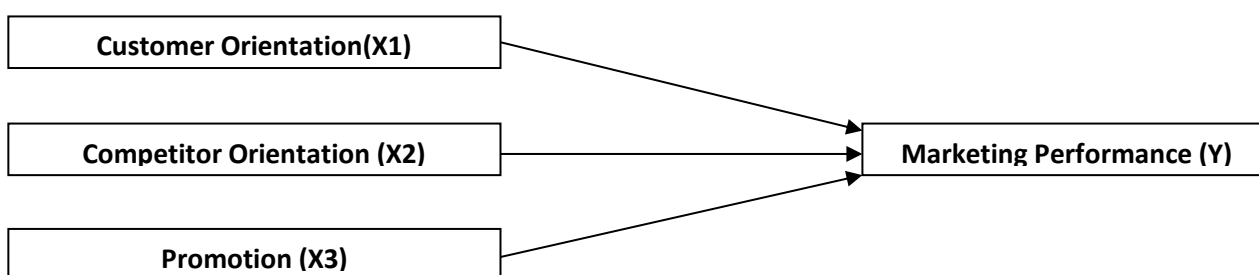


Figure 1. Thinking Framework.

## RESULTS
### Respondents and Business Profile

Based on research conducted on 40 respondents who are logistics companies owners and manager, several key findings can be summarized (Table 1). Firstly, the majority of respondents from expedition service companies in Surakarta hold the position of responsible personnel (manager), with 36 of 40 respondents (90%) occupying this role. Secondly, the data indicates a higher representation of males among the employees in logistics companies, with the 32 respondents (80%) compared to female respondents (20%). In terms of age, the most common age group among respondents is 26-30 years old, comprising 16 individuals (40%). Furthemore, the majority of employees in expedition services companies hold bachelor's degree, accounting for 17 respondents (42.50%).

Regarding the lenght of employment, the data reveals that the largest propotion of respondents have been working in their respective companies for 3-5 years, with 34 individuals (85%) falling into this category. As for the type of business entity, the majority of expedition services companies in Surakarta are in the form of limited partnership (CV), with 24 out of 40 companies (60%) not having a legal business entity. Moreover, most companies employ 2-5 individuals, with 26 companies (65%) falling into this category. In terms of operational duration, the highest number of companies have been operating for 3-5 years, accounting for 26 companies (65%). Lastly, among the services offered by these companies, the majority, comprising 33 (82,50%), provide a wide range of delivery services, including express, regular, and specialized options.

### Table 1. Respondents and Business Profile

| Characteristic | Category | Amount (n) | Percentage (%) |
|---|---|---|---|
| Position | Owner | 4 | 10.00 |
| within the company | Manager | 36 | 90.00 |
| | | | |
| Gender | Male | 32 | 80.00 |
| | Female | 8 | 20.00 |

| | | | |
|---|---|---|---|
| Age | 21 - 25 years | 13 | 32.50 |
| | 26 - 30 years | 16 | 40.00 |
| | 31 - 35 years | 2 | 5.00 |
| | > 36 years | 9 | 22.50 |
| Education | Senior High School | 7 | 17.50 |
| | Diploma | 16 | 40.00 |
| | Bachelor | 17 | 42.50 |
| Length of employment | 3 - 5 years | 34 | 85.00 |
| | 6 - 10 years | 2 | 5.00 |
| | > 11 years | 4 | 10.00 |
| Business types | CV | 14 | 35.00 |
| | PT | 2 | 5.00 |
| | Others | 24 | 60.00 |
| Number of employees | 1 person | 10 | 25.00 |
| | 2 - 5 people | 26 | 65.00 |
| | 6 - 10 people | 3 | 7.50 |
| | > 11 people | 1 | 2.50 |
| Lenght of business | 3 - 5 years | 26 | 65.00 |
| | 6 - 10 years | 13 | 32.50 |
| | > 11 years | 1 | 2.50 |
| Types of services offered | Regular delivery | 3 | 7.50 |
| | Trucking delivery | 4 | 10.00 |
| | others | 33 | 82.50 |

**Hypothesis Testing**

In this study hypothesis testing was conducted using t-test. This test was used to examine the partial effects of customer orientation (X1), competitor orientation (X2), and promotion (X3) on marketing performance (Y). The analysis was performed using IBM SPSS Statistics 21 software, as shown in Table 2 below:

**Table 2. t-test Results**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 6,863 | 4,120 | | 1,666 | ,104 |
| | Customer orientation | ,278 | ,231 | ,265 | 1,206 | ,236 |
| | Competitor orientation | ,034 | ,258 | ,030 | ,132 | ,896 |
| | Promotion | ,288 | ,310 | ,230 | ,928 | ,359 |

In partial hypothesis testing, the criteria are as follows:

If the calculated t-value is greater than the critical t-value at significance level of less than 0.05, the Ho (null hypothesis) is rejected and Ha (alternative hypothesis) is accepted, indicating that the independent variable has a significant effect on the dependent variable. Conversely, if the calculated t-value is less than the critical t-value at a significance level of greater than 0.05, the Ho is accepted and Ha is rejected, indicating that the independent variable does not have significant effect on the dependent variable. Based on the t-test results in Table 2, the decisions can be made as follows:

1. Hypothesis testing 1:

   Based on test results, the calculated t-value of 1.206 is less than the critical t-value 0f 2.02, and the significance value of 0.23 is greater than 0.05. These results indicate that Ho1 is accepted and Ha1 is rejected, meaning that customer orientation does not have a significant effect on the marketing performance of expedition services companies in Surakarta City.

2. Hypothesis testing 2:

   Based on test results, the calculated t-value of 0.13 is less than the critical value t-value of 2.02, and significance value of 0.89 is greater than 0.05. These results indicate that Ho2 is accepted and Ha2 is rejected, meaning that competitor orientation does not have a significant effect on the marketing performance of expedition services companies in Surakarta City.

3. Hypothesis testing 3:

   Based on test results, the calculated t-value of 0.92 is less than the critical value t-value of 2.02, and significance value of 0.35 is greater than 0.05. These results indicate that Ho3 is accepted and Ha3 is rejected, meaning that promotion does not have a significant effect on the marketing performance of expedition services companies in Surakarta City.

## CONCLUSION

Based on the research conducted to analyze the factors influencing performance, the following conclusions can be drawn:

1. Customer orientation does not have a significant influence on the marketing performance of expedition service companies in Surakarta. This research finding indicates that customer orientation is not a factor that affects marketing performance.

2. Competitor orientation does not have a significant influence on the marketing performance of expedition service companies in Surakarta. This research finding suggests that competitor orientation is not a factor that affects marketing performance.

3. Promotion does not have a significant influence on the marketing performance of expedition service companies in Surakarta. This research finding indicates that promotion is not a factor that affects marketing performance.

Based on these conclusions, it can be inferred that customer orientation, competitor orientation, and promotion are not significant factors influencing the marketing performance of expedition service companies in Surakarta.

## REFERENCES

Abdullah, Maupa, H., Sudirman, I. (2019). Analysis of The Effect of Promotional Mix Strategies on Marketing Performance Pt . Hadji Kalla Toyota. Journal, 7(1), 6–13.

Assauri, Sofjan. (2012). Strategic Marketing Sustainale Competitive Advantages. PT. Raja Grasindo Persada: Jakarta.

Chen, M., & Li, D. (2019). Competitor orientation, entrepreneurial orientation, and firm performance: The moderating role of market turbulence. Journal of Business Research, 94, 37-45.

Johnson, J. L., & Sohi, R. S. (2020). Beyond relationship quality: The role of customer orientation in customer value creation. Journal of Marketing Theory and Practice, 28(1), 41-58

Maisirata, Pasifikus. (2022). Analisis Pengaruh dari Orientasi Pesaing, Kinerja Layanan serta Daya Tarik Produk terhadap Kinerja Pemasaran (Studi Kasus Pengusaha Cafe dan Resto di Kota Pontianak). Mabis, 13(1), 77-88.

Manambing, A., Mandey, S., & Tielung, M. V. . (2018). Analisis Pengaruh Orientasi Pasar Dan Keunggulan Bersaing Terhadap Kinerja Pemasaran ( Studi Kasus Umkm Kuliner Tinutuan Di Manado). Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi, 6(4), 3803–

3812.

Nurjaya, N., Affandi, A., Erlangga, H., Sunarsi, D., & Jasmani, J. (2021). The Effect of Product Promotion and Innovation Activities on Marketing Performance in Middle Small Micro Enterprises in Cianjur. Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences, 4(1), 528–540.

Nasution, A. A. (2016). Analisis Kinerja Pemasaran Pt Alfa Scorpii Medan. Media Ekonomi Dan Manajemen, 31(2), 77–87.

Rosmayani. (2021). Kinerja Pemasaran Implementasi pada Industri Kecil Berbasis Inovasi. Surabaya: Pustaka Aksara

Sugiyono. (2012). Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Bandung: Alfabeta.

Sugiyono. (2017). Metode Penelitian Bisnis. Bandung: Penerbit Alfabeta.

Tech in Asia. (2022). Lanskap vertikal logistik Indonesia pergudangan dan jasa angkutan. 1-5.

https://id.techinasia.com/data-logistik-indonesia-lengkap?referrer=featured-dashboard

Utaminingsih, A. (2016). engaruh orientasi pasar, inovasi, dan kreativitas strategi pemasaran terhadap kinerja pemasaran pada UKM kerajinan rotan di Desa Teluk Wetan, Welahan, Jepara. Media Ekonomi Dan Manajemen, 31(2), 77–87.

Wang, H., Hu, M., Wang, W., & Guo, R. (2021). The effects of competitor orientation on firm performance: The moderating roles of market turbulence and technological turbulence. Frontiers in Psychology, 12, 677067.

Wulandari, Agesti. (2012). Pengaruh Orientasi Pelanggan, Orientasi Pesaing, dan Inovasi Produk terhadap Kinerja Pemasaran. Management Analysis Journal, 1 (2), 18-21.

Yasa, N. N. K., Ketut Giantari, I. G. A., Setini, M., & Rahmayanti, P. L. D. (2020). The role of competitive advantage in mediating the effect of promotional strategy on marketing performance. Management Science Letters, 10(12), 2845–2848.

Zulfikar, R. (2019). Marketing Performance Influenced by Market Orientation Through Value Creation. 225(Icobest), 291–297.