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### The Relation of Market Orientation, Learning Orientation and Competitive Advantages of F&B SMEs Using E-Commerce on Instagram

#### Abstract

With the rise of e-commerce, many small and medium enterprises (SMEs), particularly in the food and beverage sector, are focusing on market orientation to foster a learning organization and gain competitive advantages. These SMEs often use Instagram for consumer communication. This research aims to explore how market orientation and learning orientation influence competitive advantages for food and beverage SMEs on Instagram. It is a quantitative study using non-probability judgmental sampling, with data collected from 100 respondents. The analysis was conducted using SmartPLS 3.0 software. The findings reveal that market orientation positively affects learning orientation, which in turn positively influences competitive advantages. Additionally, market orientation directly impacts competitive advantages. By understanding market orientation, food and beverage businesses can assess their strengths and weaknesses, enhancing their products and services to compete more effectively and deliver greater customer value.

Keywords: Marketing Orientation, Learning Orientation, Competitive Advantages, E-Commerce

#### 1. Introduction

The numbers of internet users in Indonesia have grown significantly due to Pandemic Covid 19. A lot of businessmen have begun to participate in developing their businesses by utilizing advances in technology and internet. It is to improve the economy of a company or individual (Palinggi & Limbongan, 2020).

E-commerce has been developing so fast since it is accessible to seek product or service information (Sidharta & Suzanto, 2015). At first it appeared under the name of Electronic Fund Transfer (EFT) in 1970 which then continued to develop and later it was known as e-commerce (Widagdo, 2016).

Food and Beverages (F&B) is one of the businesses applying e-commerce. Generally, in 2020 F&B business in Indonesia experienced a growth of around 1-2% and was predicted to raise 7-9% in 2021 (Pengusaha: 2020, Pertumbuhan Sektor Makanan Hanya Makanan dan Minuman Hanya 1-2 Persen, 2021). With today's intense competition, it is unavoidable that e-commerce must be reconsidered to remain competitive (Ahmadi, Harnani & Setiadiwibawa, 2020),

Small Medium Entreprises (SMEs) in F&B business have started to develop their businesses using e-commerce. One platform widely recognized by a lot of people is Instagram, a social media application that aims to share content in the form of photos or videos among users. Instagram reached a total of 1 million users in just 2 months and 2 weeks since its launch in October 2010, which in January 2020 Instagram reached 1 billion

active users with 500 million active users every day (*The 57+ Instagram Statistics You Need to Know in 2020*, 2020).

In Indonesia alone, Instagram users reached 63 million users in January 2020 (*Hootsuite* (*We are Social*): *Indonesian Digital Report 2020*, n.d.). Instagram also has various features. One feature that is useful for businessmen is the advertisements that can be used to promote content or products seen by millions of active Instagram users (Putra, 2020).

The role of Instagram is to facilitate the promotion of culinary business profiles (Efektivitas Pemasaran Bisnis Kuliner Melalui Instagram, 2019). This can be done by uploading photos or videos that attract buyers without spending a lot of time and money (Efektivitas Pemasaran Bisnis Kuliner Melalui Instagram, 2019). For the culinary business profile itself, a brand must regularly and purposefully share posts to build consumer trust and satisfaction (Alasan Utama Kenapa Bisnis Kuliner Anda Butuh Social Media, 2020). So, Instagram can be a solution for promoting culinary products or services (Efektivitas Pemasaran Bisnis Kuliner Melalui Instagram, 2019).

There are several reasons why Instagram is being used as a marketing tool, such as storytelling to build emotional connections with consumers, visual content that can attract consumer interests and responses, higher user engagement than Twitter and Facebook, understanding how other competitors work, having more inputs from consumers (Instagram Marketing: Kenapa Bisnis Perlu Melakukannya, 2019). Moreover, companies or

SMEs can better choose the right strategy to understand market orientation to develop learning orientation and maintain competitive advantages.

Market orientation is a concept emphasizing a company's attention to its target market to present superior products to consumers (Alwi & Handayani, 2018). By knowing the market needs early, the company can be able to prepare better products as desired by the market (Anshori, 2011).

While the concept of learning orientation itself emphasizes business exploration (Mahmoud et al., 2016). According to Mardiyono (2015) learning orientation will bring renewal and willingness to continuously learn, adapt and change. Companies that have switched to e-commerce have greatly benefited, such as an increase in sales of up to 60% when using e-commerce, an expansion of the target market beyond the region, and an increase in total revenue of up to 165% (45% UMKM Beralih ke E-commerce Selama Pandemi COVID-19, 2020).

With increasingly fierce competition, this strategy must be carried out because competitors become more proficient and productive with the presence of human resources, education level, expertise, as well as a more advanced understanding of technology and information (Syafruddin et al., 2020). According to Syukron and Ngatno (2016) to maintain the existence of a business, a company must have a competitive advantage so that its business can survive. By conducting market orientation and continuous learning orientation, the company can increase its competitive advantage to compete with its competitors.

So far there are some studies related to market orientation, learning organization and competitive advantages in some industries, like international joint ventures companies in Malaysia (Farrel at al., 2008), non-profit organizations in Ghana (Abdulai Mahmoud & Yusif, 2012), SMEs Batik industries in South Kalimantan (Zainul et al., 2016), and SMEs embroidery in Malang (Puspaningrum, 2017). Nevertheless, there is not enough related study, especially in F&B business in Indonesia. So, the purposes of this study are to find the influence of market orientation on learning orientation, the influence of learning organization on competitive advantages and the influence of market orientation on competitive advantages of F&B SMEs using e-commerce in Instagram.

#### 2. Literature Review

#### 2.1. E-Commerce

E-commerce is a process of buying and selling products electronically carried out between consumers and companies or between companies and other companies with computers as intermediaries for business transactions (Laudon & Laudon, 1998). According to Khan (2016), e-commerce is the process of selling and buying goods or services over the internet.

Furthermore, Khan (2016) stated that e-commerce has various benefits for both consumers and sellers, those are:

#### 1. Benefits for consumers:

- Reduce transaction costs.
- Increase convenience to have 24-hour business transaction.
- Time-efficient.
- Fast and continuous to access information on various websites simultaneously.
- Easy to buy and sell products.
- Quickly find and switch to another company when dissatisfied.
- Accessible to a wider market.
- Able to see comments from other consumers before making a purchase.

#### 2. Benefits for Sellers:

- Income increased.
- Reduce operating and maintenance costs.
- Reduce purchasing costs.
- Reduce transportation costs.
- Increase consumer loyalty.
- Speed up the process of buying and selling products.
- Improve brand image.
- Facilitate internal and external communication.

### 2.2. Instagram (IG)

Instagram (IG) is a social media application where users can share photos or videos with each other publicly or only distribute to their followers. It is more likely to be favored by young people aged around 18-29 years. In January 2020, Instagram reached around 1 billion active users with 500 million daily active users (The 57+ Instagram Statistics You Need to Know in 2020, 2020). With the increasing number of Instagram users, Instagram's features are also developed to always meet its user needs.

The basic features of Instagram (How to Get on Instagram Explore Page, 2019) are as follows:

Homepage: The main page that displays Instagram lives (Instagram live stram videos), stories (photo or video content with a maximum duration of 15 seconds that will disappear after

- 24 hours), and posts (content in the form of photos or videos that will be displayed on the account page) of people followed.
- Explore Page: A page that displays content from Instagram accounts that have not been followed by seeing what content has been liked by users of that account. On the explore page there is also a search bar to find other usernames, people's content with hashtags, and places/locations.
- 3. Caption and Hashtag: In each post, users can also include captions which are words that can be typed when users want to post content, and hashtags which are words that begin with the symbol of # used to categorize user content and make it easier for other users to find content in the search bar which the user can also add if he/she wants to upload content.
- 4. Tag and Location: This feature can also be added when the user wants to post. Tags are useful for listing other people's accounts on the content and services to connect them the account page listed. Location is useful as a sign and map where the photo or video content was taken
- 5. Like, Comment, and Save: Like on posts is to show how many people like the content. Like also functions as an algorithm to bring up similar content on the user's explore page. Comments are used by users to say something on other people's posts that can be seen by all accessible accounts. Then save functions to save the content according to the categories that users can create themselves so they can visit the ontent again.
- Direct Message: This feature can be used to send messages to each other privately or to other users that cannot be seen by anyone other than the user.

#### 23. Market Orientation

Market orientation refers to making use of company skills to understand and provide consumer satisfaction (Abdulai Mahmoud & Yusif, 2012). It enables the company to anticipate, react as well as to take advantage of both internal and external changes to meet consumer needs. Customer and competitor orientation involves sharing all relevant information about customer needs and the company's competitive stance with every department within the organization. This approach enables all units to recognize and follow up on important insights. Coordination among different

functions should rely on this customer and competitor data, ensuring that all areas of the company work together to deliver exceptional value to both the business and its customers. Ultimately, the company should prioritize long-term objectives, particularly the goal of achieving high profitability (Zainul et al., 2016).

Market orientation encourages companies to always monitor dynamic changes of consumer needs and wants as well as the impacts of these changes. By doing so, the companies can develop appropriate strategies to build their competitive advantages (Mahmoud et al., 2016). In addition, market-oriented companies will always prioritize consumer needs as the basis for running their business (Utaminingsih, 2016).

Furthermore, market orientation is a corporate culture that prioritizes the market as essential for survival. To sustain growth amid increasingly complex competition, companies must systematically manage the market by gathering information and understanding customer needs to ensure product satisfaction. Additionally, engaging in the market involves uncovering insights about customer characteristics and backgrounds, allowing for proportional market anticipation (Puspaningrum, 2017).

According to Anshori (2011), market-oriented SMEs will always try to meet consumer needs better than their competitors. Market orientation enables SMEs to predict future market needs and prepare products or services accordingly. Sriyanto and Adelina (2021) emphasized that market orientation is very important for SMEs to be able to create effective cultures and superior strategies in providing consumer satisfaction.

In addition, through market orientation, SMEs can determine the strategy to be carried out, both for long-term and short-term needs. In the long term, SMEs can determine strategies that suit future market needs, and this will be achieved if in the short term the company can understand the strengths and weaknesses of existing competitors (Dewi & Ekawati, 2017).

There are three dimensions in market orientation (Wicaksono & Nuvriasari, 2012), which are:

- 1. Consumer orientation
  - It is to understand consistently and continuously create important value for consumers.
- 2. Competitor orientation

It is an understanding to analyze and understand the advantages, weaknesses, and capabilities of competitors in the short term and determine strategies to have competitive advantages in the long term.

#### 3. Coordination between functions

It is a dimension based on the coordinated use of existing resources with the aim of creating important value for consumers.

In implementing market orientation, companies must be able to find various kinds of market information which can later be used as the basis for taking further steps or strategies (Mardiyono, 2015). This needs to be done because market orientation leads to corrections in sales and profitability growth, the success of new products, and all of which aim to obtain consumer satisfaction. Market orientation is important to develop sustainable competitive advantages (Alwi & Handayani, 2018)

#### 2.4. Learning Orientation

Learning orientation is the capabilities of SMEs in terms of conveying information about the market to all members or colleagues to understand consumer needs well (Bustan, 2016). Anshori (2011) stated that learning orientation makes company members have a better understanding of consumer needs. While Abdulai Mahmoud and Yusif (2012) argued that learning orientation is a process for companies to learn to interact directly with their environments, both internally and externally.

Moreover, companies need to be openminded by involving continuous research regarding stakeholders' needs. By doing so, companies can evaluate their performance as this is the crucial factor in learning organizations. It is also necessary to adjust and keep alive in a dynamic environment to anticipate future actions (Abdulai Machmoud & Yusif, 2012)

In addition, learning orientation will be formed through various points of view, previous knowledge, and experience. According to Mahmoud et al. (2016) learning orientation allows companies to explore various activities that can be carried out to realize business activities. This learning orientation leads to SMEs activities in terms of production and using knowledge to create competitive advantages.

There are three main values that can shape learning orientation according to Bustan (2016). These three things are:

#### 1. Commitment to learning

The fundamental values used in learning orientation will affect the company's ability to maintain a learning culture. Furthermore, the commitment will be realized if there is strong support from all members.

#### 2. Open to new thoughts

Companies that have learning orientation will be open to gain new knowledge, always ask new things, and have a willingness to learn from past experiences.

#### 3. Shared Vision

This shared vision has an important role in learning to have a proactive character to achieve a common goal.

Learning orientation is important for SMEs, especially in the formation of adaptive behavior and character to face uncertain changes in business (Asih, 2017). This learning orientation can later develop by itself or the one that applies learning orientation in its strategy (Bustan, 2016).

#### 25. Competitive Advantage

Pattipeilohy (2018) defines competitive advantage as a strategy implemented by SMEs to provide more unique value than other competitors. Competitive advantage is the ability of SMEs to create unique value with a variety of existing resources (Rini et al., 2020). In addition, according to Rahmasari (2011) competitive advantage is an ability to adapt to market changes where SMEs can maintain the advantages they already have.

Competitive advantage arises from various activities a company engages in design, produce, market, deliver, and support its products. It involves identifying a position that maximizes the unique capabilities setting it apart from competitors. A company achieves a competitive advantage by leveraging its resource advantages to deliver superior value at a lower cost. Ultimately, competitive advantage stems from the value or benefits the company creates for its customers (Puspaningrum, 2017).

Most SMEs try to be superior to competitors by implementing competitive strategies in every part of their department. Competitive advantages can be developed by emphasizing the advantages in resources and expertise possessed by SMEs. In addition, companies can also emphasize competences in the fields of marketing, manufacturing, and innovation (Mardiyono, 2015).

Based on the research of Li et al. (2006), competitive advantage has 5 dimensions, those are price/cost, quality, delivery dependability, product innovation, and time to market. These can be described as follows:

#### 1. Price/Cost

Price is one of the main factors for consumers to determine whether to buy a product or not. So, companies that can minimize production costs and obtain prices efficiently can have a competitive advantage compared to competitors in the market.

#### 2. Quality

The company's advantages in offering a product that has quality, good product performance and in accordance with product prices can fulfil consumer expectations.

#### 3. Delivery Dependability

The company's ability to deliver products to consumers with product quantity, product condition, and timeliness as promised by the company.

#### 4. Product Innovation

The company's ability to create innovative, unique products, or introduce new product features to attract consumer attention.

#### 5. Time to Market

The company's advantage in introducing or marketing new products to consumers as much as possible before competing companies can introduce the same new products. Early in introducing or marketing this product can create a good image of the company in the eyes of consumers.

### 2.6. Market Orientation and Learning Organization

In a study on the silver industry in Yogyakarta, market orientation has a positive and significant influence on learning orientation (Ciptaningrum, 2018). Furthermore, a study on community credit banks in East Java found that an increase in market orientation was in line with an increase in learning orientation (Widiastuti, 2020). In addition, the higher the company's ability to recognize what consumers need and identify its competitors, the higher the implementation of learning orientation is (Widiastuti, 2020).

Another study by Farrell et al. (2008) showed the influence of market orientation on learning orientation in international joint ventures significantly. Companies who understand customer needs and wants will be to anticipate in global competition by exploiting opportunities or neutralizing competitor threats.

The relation between market orientation and learning orientation can also be seen in other business sectors such as the snapback hat industry. It shows that market orientation has a positive impact on learning orientation (Firdaus, 2017). A study on the Ghanaian banking industry indicated that market orientation and learning orientation also had positive relationship (Mahmoud et al., 2016).

According to Zainul et al. (2016), market orientation implemented by SMEs Batik in Sasirangan, South Kalimantan has significant effect on learning orientation. Market orientation focused on stakeholders can support the establishment of organization learning effectively. So, the first hypothesis in this study is:

H1: Market orientation has a positive and significant influence on learning orientation of F&B SMEs using e-commerce on Instagram.

#### 2.7. Learning Organization and Competitive Advantage

A study by Nikmah et al. (2015) on the weaving industry sector in Jepara Regency showed that learning orientation and competitive advantage had a positive relationship. The ability to compete in the weaving industry sector in Jepara Regency would increase in line with the learning orientation carried out.

In addition, research by Zainul et al. (2016) suggested that learning organization has influenced competitive advantage significantly. This learning organization at SME Sasirangan, facilitated by knowledge sharing and enhanced employee skills, can foster a competitive advantage reflected in the quality and uniqueness of its products.

Siagian et al. (2019) studying the relation of learning organization with competitive advantage of universities in Jakarta showed that there is a positive influence of learning organization on competitive advantage. So, the better the universities' capabilities in understanding their stakeholders, the more competitive advantage they have.

Then, a study of the F&B industry in Palembang indicated that learning orientation had positive relationship with competitive advantages (Rini et al., 2020). The same results were also found in other studies of the clothing industry in Semarang (Sugiyarti, 2015). By applying learning orientation, SMEs can gain competitive advantages (Sugiyarti, 2015: Rini et al., 2020). Therefore, the next hypothesis is as follows:

H2: Learning orientation has a positive and significant influence on competitive advantage in F&B SMEs using e-commerce on Instagram.

# 28. Market Orientation and Competitive Advantage

The better the application of market orientation, the higher competitive advantages the company can gain (Harjadi & Gunawan, 2020). This is supported by the study of Syukron and Ngatno (2016) stating that the application of market orientation is important for SMEs in facing various competitions. The applied market orientation will enable SMEs to respond to market changes and choose the right strategies.

Research by (Puspaningrum, 2017) shows that market orientation significantly impacts competitive advantage. This finding underscores the importance of being market-oriented for companies, especially given the rise in global competition and evolving customer needs, which compel businesses to stay closely connected to their markets.

Another study in the laundry sector in South Kuta District also indicated a positive relationship between market orientation and competitive advantages (Dewi & Ekawati, 2017). In addition, a study on culinary cafes in Malang showed positive results were also obtained on market orientation towards competitive advantage (Jayaningrum, 2017). By knowing the needs of consumers, SMEs can create products that are suitable for consumers. Based on these, the last hypothesis is as follows:

H3: Market orientation has a positive and significant influence on the competitive advantages of F&B SMEs using e-commerce on Instagram.

#### 3. Methods

It is a quantitative study with judgmental sampling. The respondents of this study are those F&B SMEs using e-commerce on Instagram for at least 6 months starting from the date of the first post on their Instagram.

The writers collect SMEs that have online F&B stores on Instagram as per respondent criteria. Online questionnaires employ a five Likert scale, starting from strongly agree (5) to strongly disagree (1). Then the link of google form was sent via direct message using LINE and WhatsApp applications to SMEs. Three hundred online questionnaires were distributed but only a hundred were sent back.

The indicators of market orientation (OPAS) based on Wicaksono and Nuvriasari (2012) are F&B SMEs 1) prioritize consumer needs, 2) prioritize consumer satisfaction, 3) can analyze the advantages of competitors, 4) are able to analyze the shortcomings of competitors, 5) are able to analyze competitor strategies, 6) are able to coordinate resources well and 7) are able to create value

for consumers. Then the indicators of learning organizations (OPEM) based on Bustan (2016) are F& B SMEs 1) are committed to learning continuously, 2) are always open to new ideas/ thoughts, 3) have the vision to achieve a common goal. While the indicators of competitive advantage (KB) based on Li et al. (2006) are F&B SMEs can 1) reduce production costs and offer more competitive product prices, 2) offer quality products that match consumer expectations, 3) deliver products quickly as promised, 4) innovate products to attract the consumers, 5) optimally introduce new products at the time.

Moreover, the results of the validity test show that all indicators are valid as their R count is bigger than R table (0.361); and the results of the reliability test suggest that all three variables are reliable because their Cronbach Alpha are bigger than 0.70. Statistical descriptive analysis like means is also employed. Then, data was analyzed using Partial Least Square (PLS)

The research model can be seen in Figure 1 below.

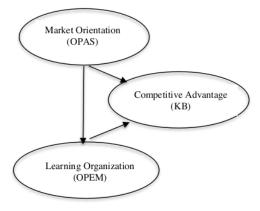


Figure 1. Research Model

#### 4. Results

Most of the respondents in this study are from SMEs with micro-scale enterprises that have a workforce ranging from 1-4 people, turnover less than IDR 25 million per year, and assets below IDR 50 million. The enterprises mostly produce pastries, like cookies, cakes, snacks, etc. In addition, the enterprises are in different parts of Indonesia, but mostly in Surabaya, Semarang and Sidoarjo. Others are in Jakarta, Solo, Jogyakarta, Ponorogo, Jember, Kediri, Banjarmasin, Kupang etc.

The descriptive analysis shows that the average means of all variables are 4.31 (Market Orientation/ OPAS), 4.61 (Learning Orientation/

OPEM), and 4.31 (Competitive Advantage/ KB). Thus, it indicates that F&B SMEs have the tendency to implement market orientation, learning organization, and competitive advantage well enough.

Moreover, convergent and discriminant validities have been run 3 times. Firstly, the indicator 'F&B SMEs prioritize consumer needs (OPAS1) is not valid as its outer loading 0,363 (< 0.50) and the AVE of OPAS is 0,392 (< 0.50). Secondly, AVE values of OPAS (0,449) and KB (0,461) are <0.50 even though OPAS1 was not used for the analysis. So, the least two outer loadings of OPAS2 'F&B SMEs prioritize consumer satisfaction' (0,562) and KB3 'F&B SMEs are able to deliver products quickly as promised.' (0,559) were dropped for further analysis. After the third run, the outer loadings of all indicators and AVE values of all three variables are valid as can be seen in Figure 2 and Table 1.

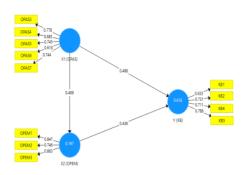


Figure 2. Convergent Validity Test

Table 1. AVE Values

Variables	AVE
Market Orientation (OPAS)	0,512
Learning Orientation (OPEM)	0,673
Competitive Advantage (KB)	0,515

The values of composite reliability and Cronbach Alpha can be seen in Table 2.

Table 2. Composite Reliability and Cronbach Alpha

Table 2. Composite Reliability and Cronbach Alpha					
Variables		Composite	Cronbach		
		Reliability	Alpha		
Market (OPAS)	Orientation	0,839	0,763		
Learning (OPEM)	Orientation	0,860	0,758		
Competitiv (KB)	ve Advantage	0,809	0,684		

All variables in Table 2 have composite reliability and Cronbach Alpha > 0.70 so they are all reliable.

Furthermore, the results of R2 are as per Table 3 below.

Table 3. R-Square

	R-Square
Learning Orientation (OPEM)	0,167
Competitive Advantage (KB)	0,616

Table 3 indicates that market orientation has influenced learning orientation as much as 16.70%, the rest 83.30% is influenced by other variables. Market orientation has also influenced competitive advantage as much as 61.60% and the rest 38.40% is influenced by other variables outside this study. The higher value of R-Square indicates the better level of estimation (Hair et al, 2019).

Moreover, the value of Q-Square is as below.  $Q^2 = 1 - (1 - 0,167) \times (1 - 0,616)$  $Q^2 = 0,680$ 

The Q-Square 0.680 (> 0.50) indicates a large prediction relevance (Hair et al, 2019).

In addition, the results of hypothesis testing can be seen in Figure 3 and Table 4.

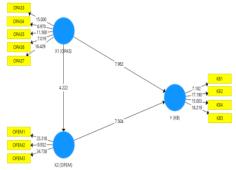


Figure 3. Bootstrapping

Table 4. Hypothesis Testing

	O	t-stat	р	R
$OPAS \rightarrow OPEM$	0.409	4.222	0.000	+/sig
$OPEM \rightarrow KB$	0.436	7.504	0.000	+/sig
$OPAS \rightarrow KB$	0.498	7.962	0.000	+/sig

O: Original sample

P: p-value

R: Remark

#### 5. Discussion

Most respondents in this study are micro-SMEs in pastry industries producing cookies, cakes, snacks, and the like located in Surabaya. These SMEs are start-up businesses operating from 6 months to 1 year. So, they are still implementing learning organizations in business to gain competitive advantages.

Based on Figure 2 and Table 4, all three hypotheses are proven to have positive original samples and significances (t statistics > 1.65). The first up to the third hypotheses have positive and significant influences.

The first hypothesis saying that market orientation has a positive and significant influence on learning orientation of F&B SMEs using e-commerce on Instagram is proven. This study suggested that market orientation and learning orientation have mutually supportive relationships and cannot be separated from each other. The importance of prioritizing customer satisfaction and analyzing competitors' strengths can complement learning orientation.

The indicators of learning orientation state the importance of being open to new ideas/ thoughts and having the vision to achieve common goals can also complement and support indicators of market orientation variables. Thus, SMEs must pay attention and continue to improve the application of market orientation and learning orientation in business.

The results are in line with studies by Ciptaningrum (2018) and Firdaus (2017) which show that market orientation has a positive and significant influence to learning orientation. The higher the ability of SMEs to recognize what consumers need and identify their competitors, the higher its influence on learning organization (Widiastuti, 2020; Farrell et al., 2008; Mahmoud et al., 2016; and Zainul et al., 2016).

The second hypothesis stating that learning orientation has a positive and significant influence on competitive advantage in F&B SMEs using ecommerce on Instagram is proven. The indicators of the learning orientation state the importance of being open to new ideas/thoughts and having the vision to achieve common goals to enable SMEs to offer and improve product quality to meet customer expectations. By doing so SMEs will be able to gain competitive advantages.

This result is also supported by Rini et al. (2020), Nikmah et al. (2015), Zainul et al. (2016), and Siagian et al. (2019) who obtained positive results on the relationship between learning orientation and competitive advantage. By applying learning orientation, SMEs can gain a competitive advantage (Sugiyarti, 2015).

Moreover, the third hypothesis mentioning that market orientation has a positive and significant influence on the competitive advantages of F&B SMEs using e-commerce on Instagram is also proven to be true. Market orientation which prioritizes consumer satisfaction by analyzing the advantages of competitors complements and supports the competitive advantage at which F&B SMEs can offer product quality in accordance with consumer expectations. Thus, SMEs must pay attention and continue to improve the application of market orientation and competitive advantage in business.

Similarly, studies by Syukron and Ngatno (2016), Dewi and Ekawati (2017). Puspaningrum (2017), as well as Jayaningrum (2017) show a positive relationship between market orientation and competitive advantage. The better the application of market orientation, the more competitive advantages the SMEs could gain (Harjadi & Gunawan, 2020).

#### 6. Conclusion and Future Direction

The results of the study show that market orientation has a positive and significant influence on learning orientation of F&B SMEs using e-commerce on Instagram. Next, learning orientation has a positive and significant influence on competitive advantage. Finally, market orientation has a positive and significant influence on the competitive advantages of F&B SMEs using e-commerce on Instagram.

By focusing on market orientation, F&B SMEs using e-commerce on Instagram can be able to develop a learning organization to gain their competitive advantages. These SMEs learn a lot from their markets to acknowledge customer needs and wants. As a result, they can improve their products and services to meet their customers' expectations. Therefore, they can gain and maintain their competitive advantages to win the competition.

In addition, managerial implications of this study are that F&B SMEs using e-commerce on Instagram are expected to be able to analyze their competitor's strengths and weaknesses to improve their products and services to win their competitors well. They can organize and coordinate their resources well to create customers' value.

Furthermore, learning orientation must be done continuously to gain and improve competitive advantages over their competitors. These can be done by attending seminars, training, talk shows, and online courses. By doing so, SMEs can be knowledgeable to anticipate market needs and want to improve product quality to meet customer expectations continually.





For further study, it is recommended to have more respondents. Using direct messages in Instagram was not effective, so sending messages to WhatsApp contact could be more effective. It would also be better to do it offline and employ other media to get more respondents. Other variables that these three can also be used.

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