

The Effect of Digital Capability and Market Orientation on Marketing Performance

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Article Info

Article history:

Received Maret, 2026

Revised Maret, 2026

Accepted Maret, 2026

Keywords:

Digital Competence; Market Orientation; Marketing Performance; Digital Marketing; Indonesia

ABSTRACT

This study aims to examine the influence of digital competence and market orientation on marketing performance in Indonesia. In the era of rapid digital transformation, organizations are required to adapt their marketing strategies by utilizing digital technologies while maintaining a strong understanding of market dynamics. Digital competence enables organizations to effectively use digital platforms, analyze market data, and communicate with customers more efficiently, while market orientation emphasizes understanding customer needs, monitoring competitors, and responding to market changes. This research adopts a quantitative approach using a survey method involving 250 respondents engaged in marketing activities across various organizations in Indonesia. Data were collected through a structured questionnaire using a five-point Likert scale and analyzed using the Statistical Package for Social Sciences (SPSS) version 25, including descriptive statistics, validity and reliability testing, and multiple linear regression analysis to test the proposed hypotheses. The results indicate that digital competence has a positive and significant effect on marketing performance, and market orientation also shows a positive and significant influence on marketing performance. Simultaneous analysis further demonstrates that both variables significantly affect marketing performance with a coefficient of determination ($R^2 = 0.549$), indicating that 54.9% of the variation in marketing performance can be explained by digital competence and market orientation. These findings highlight the importance of strengthening digital capabilities and maintaining a strong market-oriented approach to improve marketing effectiveness. This study contributes to the marketing literature by providing empirical evidence on the role of digital competence and market orientation in enhancing marketing performance in Indonesia, and practically suggests that organizations should invest in developing digital skills while continuously monitoring market dynamics to remain competitive in the digital business environment.

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1. INTRODUCTION

The rapid development of digital technology has significantly transformed the business environment, particularly in the way organizations design and implement their marketing strategies. The emergence of digital platforms such as social media, e-commerce marketplaces, mobile applications, and data analytics systems has reshaped how companies interact with customers and deliver value [1], [2]. Businesses are no longer limited to traditional marketing channels; instead, they must adopt digital approaches that allow them to reach customers more efficiently and respond quickly to market changes. In Indonesia, the expansion of internet penetration and the growing adoption of digital infrastructure have accelerated the shift toward digital marketing practices across various industries [3], [4]. Consequently, organizations are increasingly required to develop capabilities that enable them to utilize digital technologies effectively to maintain competitiveness and enhance marketing performance.

One of the key capabilities required in this digital environment is digital competence. Digital competence refers to the ability of individuals or organizations to effectively utilize digital technologies, tools, and platforms to support strategic objectives and operational activities [5], [6]. It encompasses various skills, including digital literacy, the ability to analyze digital data, online communication proficiency, and the integration of digital systems into business processes. Within the marketing domain, digital competence allows firms to better understand customer behavior through digital analytics, manage online interactions, conduct targeted promotions, and deliver personalized customer experiences [7], [8]. Organizations that possess strong digital competence are therefore more capable of identifying market opportunities and responding to evolving consumer expectations in digital environments.

In addition to technological capabilities, organizational success in marketing also depends on the extent to which firms adopt a market-oriented

approach. Market orientation is widely recognized as an organizational culture that emphasizes the importance of understanding customer needs, monitoring competitor activities, and coordinating internal resources to create superior customer value [9], [10]. Companies that adopt market orientation typically engage in continuous market intelligence gathering, information dissemination across departments, and strategic responsiveness to market trends. This orientation enables firms to align their marketing strategies with customer preferences and competitive dynamics, thereby improving their ability to achieve sustainable business performance.

Marketing performance itself represents a crucial indicator of the effectiveness of a firm's marketing activities. It reflects the extent to which marketing strategies contribute to achieving organizational objectives, such as increasing sales growth, market share, customer retention, and customer satisfaction [11], [12]. Previous studies have demonstrated that firms that effectively implement market-oriented strategies often experience improved marketing outcomes. However, in an increasingly digitalized marketplace, achieving superior marketing performance requires not only a strong understanding of customer needs but also the capability to leverage digital technologies that support data-driven decision making and customer engagement.

In emerging economies such as Indonesia, the integration of digital competence and market orientation has become increasingly important. The rapid expansion of digital marketplaces and the increasing number of digitally connected consumers have created both opportunities and challenges for businesses. Companies that lack digital competence may face difficulties in utilizing online platforms and digital marketing tools, while organizations with limited market orientation may fail to capture evolving customer preferences and competitive dynamics. Therefore, the ability to combine digital competence with a strong market-oriented culture is expected to play a

critical role in enhancing marketing performance in the modern digital economy.

Despite the growing body of literature discussing digital transformation and market-oriented strategies, empirical research that simultaneously examines the influence of digital competence and market orientation on marketing performance remains relatively limited, particularly in the Indonesian context. Many previous studies tend to examine technological capabilities or market orientation separately, without fully exploring their combined effects on marketing outcomes. This gap highlights the need for further investigation to better understand how these two strategic capabilities interact in shaping marketing performance. Therefore, this study aims to analyze the influence of digital competence and market orientation on marketing performance in Indonesia, providing empirical insights that contribute to both the theoretical development of marketing research and practical guidance for organizations seeking to strengthen their competitiveness in digital markets.

2. LITERATURE REVIEW

2.1 Digital Competence

Digital competence has become an essential capability for organizations in the modern digital economy as rapid technological development has transformed how businesses conduct marketing activities and interact with customers. It refers to the ability of individuals or organizations to effectively utilize digital technologies for communication, information processing, and decision making, including the use of digital tools, data management, and online platforms [5], [6]. From a marketing perspective, digital competence enables firms to utilize digital channels such as social media, e-commerce platforms, and websites to reach customers more efficiently, analyze consumer behavior, and evaluate marketing effectiveness. According to [7], [13], digital competence is not only related to technological adoption but also to the

transformation of organizational processes through digital innovation. Furthermore, digital capabilities can strengthen customer engagement and improve organizational performance by enabling data-driven marketing strategies and real-time monitoring of market trends, thereby contributing to better marketing outcomes and competitive advantage [8].

2.2 Market Orientation

Market orientation is widely recognized as a fundamental concept in marketing and strategic management, referring to an organizational culture and behavior that emphasizes understanding customer needs and responding effectively to competitive dynamics in the market [14], [15]. Market-oriented organizations continuously collect market intelligence, analyze customer preferences, monitor competitor strategies, and coordinate internal resources to deliver superior value to customers. [16], [17] explain that market orientation consists of three main components: market intelligence generation, intelligence dissemination, and responsiveness. Market intelligence generation involves gathering information about customer needs, competitors, and market trends; intelligence dissemination refers to sharing this information across organizational units; while responsiveness reflects the organization's ability to take strategic actions based on market insights. Organizations with strong market orientation are better able to anticipate market changes, design products and services that align with consumer expectations, and enhance customer satisfaction and loyalty. Previous studies consistently demonstrate that market orientation positively influences organizational performance, as firms that prioritize customer value tend to achieve superior business

outcomes, greater innovation, and stronger competitiveness [18], [19]. In the context of marketing performance, market orientation enables companies to develop strategies that effectively respond to customer needs and evolving market conditions.

2.3 Marketing Performance

Marketing performance refers to the outcomes of a company's marketing activities in achieving organizational objectives and reflects the effectiveness and efficiency of marketing strategies in generating results such as increased sales, market share, customer acquisition, and customer retention [20], [21]. It is commonly used as an indicator to evaluate whether marketing strategies contribute to overall organizational success. According to [22], [23], marketing performance can be assessed through several indicators, including sales growth, market share growth, customer satisfaction, brand awareness, and customer loyalty, which collectively illustrate how well marketing activities support business performance [24]. Achieving strong marketing performance requires the integration of various organizational capabilities, such as technological capability, market intelligence, and strategic marketing planning. In the digital era, marketing performance is increasingly influenced by an organization's ability to adopt digital technologies and respond effectively to rapidly changing consumer behavior.

2.4 Relationship between Digital Competence and Marketing Performance

Digital competence plays a significant role in improving marketing performance in today's technology-driven business environment, as organizations with strong digital capabilities are better able to utilize digital platforms to communicate with

customers, conduct online promotions, and analyze marketing data [13], [25]. These capabilities allow firms to reach broader markets, increase customer engagement, and enhance the effectiveness of marketing campaigns. Research indicates that digital competence positively contributes to marketing performance because it enables companies to implement innovative marketing strategies and optimize digital channels such as social media marketing, search engine optimization, digital advertising, and data analytics to increase brand visibility and customer interaction [26], [27]. In addition, digital competence supports faster and more informed decision making by providing access to real-time market information, allowing organizations to monitor customer behavior, evaluate campaign performance, and adjust marketing strategies more effectively, which ultimately leads to improved marketing performance.

2.5 Relationship between Market Orientation and Marketing Performance

Market orientation has long been recognized as a key determinant of marketing performance, as organizations that adopt a market-oriented approach prioritize understanding customer needs, monitoring competitor activities, and adapting their marketing strategies to changing market conditions [16], [23]. By emphasizing customer value and market intelligence, firms are able to design more effective marketing strategies that align with the preferences of their target markets. Empirical studies consistently show a positive relationship between market orientation and marketing performance, as market-oriented firms are better able to identify emerging opportunities, respond to customer demands, and strengthen customer

satisfaction and relationships, which ultimately improves sales performance [28], [29]. Furthermore, market orientation encourages cross-functional coordination within organizations, enabling different departments to share market information and collaborate in developing integrated marketing strategies, thereby increasing the efficiency and effectiveness of marketing activities and enhancing overall marketing performance.

2.6 Conceptual Framework and Hypothesis Development

Based on the theoretical discussion above, digital competence and market orientation are considered important factors influencing marketing performance. Digital competence enables organizations to effectively utilize digital technologies and platforms to support marketing activities, while market orientation ensures that marketing strategies are aligned with customer needs and evolving market dynamics. In the context of an increasingly digital business environment, the integration of digital competence and market orientation becomes essential, as companies that combine strong technological capabilities with a deep understanding of market conditions are more likely to achieve superior marketing performance compared to those that focus on only one aspect. Therefore, this study proposes the following research hypotheses.

H1: Digital competence has a positive and significant effect on marketing performance.

H2: Market orientation has a positive and significant effect on marketing performance.

H3: Digital competence and market orientation simultaneously have a positive and significant effect on marketing performance.

3. METHODS

3.1 Research Design

This study employs a quantitative research approach to examine the influence of digital competence and market orientation on marketing performance. A quantitative method is considered appropriate because it enables researchers to measure relationships between variables using numerical data and statistical analysis [30]. The research design applied is explanatory research, which aims to explain the causal relationship between digital competence and market orientation as independent variables and marketing performance as the dependent variable. This approach is commonly used in marketing studies to determine whether specific variables significantly influence organizational outcomes. Through this design, the study seeks to provide empirical evidence regarding the effect of digital competence and market orientation on marketing performance in the Indonesian business context.

3.2 Population and Sample

The population of this study consists of individuals involved in marketing activities in businesses operating in Indonesia, including marketing managers, digital marketing staff, entrepreneurs, and employees responsible for marketing-related functions. Because the exact size of this population is difficult to determine, a non-probability sampling technique was applied. Specifically, this study uses purposive sampling, in which respondents are selected based on criteria relevant to the research objectives, including individuals who are actively involved in marketing activities within their organizations, have experience using digital platforms or digital marketing tools, and are familiar with their organization's marketing strategies. Based on these criteria, a total of 250 respondents were selected as the sample of this study, which is considered adequate for quantitative analysis using regression techniques and sufficiently representative of the characteristics of the research population.

3.3 Data Collection Technique

The data used in this study are primary data collected directly from respondents through a structured questionnaire designed to measure perceptions of digital competence, market orientation, and marketing performance. The measurement instrument employs a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The questionnaire was distributed online to respondents who met the research criteria, and they were asked to provide their perceptions and experiences related to digital competence, market orientation, and marketing performance within their organizations. The use of an online questionnaire enables efficient data collection and facilitates access to respondents from various business sectors across Indonesia.

3.4 Variable Measurement

This study involves three main variables consisting of two independent variables and one dependent variable. The first independent variable is Digital Competence (X_1), which refers to the ability of individuals or organizations to effectively utilize digital technologies to support marketing activities, measured through indicators such as digital literacy, the ability to use digital marketing platforms, digital data analysis capability, and the integration of digital technologies in marketing activities. The second independent variable is Market Orientation (X_2), which represents an organizational approach that emphasizes understanding customer needs, monitoring competitor strategies, and responding to market changes, measured through indicators including customer orientation, competitor orientation, and inter-functional coordination. The dependent variable is Marketing Performance (Y), which reflects the outcomes achieved through marketing activities and is measured using indicators such as sales growth, market share growth, customer acquisition, and overall marketing effectiveness. Each indicator in the questionnaire is measured using a Likert scale to capture respondents' perceptions

regarding the variables examined in this study.

3.5 Data Analysis Technique

The collected data were analyzed using the Statistical Package for Social Sciences (SPSS) version 25 to ensure the validity and reliability of the research findings [31]. The analysis began with descriptive statistics to describe respondent characteristics and provide an overview of data distribution, including frequency, mean, and standard deviation. Next, validity testing was conducted using the Pearson correlation method to determine whether the questionnaire items accurately measured the intended variables, where items were considered valid if the correlation coefficient exceeded the critical value. Reliability testing was then performed using Cronbach's Alpha to assess the consistency of the measurement instrument, with values above 0.70 indicating reliable variables. Furthermore, multiple linear regression analysis was applied to examine the influence of digital competence and market orientation on marketing performance using the model $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$, where Y represents marketing performance, α is the constant, β_1 and β_2 are the regression coefficients, X_1 represents digital competence, X_2 represents market orientation, and ε is the error term. Finally, hypothesis testing was conducted using the t-test to evaluate the partial effect of each independent variable and the F-test to examine the simultaneous influence of digital competence and market orientation on marketing performance, with a significance level of 0.05. Through these analytical procedures, the study aims to provide empirical evidence regarding the relationship between digital competence, market orientation, and marketing performance in Indonesia.

4. RESULT AND DISCUSSION

4.1 Respondent Characteristics

A total of 250 respondents participated in this study. The respondents consist of individuals involved in marketing activities in various organizations in

Indonesia, including marketing managers, digital marketing staff, entrepreneurs, and marketing employees. Descriptive statistics

were used to analyze the demographic characteristics of the respondents.

Table 1. Respondent Characteristics

| Characteristics | Category | Frequency | Percentage |
|-----------------|-------------|-----------|------------|
| Gender | Male | 132 | 52.8% |
| | Female | 118 | 47.2% |
| Age | 20–30 years | 96 | 38.4% |
| | 31–40 years | 88 | 35.2% |
| | 41–50 years | 46 | 18.4% |
| | > 50 years | 20 | 8.0% |
| Education | Diploma | 32 | 12.8% |
| | Bachelor | 156 | 62.4% |
| | Master | 62 | 24.8% |
| Work Experience | < 3 years | 54 | 21.6% |
| | 3–5 years | 92 | 36.8% |
| | 6–10 years | 71 | 28.4% |
| | > 10 years | 33 | 13.2% |

Table 1 presents the characteristics of the respondents involved in this study. Based on gender distribution, the respondents consist of 132 males (52.8%) and 118 females (47.2%), indicating a relatively balanced representation between male and female participants. In terms of age, the majority of respondents are in the 20–30 years category (38.4%), followed by those aged 31–40 years (35.2%), suggesting that most participants belong to the productive and digitally active workforce. Respondents aged 41–50 years account for 18.4%, while those above 50 years represent 8.0%. Regarding educational background, most respondents hold a

bachelor's degree (62.4%), followed by a master's degree (24.8%) and diploma holders (12.8%), indicating that the respondents generally possess a relatively high level of education. In terms of work experience, the largest proportion of respondents have 3–5 years of experience (36.8%), followed by 6–10 years (28.4%), less than 3 years (21.6%), and more than 10 years (13.2%).

4.2 Descriptive Statistics

Descriptive analysis was conducted to determine the mean and standard deviation of each research variable.

Table 2. Descriptive Statistics

| Variable | N | Min | Max | Mean | Std. Deviation |
|-----------------------|-----|------|------|------|----------------|
| Digital Competence | 250 | 2.10 | 4.90 | 3.92 | 0.61 |
| Market Orientation | 250 | 2.25 | 4.85 | 3.88 | 0.64 |
| Marketing Performance | 250 | 2.15 | 4.95 | 3.95 | 0.58 |

Table 2 presents the descriptive statistics of the variables examined in this study. The results show that digital competence has a mean value of 3.92 with a standard deviation of 0.61, indicating that respondents generally perceive their digital capability in marketing activities to be relatively high. The market orientation variable records a mean score of 3.88 with a standard deviation of 0.64, suggesting that most organizations represented by the

respondents demonstrate a strong orientation toward understanding customer needs and market dynamics. Meanwhile, marketing performance has the highest mean value of 3.95 with a standard deviation of 0.58, indicating that respondents perceive the marketing outcomes of their organizations to be relatively good. The minimum and maximum values across variables show a reasonable range of responses, reflecting variability in respondents' perceptions.

4.3 Validity Test

The validity test was conducted using Pearson correlation analysis. A questionnaire

item is considered valid if the correlation coefficient (r-value) is greater than the critical value (0.124) for a sample size of 250.

Table 3. Validity Test Results

| Variable | Item | r-value | r-table | Result |
|-----------------------|------|---------|---------|--------|
| Digital Competence | DC1 | 0.672 | 0.124 | Valid |
| | DC2 | 0.701 | 0.124 | Valid |
| | DC3 | 0.688 | 0.124 | Valid |
| | DC4 | 0.715 | 0.124 | Valid |
| Market Orientation | MO1 | 0.694 | 0.124 | Valid |
| | MO2 | 0.723 | 0.124 | Valid |
| | MO3 | 0.681 | 0.124 | Valid |
| | MO4 | 0.705 | 0.124 | Valid |
| Marketing Performance | MP1 | 0.732 | 0.124 | Valid |
| | MP2 | 0.719 | 0.124 | Valid |
| | MP3 | 0.741 | 0.124 | Valid |
| | MP4 | 0.708 | 0.124 | Valid |

Table 3 presents the results of the validity test for all questionnaire items used to measure digital competence, market orientation, and marketing performance. The results indicate that all items have correlation coefficients (r-value) ranging from 0.672 to 0.741, which are higher than the r-table value of 0.124. This finding demonstrates that each measurement item is statistically valid and capable of accurately representing the constructs being measured. Specifically, the items for digital competence (DC1–DC4), market orientation (MO1–MO4), and

marketing performance (MP1–MP4) all meet the validity criteria, indicating that the questionnaire items are appropriate for measuring the intended variables. Therefore, the measurement instrument used in this study can be considered valid and suitable for further statistical analysis.

4.4 Reliability Test

Reliability testing was conducted using Cronbach's Alpha to measure the internal consistency of the research instrument.

Table 4. Reliability Test Results

| Variable | Cronbach's Alpha | Standard | Result |
|-----------------------|------------------|----------|----------|
| Digital Competence | 0.846 | >0.70 | Reliable |
| Market Orientation | 0.832 | >0.70 | Reliable |
| Marketing Performance | 0.858 | >0.70 | Reliable |

Table 4 presents the results of the reliability test for the variables used in this study. The findings show that digital competence has a Cronbach's Alpha value of 0.846, market orientation has a value of 0.832, and marketing performance has a value of 0.858. All of these values exceed the minimum reliability threshold of 0.70, indicating that the measurement instruments for each variable are reliable and demonstrate a high level of internal consistency. This means that the questionnaire items used to measure digital

competence, market orientation, and marketing performance are consistent in capturing the intended constructs. Therefore, the instruments used in this study are considered reliable and suitable for further statistical analysis.

4.5. Multiple Linear Regression Analysis

Multiple regression analysis was used to examine the influence of digital competence and market orientation on marketing performance.

Table 5. Regression Coefficient Results

| Variable | B | Std. Error | t-value | Sig. |
|--------------------|-------|------------|---------|-------|
| Constant | 1.245 | 0.312 | 3.989 | 0.000 |
| Digital Competence | 0.412 | 0.067 | 6.149 | 0.000 |
| Market Orientation | 0.365 | 0.071 | 5.141 | 0.000 |

Table 5 presents the results of the multiple linear regression analysis examining the influence of digital competence and market orientation on marketing performance. The constant value of 1.245 with a significance level of 0.000 indicates that marketing performance has a positive baseline value when the independent variables are held constant. The regression coefficient for digital competence is 0.412 with a t-value of 6.149 and a significance level of 0.000, indicating that digital competence has a positive and statistically significant effect on marketing performance. This suggests that higher levels of digital capability contribute to improved marketing outcomes. Similarly, market orientation shows a regression coefficient of 0.365 with a t-value of 5.141 and a significance level of 0.000, demonstrating a positive and significant influence on marketing performance. These results indicate that organizations that emphasize

understanding customer needs and market dynamics tend to achieve better marketing performance.

The results of the t-test (partial effect) indicate that both independent variables significantly influence marketing performance. Digital competence shows a t-value of 6.149 with a significance level of 0.000 ($p < 0.05$), demonstrating that digital competence has a positive and significant effect on marketing performance; therefore, H1 is supported. Similarly, market orientation records a t-value of 5.141 with a significance level of 0.000 ($p < 0.05$), indicating that market orientation also has a positive and significant influence on marketing performance; thus, H2 is supported. These findings suggest that organizations with stronger digital capabilities and a higher level of market orientation are more likely to achieve better marketing performance.

Table 6. F-Test Results

| Model | F-value | Sig. |
|------------------|---------|-------|
| Regression Model | 150.382 | 0.000 |

The F-value of 150.382 with a significance value of 0.000 (< 0.05) indicates that digital competence and market orientation simultaneously influence marketing performance. Therefore, H3 is supported.

4.6 Coefficient of Determination (R^2)

The coefficient of determination was used to measure how much the independent variables explain the dependent variable.

Table 7. Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error |
|-------|-------|----------|-------------------|------------|
| 1 | 0.741 | 0.549 | 0.546 | 0.421 |

The R^2 value of 0.549 indicates that 54.9% of the variation in marketing performance can be explained by digital competence and market orientation, while the remaining 45.1% is influenced by other factors not included in this study.

The findings of this study provide important insights into the role of digital capability and strategic market orientation in enhancing marketing performance within the Indonesian business environment. The results indicate that digital competence has a positive and significant influence on marketing performance, suggesting that organizations with strong digital capabilities are more

4.7 Discussion

effective in implementing technology-driven marketing strategies. In today's digital economy, companies increasingly rely on digital platforms such as social media, e-commerce marketplaces, mobile applications, and online advertising to communicate with customers and promote their products. The ability to manage digital platforms, analyze online consumer data, and optimize digital campaigns enables firms to expand market reach, increase customer engagement, and improve the effectiveness of marketing activities. This finding reinforces the argument that digital competence is not merely a technical capability but a strategic resource that supports data-driven marketing decisions and enhances organizational responsiveness to rapidly changing consumer behavior [26], [27].

From a theoretical perspective, the results align with the resource-based view (RBV), which emphasizes that organizational capabilities can serve as strategic resources that generate competitive advantage. Digital competence represents a valuable and difficult-to-imitate capability that allows firms to utilize technological infrastructure to create superior marketing outcomes. Organizations that possess advanced digital skills are able to leverage digital analytics, personalize customer communication, and optimize promotional strategies more effectively. In the Indonesian context, where internet penetration and digital platform adoption continue to increase significantly, digital competence becomes even more critical for organizations seeking to maintain relevance in highly competitive digital markets. Therefore, firms that continuously invest in digital capability development are more likely to achieve improved marketing performance and long-term competitiveness.

The findings also demonstrate that market orientation significantly influences marketing performance. Organizations that prioritize understanding customer needs, monitoring competitor behavior, and responding to market changes tend to achieve better marketing outcomes. Market-oriented firms systematically gather market intelligence and disseminate this information

across organizational units, enabling them to design marketing strategies that align closely with customer preferences and market conditions. As a result, these organizations are more capable of delivering superior customer value, which ultimately leads to higher customer satisfaction, stronger brand loyalty, and improved sales performance. This finding supports the seminal work of [14], [15], who argue that market orientation represents a key organizational culture that drives superior business performance.

Furthermore, the significant effect of market orientation on marketing performance indicates that firms that maintain a strong customer focus are better able to anticipate market trends and adapt their strategies accordingly. In dynamic markets, organizations must continuously monitor changes in consumer preferences, technological developments, and competitive actions. Companies that fail to maintain market awareness risk developing products or services that do not match customer expectations. Therefore, market orientation functions as a strategic mechanism that allows organizations to remain responsive and adaptive to market dynamics, ultimately improving marketing effectiveness.

The results of the simultaneous analysis also reveal that digital competence and market orientation together play a crucial role in enhancing marketing performance. The integration of technological capability with market-oriented strategies enables organizations to respond more effectively to complex and rapidly evolving market conditions. Digital competence allows firms to access and analyze large volumes of market data, while market orientation ensures that the insights derived from such data are used to design strategies that create value for customers. This combination creates a synergistic effect that strengthens organizational competitiveness in digital environments. Firms that integrate both capabilities are more likely to develop innovative marketing strategies, deliver personalized customer experiences, and respond quickly to market opportunities.

Overall, the findings highlight that improving marketing performance in the digital era requires not only technological capability but also strong strategic market awareness. For businesses operating in Indonesia, the results suggest that organizations should prioritize the development of digital competence through training, technological investment, and digital infrastructure enhancement, while simultaneously strengthening their market orientation by improving customer intelligence systems and cross-functional collaboration. By integrating these two capabilities, companies can enhance marketing effectiveness, improve customer relationships, and achieve sustainable competitive advantage in an increasingly digital and competitive marketplace.

5. CONCLUSION

This study aimed to analyze the influence of digital competence and market orientation on marketing performance in Indonesia. The results of the statistical

analysis indicate that digital competence has a positive and significant effect on marketing performance, suggesting that organizations with strong digital capabilities are better able to utilize digital platforms, analyze customer data, and implement innovative marketing strategies to improve marketing outcomes. The findings also show that market orientation significantly influences marketing performance, as organizations that prioritize understanding customer needs, monitoring competitor strategies, and responding to market changes are more capable of developing effective marketing strategies and delivering superior value to customers. Furthermore, the simultaneous analysis demonstrates that digital competence and market orientation together play an important role in enhancing marketing performance, as the integration of technological capability with market-focused strategies enables organizations to respond more effectively to the rapidly evolving digital business environment.

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