



The Effect of Social Capital and Learning Organization on Marketing Performance Through the Marketing Strategy

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Abstract

The purpose of this study is to analyze the effect of social capital, learning organization to marketing performance either directly or indirectly through marketing strategy. The method used in this study is quantitative method and analyzed by path analysis by using SPSS. The object of this study is the soft-boned milkfish entrepreneurs in Semarang city and the sample is 64 respondents. The result of research shows that social capital has a significant effect on marketing performance of -28.3%; social capital has no effect on marketing strategy; social capital has no effect on marketing performance through marketing strategy; learning organization has a significant effect on marketing performance of 61.6%; learning organization has a significant effect on marketing strategy of 50%; learning has a significant effect on marketing performance through marketing strategy of 89.9%; and marketing strategy has a significant effect on marketing performance of 56.7%

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INTRODUCTION

Marketing becomes an important part of company management, because marketing will directly affect the smoothness and success of the company in achieving its goals. According to Kotler (2008), marketing is a social and managerial process that makes individuals or groups to get what they need and want, by creating and offering and exchanging products of value with other parties.

Marketing requires the right strategy for companies for products to be sold in the market, this is because there is increasingly fierce competition and a rapidly changing environment that makes it more difficult to predict. Some companies plan various strategy with the aim of winning competition and producing good marketing performance. Marketing performance is used as a measure of company's success in achieving its corporate goals. According to Ferdinand (2000), marketing performance is a factor that is often used to measure the impact of strategy implemented by companies.

Soft-boned milkfish, known as *bandeng duri lunak* has become a favorite special food in the city of Semarang. A research conducted by Pujiyati and Minta (2011) showed that *bandeng duri lunak* is a favorite to-be-taken-home food purchased by tourists in the city of Semarang. *Bandeng duri lunak* occupy the highest position with a percentage of 37% compared to other food such as *wingko babat* with a percentage of 34%, *lunpia* with a percentage of 27% and *blanggem* with a percentage of 2%.

Besides being a favorite food for tourists, *bandeng duri lunak* are also a favorite industry in the city of Semarang. According to data from the Central Statistics Agency (BPS) in 2016, the total of each type of pond fisheries production has increased with the amount of milkfish production more than shrimp, mullet and others. The amount of milkfish production in 2014 was 297.18 tons, shrimp production was 37.06 tons, mullet 36.02 tons and other types of fish amounted to 27.94 tons. Milkfish has become the main raw material in the production process of one of the special foods in the city of Semarang, namely *bandeng duri lunak*.

If you want to obtain good marketing performance results, then the company needs to pay attention and understand the factors that can create good marketing performance. The higher level of social capital results in higher marketing performance that can be achieved, especially in sales growth. Schiff (2000) states that in this modern era where free trade occurs and free migration both require social capital.

According to Budiati and Nuria (2016) the soft-boned milkfish industry in Semarang City faces an obstacle that is the lack of a good network of markets, suppliers and capital. Limited market share (relatively local and regional) indicates weak networking. Networking or social networking is one form of social capital.

Micro, Small and Medium Enterprises (MSMEs) are still slow in making organizational changes because their human resources are not ready to follow the rapid changes in technology and product competition. The research conducted by Candra and Achma (2013) showed that the development of the *bandeng duri lunak* business in Semarang City was shown to be not as expected because there was still a narrow mindset of entrepreneurs regarding the direction of business sustainability.

The marketing strategy adopted by the company is very influential on the results of the company's marketing performance. Budiharjo (2009) explained that in order to maintain the existence of *bandeng duri lunak* industry in Semarang City, it is necessary to improve market attractiveness strategy which consist of improving product quality, evaluating price policies, improving the quality of service outlets and other mix marketing policies as stimuli for marketing performance.

Kusumaningtyas (2015) had examined the existence of a positive and significant relationship between social capital and marketing performance. While the results of Widjajanti, *et al* (2016) found that social capital does not have a positive influence on marketing performance. The result of Fitriawati's research (2010) states that social capital influences marketing strategy. While Imrie (2013) found that social capital has no influence on marketing strategy.

The results of the study of Ambula, et al. (2016) have examined the existence of a positive

and significant relationship between learning organization on marketing performance. On the other hand, the results of the analysis of Adelzadeh, et al. (2014) showed that there was no positive influence between learning organization on marketing performance.

According to the results of Park and Sung's research (2009), learning organization can improve marketing performance if there is a role for marketing strategy as a connecting variable. While the results of research Vijande, et al. (2012) that learning organization have no influence on marketing strategy in improving marketing performance.

The marketing strategy adopted by the company is influential on the results of the company's marketing performance. The results of the study of Adewale, et al. (2013) and Kartawinata and Aditya (2015), marketing strategy have a positive influence on marketing performance. While Sukarno (2009) and Kuwu and Roselyn (2014) showed that the application of marketing strategy to marketing performance did not show a positive relationship.

The variables that are suspected to have an influence on marketing performance include social capital, learning organization and marketing strategy are found in the marketing of soft-boned milkfish in Semarang City. The marketing performance of soft-boned milkfish in Semarang city is considered not developing, measured by the absence of an increase in the number of soft-boned milkfish entrepreneurs. The limitation of the distribution network of soft-boned milkfish marketing is one of the marketing constraints of soft-boned milkfish SMEs. Besides fulfilling the availability of raw materials that must be imported from outside the city of Semarang, it makes every entrepreneur must look for marketing strategy to maintain the quality of their products. The purpose of this study is to analyze the effect of social capital, learning organization to marketing performance either directly or indirectly through marketing strategy.

METHODS

The method used in this study is a quantitative method because the data obtained

were in the form of numbers and to obtain the results of the study used statistical tools to test causal relationships between variables, which could then be classified, observed and measured concretely. The population in this study is the entrepreneurs of micro and small entrepreneurs of *bandeng duri lunak* in Semarang with a total number of 181 respondents. The study was done using Proportional Stratified Random Sampling. Determination of the number of samples using Slovin method, the samples were taken as many as 64 with a tolerance of error of 10%.

The data analysis technique used in this study is a descriptive analysis, the classical assumption test and path analysis. The results of the normality test by looking at the normal P-P plot graph in the Kolmogorof Smirnov test, the pattern shows normally distributed data.

The results of multicollinearity test of tolerance value > 0.10 and the VIF value of each independent variable < 10, it is concluded that there is no multicollinearity between the independent variables in the regression model. Heteroscedasticity test results using Glejser test showed that the significance value of the independent variable > 0.05 then there were no symptoms of heteroscedasticity.

RESULT AND DISCUSSION

In this study there are independent variables namely social capital (X1) and learning organization (X2), intervening variables namely marketing strategy (Y1) and the dependent variable namely marketing performance (Y2).

So we get the regression equation 1 and 2:

Regression equation 1 is a test of the effect of social capital variable and learning organization directly on marketing strategy, so the regression equation:

$$Y_1 = 8.668 + 0.233 + 0.500 + 0.740$$

Regression equation 2 is a test of the effect of social capital variable, learning organization and marketing strategy directly on marketing performance, so the regression equation:

$$Y_2 = 2.803 + (-0.283) + 0.616 + 0.567 + 0.402$$

After the model identification process, the next step is to evaluate the estimated parameters

among variables where the results are presented in the following figure:

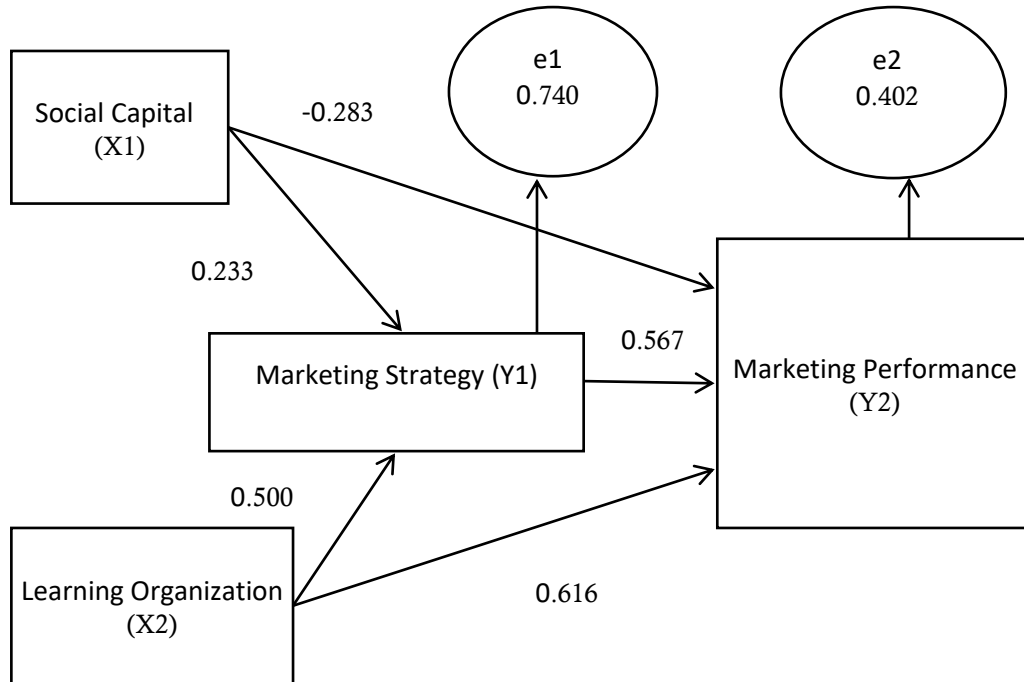


Figure 1. Path Analysis Model

Based on research data processing using SPSS 25 software, presented in a table with an explanation as follows:

Table 1. Hypothesis Testing Results

No	Hipotesis	Coefisient	t- statistic	P. Value	Category
H1	There is an effect in social capital on marketing perfromance	-0.283	-4.103	0.000	Accepted
H2	There is an effect in social capital on marketing strategy	0.233	1.911	0.061	Rejected
H3	There is an effect in social capital on marketing perfromance through marketing strategy	0.132	-	0.100	Rejected
H4	There is an effect in learning organization on marketing performance	0.616	8.149	0.000	Accepted
H5	There is an effect in learning organization on marketing strategy	0.500	4.095	0.000	Accepted
H6	There is an effect in learning organization on marketing performance through marketing strategy	0.283	-	0.000	Accepted
H7	There is an effect in marketing performance on marketing performance	0.567	8.075	0.000	Accepted

Source: Primary Data Processed (2019)

The Effect of Social Capital on Marketing Performance

Hypothesis testing (H1) states that social capital has a significant influence on marketing performance on soft-boned milkfish in Semarang City. These findings provide evidence that empirically social capital influences marketing performance. The path coefficient of the

influence of social capital on marketing performance of -0.283 at a significant level of $0.000 < 0.05$, then social capital is proven to have a significant influence on marketing performance.

The results of the study showed that the existing social capital in soft-boned milkfish entrepreneurs in the city of Semarang was able to improve its marketing performance. Azhari

and Muhamad (2018) stated that social capital always has a direct or indirect relationship to a business success. Business success is not only seen from the economic improvement but can also be seen from business development, business sustainability, members empowerment and members welfare.

The results of this study are in accordance with Khoirrini and Lindawati (2014) that social capital had a significant positive influence on marketing performance in Bogor City MSMEs, this is because social capital can strengthen performance relationships among employees. The results of this study are also supported by the results of the study of Khamimah and Suyati (2014), and Sugiyanto and Mira (2017) who have examined the positive and significant relationship between social capital and marketing performance.

The Effect of Social Capital on Marketing Strategy

Hypothesis testing (H2) which states that social capital has a significant influence on marketing strategy in soft-boned milkfish in Semarang City is rejected. These findings provide evidence that empirically social capital has no influence on marketing strategy. The path coefficient of influence of social capital on marketing strategy is 0.233 at a significant level of $0.061 > 0.05$, then social capital has not been proven to have a significant influence on marketing strategy.

Social capital cannot influence marketing strategy, this is due to the low social capital owned by soft-boned milkfish entrepreneurs in the city of Semarang. The small amount of social capital can be seen from the small number of entrepreneurs who join an association/ a community. The small numbers of companies that join an association will not be able to face business competition and the difficulty to develop a business because of limited information.

The results of this study are in accordance with the research of Syahra (2003) which states that social capital does not always provide benefits in all situations, in certain situations social capital can provide benefits but in other situations social capital may not be useful or even cause

harm. Likewise with the results of research Imrie (2013) who found that social capital has no influence on marketing strategy.

The Effect of Social Capital on Marketing Performance through Marketing Strategy

Hypothesis testing (H3) states that social capital has a significant effect on marketing performance through marketing strategy in soft-boned milkfish in Semarang City. These findings provide evidence that empirically social capital has no effect on marketing performance through marketing strategy. These findings are based on a parameter coefficient of 0.132 at a significant level of $0.100 > 0.05$, then social capital has been shown to significantly influence marketing performance through marketing strategy.

The results of H1 analysis can be understood that although the social capital variable has a significant influence on marketing performance, the results of H2 testing show that the social capital variable does not affect the marketing strategy. This shows that social capital can directly influence marketing performance, while the intervening variable in the form of a marketing strategy variable, the influence is not significant. H3 test results show that social capital has no significant influence on marketing performance through marketing strategy. Therefore it can be said that the marketing strategy variable cannot mediate the influence of social capital on marketing performance.

Lack of social networks and cooperation with soft-boned milkfish entrepreneurs in the city of Semarang causes a lack of information and relationships between entrepreneurs, so that access to market and promote businesses is not developed. This causes the marketing strategy used have not changed to keep pace with increasingly fierce business competition and ultimately have an impact on marketing performance.

Fitriawati (2010) states that social capital has an important role in marketing strategy. According to Azhari and Muhammad (2018) that social capital that is effectively utilized can provide impetus for business development, while social capital that is not utilized effectively can hamper opportunities in business development.

The results of this study are consistent with the results of research by Sugiyanto and Mira (2017) which states that the social capital undertaken by batik MSMEs (Micro, Small and Medium Enterprises) is not able to improve marketing performance in MSMEs through its Marketing Strategy.

The Effect of Learning Organization on Marketing Performance

Hypothesis testing (H4) states that the learning organization has a significant effect on marketing performance on soft-boned milkfish in the city of Semarang. These findings provide evidence that empirically the learning organization influences marketing performance. The path coefficient of the influence of the learning organization on marketing performance is 0.616 at a significant level of $0.000 < 0.05$, so the learning organization has a significant effect on marketing performance.

According to Sirait (2015) The application of learning organization in Micro, Small and Medium Enterprises (MSMEs) affects the performance of MSMEs. To become a learning organization, individuals in MSMEs need to improve their abilities by continuing to learn and share knowledge with one another about information and better production processes so as to improve the performance of SMEs. The results of this study are in accordance with the results of the study Ambula, *et al* (2016) have examined the existence of a positive and significant relationship between learning organization on marketing performance.

The Effect of Learning Organization on Marketing Strategy

Hypothesis testing (H5) states that the learning organization has a significant effect on the marketing strategy of the soft-boned milkfish business in Semarang City. These findings provide evidence that empirically the learning organization influences marketing strategy. The path coefficient of the influence of the learning organization on the marketing strategy is 0.500 at a significant level of $0.000 < 0.05$, so the learning organization has a significant effect on the marketing strategy.

The changes that occur certainly require the way of thinking of entrepreneurs with soft-boned milkfish to respond to changes that occur as they should. Changes in the behavior of entrepreneurs are pursued by developing personal expertise through performance training inside and outside the company. Mulyono and Enlik (2015) suggested that the influence of the significance of learning organization on individual abilities showed a tendency to increase knowledge and skills in managing MSMEs after attending a series of education and training.

The results of this study are consistent with research conducted by Campo-Martinez, *et al* (2010) which states that increasing human resources through learning organization will be able to develop a company's marketing strategy.

The Effect of Learning Organization on Marketing Performance through Marketing Strategy

Hypothesis testing (H3) states that the learning organization has a significant effect on marketing performance through marketing strategy on soft-boned milkfish in the city of Semarang. These findings provide evidence that empirically the learning organization influences marketing performance through marketing strategy. These findings are based on a parameter coefficient of 0.283 at a significant level of $0.000 < 0.05$, the learning organization is proven to have a significant effect on marketing performance through marketing strategy.

The results of H4 research can be understood that the variables of learning organization significantly influence marketing performance, as well as the results of H5 testing indicate that the variables of learning organization influence marketing strategy. H6 test results indicate that learning organization significantly influence marketing performance through marketing strategy. Therefore it can be said that the marketing strategy variable can mediate the effect of the learning organization on marketing performance on soft-boned milkfish entrepreneurs in Semarang City.

Company organization must be able to anticipate changes that occur in the community and the surrounding environment. In accordance

with various conditions of rapid change and high competitive factors, the organization is then required to conduct a learning organization. Learning organization can be implemented to improve management strategy and improve the influenceiveness of performance in a company (Nurbiyati, 2012).

The results of this study are consistent with the results of Park and Sung's (2009) research that learning organization can influence marketing strategy which in turn affect marketing performance.

The Effect of Marketing Strategy on Marketing Performance

Hypothesis testing (H7) states that the marketing strategy has a significant effect on marketing performance on soft-boned milkfish in Semarang City. These findings provide evidence that empirically marketing strategy affect marketing performance. The path coefficient of the influence of marketing strategy on marketing performance is 0.567 at a significant level of 0.000 < 0.05, then the marketing strategy is proven to have a significant effect on marketing performance.

The marketing strategy applied by soft-boned milkfish entrepreneurs on a micro and small scale business is basically the same except in the place of business and product promotion. This is due to the capacity of small businesses to have greater resources (such as people, machinery and finance) making them more flexible and more professional than micro business management.

The results of this study are consistent with the results of Kartawinata and Aditya's (2015) research which states that marketing strategy have a positive influence on marketing performance.

CONCLUSION

Based on the results of research and discussion it can be concluded that social capital directly affects marketing performance, social capital directly does not affect marketing strategy, social capital does not affect marketing performance through marketing strategy, learning organization directly affect marketing performance, learning organization directly affect

the marketing strategy, learning organization has an indirect influence marketing performance through marketing strategy and marketing strategy directly affect marketing performance.

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