

ENTREPRENEURIAL ORIENTATION, MARKET ORIENTATION AND BUSINESS PERFORMANCE (FROZEN FOOD RETAIL ENTREPRENEURS OF XYZ BUSINESS)

Annisa Auliya Rohmah*, Fauzan Aziz
Telkom University, Indonesia

Abstract

The lifestyle has changed and affects changes in consumption patterns leading to consuming processed or frozen products (frozen food). However, the change in consumption also causes the high demand for products from Frozen Food retail entrepreneurs among similar businesses. Every frozen food retail entrepreneur of XYZ business has a different way of making strategies for its retail. This research aims to determine and analyze the effect of entrepreneurial and market Orientation on XYZ's business performance in their entrepreneur's frozen food retail. The research method used in this study is a quantitative method with a descriptive type of research. Sampling was done using the saturated sample method of 37 XYZ frozen food retail entrepreneurs as respondents with questionnaire distribution. The data analysis technique used is descriptive analysis and multiple linear regression analysis. The data processing results using SPSS-25 showed a positive and significant effect of entrepreneurial orientation and market orientation on business performance. Furthermore, entrepreneurial and market orientation affects business performance simultaneously among Frozen food retail entrepreneurs of XYZ business.

Keywords: Entrepreneurial Orientation, Market Orientation, Business Performance

Entrepreneurial
Orientation,
Market Orientation
and Business
Performance
(Frozen Food Retail
Entrepreneurs of
XYZ Business)

Received
September 15th 2021
Review
September 26th 2021
Publish
December 31st 2022



AFEBI Management
and Business
Review
(AMBR)

P-ISSN [2548-530X](#)
E-ISSN [2548-5318](#)

*Corresponding author. Email address: annisauliya@student.telkomuniversity.ac.id

Facing changes in times and lifestyles also changes in people's lifestyles that are starting to switch from conventional to modern. Indonesians are beginning to adapt to consumption patterns in developed countries, consuming frozen food or processed products. It is also accompanied by an increase in various types of business during the pandemic. The lifestyle of modern society with changing consumption patterns, especially the Indonesian people today, demands that everything goes fast, economical, practical, and delicious such as the need for instant food. It has the potential to become a means of equity in increasing people's income due to the growing middle-class population and the tendency of current public consumption patterns that lead to the consumption of processed or frozen products (frozen food).

Nowadays, the business environment is increasingly competitive. In order to meet this competition, a business activity must have the appropriate strategy, contribute to the business's survival, and have an advantage over competing businesses. Every company activity must evolve to address every opportunity and risk from the business competition.

Many factors influence being an entrepreneur, one of which is that market-oriented entrepreneurs have better performance than an entrepreneur who does not have a market orientation. Likewise, entrepreneurial orientation means that when carrying out business activities, an entrepreneur has to consider whether these activities are relevant to their goals, dare to take profitable risks, and provide new ideas to be integrated into activities. In addition to requiring entrepreneurial and market orientation, entrepreneurs must have their measure of achieving their business quality targets, in other words, performance. Business performance measures not only have short-term goals but are also future-oriented with stable growth from year to year and able to face new competitors. Moreover, the business performance focuses not only on financial and non-financial improvements that must be a concern.

Tricahyadinata (2018) states that entrepreneurial orientation is an approach that focuses on product-market innovation and project risk. It tends to be a pioneer in innovation and stands out from rivals. According to previous studies (Hamel & Wijaya, 2020), entrepreneurial orientation, which is reflected in an attitude full of innovation, proactiveness and the courage to take risks, is believed to boost the company's performance. In addition to being entrepreneurially minded to win a company competition, an entrepreneur must also enhance marketing performance by identifying the marketing methods typically employed by businesses or businesses, called market orientation (Kurniawan, 2019). According to Na et al. (2019) research, market orientation is discovering and comprehending the demands of current and prospective customers and observing and overcoming the behavior of existing prospective competitors through the processes and practices that form the organization and management system. Darmanto et al. (2015) state that performance can also be said as a result (output) of a particular process carried out by all components of the organization against specific sources that use (input).

Business performance is measured in two dimensions, Financial and Non-financial, which was adopted from previous research by Kurniawan (2019). In general, most SMEs are limited in using financial performance indicators. It happens because SMEs lack the human resources to make performance measurements and are suitable for making decisions. Furthermore, performance results from process activities to achieve specific organizational goals.

XYZ business Frozen Food is a small-medium business that only provides an opportunity to open a sub-district as their frozen food retail. It can be a good opportunity for entrepreneurs to sell Frozen food products as retail from XYZ business. Before that, the frozen food retail entrepreneurs of XYZ business currently have 37 retails with at least one owner in each retail, and they have different attitudes and ways of selling their products and the market, affecting business performance. Requiring the right strategy can affect the entrepreneurial and market-oriented process, run optimally, and provide maximum benefits to business actors, especially the Frozen Food Retail Entrepreneurs XYZ business owners. Information was collected by doing the pre-survey interview with the owner of XYZ business Frozen Food.

In conclusion, The owner said that the other retail entrepreneurs are still not market-oriented and entrepreneurial in carrying out their business activities. So, it can be acquired that the ability to entrepreneurial and market orientation is essential and must be owned by business owners to improve their business performance. It is reflected in the researchers' aim in the frozen food retail entrepreneurs of XYZ business.

Much research on SMEs has been carried out. However, assessments of business performance that are influenced by market orientation and entrepreneurial orientation in the context of frozen food retail, especially retail entrepreneurs or branch owners, are rarely conducted. For this reason, this research will only take the object of research on the entrepreneurs' frozen food retail of XYZ business. Therefore, this study examines how entrepreneurial and market orientation affect business performance in frozen food retail entrepreneurs of XYZ.

LITERATURE STUDY

Entrepreneurship

According to (Hisrich et al., 2017), entrepreneurship is essential for forming and expanding businesses and developing prosperous regions and nations. Entrepreneurs take advantage of what they perceive to be an opportunity. Entrepreneurs must use their discretion when deciding whether or not to act because opportunities are available in (creates or generate) high uncertainty. However, scepticism can hinder entrepreneurial initiative. Therefore, the ability to analyze the level of perceived uncertainty surrounding a possible opportunity and the individual's willingness to accept that uncertainty is essential to understanding entrepreneurial behavior. Prior understanding of the individual can reduce uncertainty, and his or her motivation suggests a readiness to tolerate ambiguity.

Entrepreneurship, proposed by Tricahyadinata (2018), is seen as a mechanism that seeks competitive advantage through product, process, and market innovation. Entrepreneurship has attitudinal and behavioral components and can be practised by all organizations, including small and large companies

In general, it can be concluded that entrepreneurship can be defined as creating a new business and assuming the risk related to the business in exchange for profits generated from exploiting market opportunities. At the same time, it can be said that entrepreneurship is a discipline that studies a person's values, abilities, and behavior in facing life's challenges and obtaining opportunities with various risks they may face.

Entrepreneurial Orientation

Entrepreneurial orientation is an approach that focuses on product-market innovation and project risk. It tends to be a pioneer in innovation and stands out from rivals, according to Miller (2011) in Tricahyadinata (2018). Companies with higher entrepreneurial orientation will act independently and are always encouraged to make innovations, dare risk-taking, be proactive, and compete more aggressively.

Entrepreneurial orientation is a combination of innovative, proactive, and risk-taking behavior intended to create value in the organization. An organization can have an entrepreneurial structure and members of an organization (McDougall & Oviatt in (Feranita & Setiawan, 2018). According to (Covin & Miller, 2013), Entrepreneurial orientation (EO) has become one of the most well-established conceptions in entrepreneurial and broader management study, and several recent assessments of EO literature have been done.

Therefore, an entrepreneurial orientation used by Miller (1983) developed (Miller, 2011) describes an entrepreneurial organization as one that engages in product market innovation, conducts relatively risky projects, and is first to come up with proactive innovation, beating competitors to the punch. Three dimensions of entrepreneurial orientation were identified: proactive, innovative, and risk-taking behavior.

It can be concluded from the above understanding that pursuing new opportunities innovatively, taking risks, and being proactive are closely related to the concept of entrepreneurial orientation. Therefore, in this research, the author focuses on the orientation of the entrepreneur who believes that entrepreneurship attitudes should tend towards innovative, proactive, and brave ways to take risks.

The dimension used to measure entrepreneurial orientation according to Miller, which is cited by (Felisia et al., 2020) as follows:

1. Innovative is a new idea or idea in a product or service that has value for customers in a way that a sustainable and profitable business model supports. Innovative refers to an entrepreneur's attitude to engage creatively in experimenting with new ideas that make it possible to produce a new method of production to produce a new product or service, both for the existing market and for new markets.
2. Pro-active, according to previous research by (Wardoyo et al., 2015), Proactive reflects the willingness of entrepreneurs to dominate competitors through a combination and aggressive and proactive movement, such as introducing new products or services on top of competition and activities to anticipate future demand to create change and shape the environment. In this case, when starting a new market already available, entrepreneurs must be one step ahead of competitors with changes and the development of a product by anticipating the change and opportunity.
3. According to (Hujayanti, 2020) risk-taking proposed that every new and long-running business will always face risks. When the risk exists in the future is not known with certainty. So, humans as individuals, humans as members of groups and humans as members of society must develop various methods to anticipate the impact of the occurrence of risk by managing because eliminating the impact of the occurrence of risk can be impossible.

According to previous studies by (Silviasih et al., 2016), Companies with entrepreneurial-oriented leaders have a clear vision and dare to face risks to create better performance. Entrepreneurial orientation's influence

on company performance is positive, which means that a greater entrepreneurial orientation can boost business performance. Likewise, strengthened by several studies conducted (GS & Soemantri, 2020), indicates that entrepreneurial orientation partially has a significant effect on business performance.

The greater the level of entrepreneurial orientation, the greater the business performance obtained. The results of this research support (Octavia & Ali, 2017) that the results of this research found a significant influence on entrepreneurial orientation to business performance, and between variable entrepreneurial orientation and business performance are met.

Based on several studies mentioned above, entrepreneurial orientation can be said to directly or indirectly have a positive and significant relationship with business performance. It means that a business that adopts an entrepreneurial orientation has superior performance compared to one that does not.

Thus the hypothesis is

H1: Entrepreneurial orientation has a significant positive effect partially on business performance.

Market Orientation

(Felisia et al., 2020) describe the market orientation as related to the company's emphasis on creating and maintaining superior customer value. The requirement is to still pay attention to the interests of stakeholders and the provision of norms for organizational development behavior and have a responsive attitude to market information. On the other hand, Market orientation is more likely to result in larger benefits for the organization when its many aspects of dimension are fully integrated.

Market orientation developed by Naver & Slater based on previous research by Tricahyadinata (2018) is a business culture created by companies to respond to competition through the creation of employee behavior in such a way as to create competitive advantage through customer orientation, competitor orientation, and coordination between functions. Therefore, the definition given refers more to the perspective of market orientation.

The market orientation dimension used in this research is almost similar to (Darmanto et al., 2015), and below is the dimension used to measure market orientation based on Naver & Slater cited by (Darmanto et al., 2015) as follows:

1. Customer orientation understands the target customer's purchase by placing the customer's interests first without ignoring other stakeholders like owners, managers, and employees to consistently produce superior value for buyers
2. Competitor Orientation is based on utilizing all the company's resources in a coordinated manner to create superior value for its targeted customers. It refers to specific aspects of the organizational structure that facilitated communication between different organizational functions
3. Inter-functional coordination can enhance communication and exchange between all organizational functions that care about customers and competitors and inform the latest market trends

Companies with a market orientation will make market demand and customer needs the basis for making decisions so that business performance will increase. Increased customer orientation, competitor orientation, and inter-functional coordination can improve market orientation. These results are in accordance with Yuliana & Pujiastuti (2018) research, which states that market orientation has a positive and significant effect on business performance.

In line with research conducted by Hamel & Wijaya (2020), there is a positive and significant influence between market orientation and a significant effect on business performance. Likewise, strengthened studies conducted by (Buli, 2017), market orientation has a positive influence on business performance.

So, based on the understanding above, market orientation is said to be a measure of behavior and activities that reflect the implementation of the marketing concept. Therefore, market orientation can also be interpreted as the most effective organizational culture in creating important behaviors to create superior value for buyers and performance in business.

Thus, the hypothesis is:

H2: Market orientation has a significant positive effect partially on business performance

Business Performance

According to Darmanto et al. (2015), performance can also be said as a result (output) of a particular process carried out by all components of the organization against specific sources that use (input). Furthermore, performance is also the result of a series of process activities carried out to achieve specific goals in an organization. The level of an entrepreneur and the business's existence can be measured by performance. Performance is the level of ability of a business owned by the business owner in carrying out every aspect of the business to achieve business goals or targets (Kurniawan, 2019). The company's performance can be seen in sales, profit, capital return, turnover rate and market share (Jauch and Glueck in Umar, 2014).

According to previous research by (Zulkarnain & Mukarramah, 2019), Profit, a comparison of inputs and outputs, and the market can be used to determine the performance of a business. The achievement of funds or profits following the organization's plans reveals aspects of profit. The financial side focuses on reaching sales, income, net profit, cash management, and break-event points for return on capital and business income. Aspects relating to inputs and outputs are determined by the state of the company's structure in terms of production activities aimed at satisfying consumer requirements and desires, followed by productivity activities.

The outcome of market-based business labour is the accomplishment of product sales volume, market conditions, and market levels. Business performance is measured in two dimensions, Financial and Non-financial, adopted from Kurniawan research (2019). In general, most SMEs are limited in using financial performance indicators. It happens because SMEs lack the human resources needed to make performance measurements and are suitable for making decisions.

According to Darmanto et al. (2015), The company's strategy is always directed to produce organizational performance, namely sales volume, market share, and sales growth and organizational performance as an effort to measure the level of performance, including sales turnover, number of buyers, profits and sales growth.

Below is the dimension used to measure market orientation based on Chung cited by Kurniawan (2019), as follows:

1. Financial measures of business performance are market share, increased sales and profits, and sales returns.
2. The non-financial measure of business performance is an increase in customers, workers, and market share

According to Tricahyadinata (2018), the Alignment between entrepreneurial orientation and market orientation can make companies valuable, difficult to imitate, and scarce resources that can provide companies with the ability to develop and market products/services to customers with superior benefits to those provided by competitors. Furthermore, Studies conducted by Kurniawan (2019) show that simultaneously significant test results show that the entrepreneurial and market orientation variables positively and significantly influence business performance. Likewise, strengthened studies conducted by GS & Soemantri (2020) indicate that simultaneously significant entrepreneurial orientation and market orientation significantly affect business performance.

Thus, the hypothesis is:

H3: Entrepreneurial and market orientation has a significant effect simultaneously on business performance.

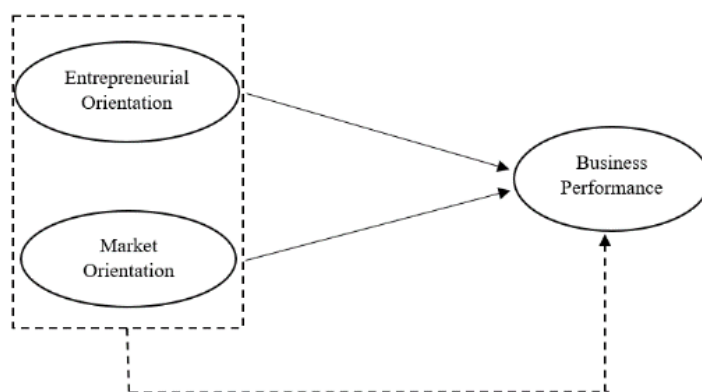


Figure 1.
Study Framework

RESEARCH METHODOLOGY

This research uses a quantitative method with descriptive and multiple linear regression analysis. The sampling technique used in this research is saturation sampling in the non-probability sampling method of 37 XYZ frozen food retail entrepreneurs as respondents with questionnaire distribution.

The measurement scale researchers in this study used an ordinal Likert scale with the research data processing using SPSS 25.

Variable	Dimension	Indicator
Entrepreneurial Orientation (X1)	Innovative	1. Create new products between competitors 2. Create new opportunities 3. Create a strategy for products that are innovative and different from competitors 4. Create a strategy for product marketing creative 5. Lead a business well
	Pro-active	1. Have a high ability to adapt 2. Classify the business environment. 3. Encourage businesses to rise and survive in competition. 4. Create solutions to a problem. 5. Fixed the business weakness
Market Orientation (X2)	Risk-taking	1. Create the steps in the response risk. 2. Improve aspects of the business strength. 3. Understand the situation business environment.
	Customer Orientation	1. Provide appropriate service with customer needs 2. Measure the level of customer satisfaction 3. The owner carry-out communication interactions and service with customers
	Competitor Orientation	1. Influence many brands in the same segment 2. Respond to other competitors 3. Lead the discussion of competition between similar businesses
Business Performance (Y)	Inter-functional Coordination	1. Understand how workers can contribute to customer 2. The integrated marketing function in the product development process 3. Expand the target market to have superior opportunities 4. Integrate the internal business functions to serve the needs of the target market
	Financial	1. Turnover on sales and an increase in sales 2. There is an increase in profit that continues to increase 3. Low sales returns on products
	Non-Financial	1. The scope of the business area is quite wide 2. Turnover of the workers (Human resources) in business 3. There is an increase in consumers.

Table 1.
Variable
Operational

RESULT AND DISCUSSION

Descriptive Analysis

No	Variable	%	Category
1	Entrepreneurial Orientation	85%	Very Good
2	Market Orientation	88%	Very Good
3	Business Performance	82%	Good

Table 2.
Descriptive
Analysis

Table 2 above shows that entrepreneurial orientation has a percentage of 85% with a very good category, market orientation has a percentage of 88% with a very good category, and business performance has a percentage of 82%.

Classical Assumption

Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		37
Normal Parameters ^{a,b}	Mean	0.0000000
	Std. Deviation	3.53885388
Most Extreme Differences	Absolute	0.076
	Positive	0.062
	Negative	-0.076
Test Statistic		0.076
Asymp. Sig. (2-tailed)		.200 ^{c,d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

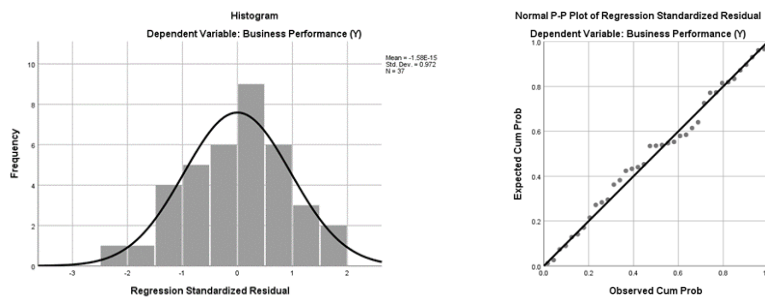
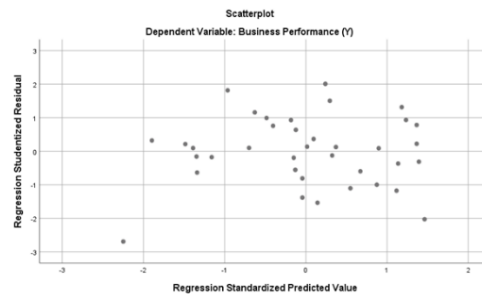


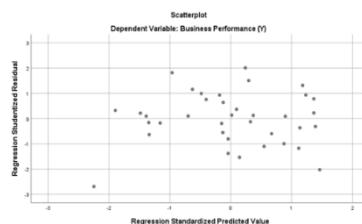
Table 3 above shows that the results of the normality test using the One-Sample Kolmogorov Smirnov (K-S) method obtained the Asymp Sig (2-tailed) of 0.2, which is greater than 0.05, which means the data in this study are normally distributed. The result figure 2 in Histogram Graph shows that the residuals are normally distributed and symmetrically shaped, not skewed to the right or the left. Based on the normality probability plots graph above, it can be seen that the points spread close together around the line, showing that the residuals are normally distributed.

Multicollinearity Test



Based on the results table above, it is obtained that the Tolerance value of each independent variable is above 0.1, which is 0.587. Likewise, the value of the VIF of each independent variable is less than 10, which is 1.704, which means the data has no multicollinearity in this research.

Heteroscedasticity Test



Based on figure 2 the scatterplot graph data above, it can be seen that the dots spread randomly both above and below the number 0 on the Y axis, which means there is no heteroscedasticity.

Entrepreneurial Orientation, Market Orientation and Business Performance (Frozen Food Retail Entrepreneurs of XYZ Business)

Table 3. Kolmogorovsmirnov

Figure 2. Normality test

Table 4. Multicollinearity Test

Figure 3. Scatter Plot

Multiple Linear Regression

Table 5.
Multiple Linear Regression

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.043	4.475		1.574	.125
	Entrepreneurial Orientation (X1)	.176	.079	.360	2.238	.032
	Market Orientation (X2)	.276	.109	.408	2.534	.016

a. Dependent Variable: Business Performance (Y)

Based on table 5, calculation results in the table above, the following form of multiple linear regression is obtained:

$$Y = a + b1X_1 + b2X_2 + e$$

$$Y = 7.043 + 0.176X_1 + 0.276X_2$$

To be clear about the above equation, the following interpretation:

1. In the above equation, it is known that the constant value of 7.043 states that when the entrepreneurial orientation (X1) and market orientation (X2) variables are 0 (zero), the business performance (Y) variable is 7.043.
2. The value of the regression coefficient on the entrepreneurial orientation variable (X1) is 0.176. So, it can be interpreted that every one-point increase in the business performance variable (Y) will get a value of 0.176.
3. The value of the regression coefficient on the market orientation variable (X2) is 0.276. So, it can be interpreted that every one-point increase in the price variable (X2) will get a business performance value (Y) of 0.276.

T-test

Following table 5 results of the t-test calculations performed with the SPSS 25 software above, then:

1. Entrepreneurial orientation variable obtained t_{count} is 2.238 with t_{table} is 2.032, so ($t_{count} > t_{table} = 2.238 > 2.032$), With a significance level of 0.032, this significance is smaller than the value significance level, which is 0.05 ($Sig < = 0.032 < 0.050$), then it is H_0 rejected and H_a accepted. It means there is a significant partial influence between the entrepreneurial orientation variable and business performance.
2. Market orientation variable obtained t_{count} is 2.534 with t_{table} is 2.032, so ($t_{count} > t_{table} = 2.534 > 2.032$), With a significance level of 0.016, this significance is smaller than the value significance level, which is 0.05 ($Sig < = 0.016 < 0.050$), then it is H_0 rejected and H_a accepted. It means there is a significant partial influence between the market orientation variable and business performance.

F-test

Table 6.
F-Test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	423.051	2	211.526	15.952	.000 ^b
	Residual	450.846	34	13.260		
	Total	873.897	36			

a. Dependent Variable: Business Performance (Y)
b. Predictors: (Constant), Market Orientation (X2), Entrepreneurial Orientation (X1)

From table 6 above, it can be seen that the F_{count} value is 15.952 > F_{table} is 3.28. For the significance value, the result is 0.000 < 0.05. So, it can be concluded that H_0 is rejected and H_a is accepted. It means that entrepreneurial and market orientation significantly simulant affect business performance.

R-Square

Table 7.
R-Square

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.696 ^a	.484	.454	3.641

a. Predictors: (Constant), Market Orientation (X2),
b. Dependent Variable: Business Performance (Y)

Based on table 7 above, the coefficient of determination (R Square) with a value of 48.4%. It means that the entrepreneurial and market orientation variables affect business performance by 48.4%. Meanwhile, the remaining 51.6% is influenced by other variables and factors not examined in this study.

Discussion

Entrepreneurial Orientation Have a Positive Effect on Business Performance

Based on the partial t-test with a significance level of 5% ($2,238 > 2.032$). It means H_a is accepted, where Entrepreneurial Orientation positively impacts Business Performance in XYZ business frozen food retail. It is in line with the two-tailed criterion that the t-count must be >2.032 and a significant level <0.05 . A partial test found a significant positive relationship between entrepreneurial orientation and business performance.

Empirical test results support hypothesis 1 that there are significant and positive influences on entrepreneurial orientation towards business performance. Entrepreneurial orientation's positive effect on business performance indicates that better entrepreneurial orientation will improve business performance at XYZ business frozen food retail. It means that the entrepreneurs of the XYZ business develops entrepreneurial orientation through its strategy by innovating in product development and running its business. More courage to develop its business and is not afraid of the risks it will face considering the growth of entrepreneurs in the frozen food business is getting tighter so that they can also integrate the concept of entrepreneurial orientation into themselves and their efforts. Moreover, some research results have proven a strong link, consistent with (Andika, 2019), research, that entrepreneurial orientation partially affects business performance in small ornamental plant businesses in Sidomulyo Village, Batu City. Likewise, strengthened studies by Hamel & Wijaya (2020) showed a positive and significant influence between entrepreneurial orientation and business performance in SMEs in the West Jakarta area.

Market Orientation Have a Positive Effect on Business Performance

Based on the results of the partial t-test with a significance level of 5% ($2,238 > 2.032$), it means that H_a is accepted, where Market Orientation has a positive impact on Business Performance in XYZ business frozen food retail, and this is in line with the two-tailed criterion that the t-count must be >2.032 and significant level <0.05 . A partial test found a significant positive relationship between market orientation and business performance.

Empirical test results support hypothesis 2 that there is a significant and positive influence on market orientation towards business performance. It caused the owner of the at XYZ business frozen food retail to strive to create the best value for customers, maintain customer loyalty, compete competitively, and have good coordination with all employees in their business.

People who spend their money, time, and energy expect benefits, not just goods, and services, Because, market-oriented firms focus on customers' needs and preferences (Lamb et al., 2019). Considering the market growth for frozen food consumption is getting tighter. Hence, they can also integrate the concept of market orientation into themselves and their frozen food business. Some research results have proven a strong link, and it is consistent with GS & Soemantri (2020) research that indicates that market orientation has a significant effect partially on business performance on MSMEs. Likewise, strengthened studies by (Sriayudha et al., 2020) show a positive influence of market orientation on business performance. It means that market orientation significantly affects business performance.

Effect of Entrepreneurial Orientation and Market Orientation on Business Performance.

The study's results show that entrepreneurial orientation and market orientation significantly simultaneously affect business performance, with the F_{count} value of $15.952 > F_{table}$ is 3.28. For the significance value, the result is $0.000 < 0.05$. So, it can be concluded that H_0 is rejected and H_a is accepted.

Empirical test result on hypothesis 3 that entrepreneurial and market orientation have significant simultaneous effects on business performance. It shows that market orientation can help frozen food retail entrepreneur of XYZ business to create the best value for customers, outperform competitors, and improve business performance. In contrast, entrepreneurial orientation can help frozen food retail entrepreneur of XYZ business find and exploit opportunities. Where competitors cannot reach, take risks and introduce new products to achieve sustainable advantage. Some research results have proven a strong link, consistent with Ie & Pratama (2019) research that entrepreneurial orientation and market orientation affect business performance in small and medium enterprises in the retail sector. Likewise, strengthened studies by Zulkarnain & Mukarramah (2019) showed that entrepreneurial orientation and market orientation had a positive and significant effect on the business performance of the SME food and beverage sector in Langsa City.

CONCLUSION

This study was conducted to examine the relationship between entrepreneurial orientation, market orientation, and business performance. The results show that entrepreneurial orientation directly has a positive and significant effect on business performance, and market orientation directly also has a positive and significant impact on business performance. Furthermore, it was also found that EO and MO has a simultaneously significant on business performance. Based on the study results, it can be conclude that EO and MO can affect business performance. This finding is valuable for the entrepreneurs to improve EO and MO implementation in every business processes and carry out business performance in maintaining the long-term business especially in a frozen food retail.

The limitations of this study are that it only focuses on one frozen food retail business, so it hopes future researcher can examine different objects with a broader number of samples and research objects. Researchers also suggest that it can be used as a reference for further researchers to develop this research by considering other variables such as competitive advantage and business strategy, which are other variables outside the variables that have been included in this study.

References

- Andika, E. (2019). Pengaruh Orientasi Pasar dan Orientasi Kewirausahaan Terhadap Kinerja Usaha. *Jurnal Sketsa Bisnis*, 6(1), 22–34. <https://doi.org/10.35891/jsb.v6i1.1580>
- Buli, B. M. (2017). Entrepreneurial orientation, market orientation and performance of SMEs in the manufacturing industry. *Management Research Review*, 40(3), 292–309. <https://doi.org/10.1108/MRR-07-2016-0173>
- Covin, J. G., & Miller, D. (2013). International Entrepreneurial Orientation: Conceptual Considerations, Research Themes, Measurement Issues, and Future Research Directions. *Entrepreneurship: Theory and Practice*, 38(1), 11–44. <https://doi.org/10.1111/etap.12027>
- Darmanto, Wardaya, FX. S., & Dwiyani Titik. (2015). *Bauran Orientasi Strategi dan Kinerja Organisasi (Penerapan Variabel Anteseden, Moderasi dan Mediasi dalam Penelitian Ilmiah)* (1st ed.). Deepublish.
- Felisia, C., Sidharta, H., & Yosia, B. (2020). Chatarina Felisia, Helena Sidharta, I Bagus Yosia / The Effect of Entrepreneurship Orientation and Market Orientation on Marketing Performance of Furniture Home Industry in Sawahan District. *Review of Management and Entrepreneurship*, 4(2), 95–115. <https://doi.org/https://doi.org/10.37715/rme.v4i2.1239>
- Feranita, N. V., & Setiawan, H. A. (2018). Peran Keunggulan Bersaing dalam Memediasi Dampak Orientasi Pasar dan Orientasi Kewirausahaan Terhadap Kinerja UMKM. *Majalah Ilmiah "DIAN ILMU*, 18(1), 54–70. <https://doi.org/https://doi.org/10.37849/midi.v18i1.110>
- GS, A. D., & Soemantri, A. I. (2020). Entrepreneurship Orientation Strategy, Market Orientation And Its Effect On Business Performance In MSMEs. *Ekspektra : Jurnal Bisnis Dan Manajemen*, 4(1), 1–10. <https://doi.org/10.25139/ekt.v4i1.2163>
- Hamel, C., & Wijaya, A. (2020). Pengaruh Orientasi Kewirausahaan dan Orientasi Pasar terhadap Kinerja Usaha UKM Di Jakarta Barat. *Jurnal Manajerial Dan Kewirausahaan*, 2(4), 863–872. <https://journal.untar.ac.id/index.php/JMDK>
- Hisrich, R. D., Peters, M. P., & Shepherd, D. A. (2017). *Entrepreneurship* (10th ed.). McGraw-Hill Education.
- Hujayanti, D. (2020). *Pengaruh Orientasi Kewirausahaan, Orientasi Pasar dan Keunggulan Bersaing Terhadap Kinerja Umkm Krupuk di Desa Harjosari Lor Kecamatan Adiwerna Kabupaten Tegal* [Universitas Pancasakti Tegal]. <http://repository.upstegal.ac.id/id/eprint/363>
- Kurniawan, E. (2019). *Pengaruh Orientasi Kewirausahaan dan Orientasi Pasar Terhadap Kinerja Bisnis pada Wirausaha Kuliner di Kawasan DR. Mansyur Medan* [Fakultas Ekonomi dan Bisnis Universitas Sumatera Utara]. <https://repositori.usu.ac.id/handle/123456789/24078>
- Lamb, C. W., Hair, J. F., & McDaniel, Carl. (2019). *MKTG: principles of marketing*. Cengage Learning, Inc

- Miller, D. (2011). Miller (1983) revisited: A reflection on EO research and some suggestions for the future. *Entrepreneurship: Theory and Practice*, 35(5), 873–894. <https://doi.org/10.1111/j.1540-6520.2011.00457.x>
- Na, Y. K., Kang, S., & Jeong, H. Y. (2019). The Effect of Market Orientation on Performance of Sharing Economy Business: Focusing on Marketing Innovation and Sustainable Competitive Advantage. *Sustainability (Switzerland)*, 11(3), 1–19. <https://doi.org/10.3390/su11030729>
- Octavia, A., & Ali, H. (2017). The Model of Market Orientation, Entrepreneurial Orientation and Business Performance of Small and Medium Enterprises. *International Review of Management and Marketing*, 7(3), 331–337. www.econjournals.com
- Silviasih, Slamet, F., & Iskandar, D. (2016). Pengaruh Orientasi Pasar dan Orientasi Kewirausahaan Terhadap Kinerja Usaha pada Pemilik Ukm Sektor Manufaktur Garmen di Tanah Abang, Jakarta Pusat. *Jurnal Ilmiah Manajemen Bisnis*, 16(1), 13–24. <http://ejournal.ukrida.ac.id/ojs/index.php/IMB/article/view/1375>
- Sriayudha, Y., Octavia, A., & Indrawijaya, S. (2020). Entrepreneurial Orientation and Market Orientation in Business Performance of SMEs: An Exploration of the Impact on E-Commerce Adoption. *8th International Conference on Entrepreneurship and Business Management UNTAR*, 158–163. <https://doi.org/https://dx.doi.org/10.2991/aebmr.k.200626.029>
- Tricahyadinata, I. (2018). *Kinerja Organisasi Sektor Industri Perhotelan Kalimantan Timur* (1st ed.). Fakultas Ekonomi Dan Bisnis Universitas Mulawarman.
- Umar, Z. A. (2014). *Peran Kemampuan Manajemen dan Orientasi Pasar sebagai Mediasi Pengaruh Orientasi Kewirausahaan terhadap Kinerja Bisnis (Studi pada Industri Kecil dan Menengah Pangan di Gorontalo)*. Universitas Negeri Gorontalo.
- Wardoyo, P., Rusdianti, E., & Purwantini, S. (2015). Pengaruh Orientasi Kewirausahaan Terhadap Strategi Usaha dan Kinerja Bisnis Umkm di Desa Ujung-Ujung, Kec. Pabelan, Kab Semarang. *Jp Feb UNSOED*, 1–19. <http://jp.feb.unsoed.ac.id/index.php/sca-1/article/view/627>
- Yuliana, R., & Pujiastuti, Y. (2018). ORIENTASI KEWIRAUSAHAAN, ORIENTASI PASAR, DAN STRATEGI BISNIS TERHADAP KINERJA BISNIS (Studi kasus pada UMKM di Semarang). *Tirtayasa Ekonomika*, 13(2), 320–329. <https://doi.org/http://dx.doi.org/10.35448/jte.v13i2.4318>
- Zulkarnain, M., & Mukarramah. (2019). Pengaruh Orientasi Kewirausahaan dan Orientasi Pasar Terhadap Kinerja UMKM Sektor Makanan dan Minuman. *Jurnal Akuntansi, Ekonomi Dan Manajemen Bisnis*, 7(2), 192–200. <https://doi.org/https://doi.org/10.30871/jaemb.v7i2.1675>