

Improving Marketing Performance of the Indonesian Apparel Sector through Marketing Orientation and Market Sensing Capability

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The present study attempts to examine the impact of marketing orientation and market sensing capability in improving the marketing performance of the apparel sector through the mediating role of quality-based differentiation. The primary data has been collected from 308 respondents of the apparel industry in Indonesia. To examine the impact of incorporated variables on the marketing performance, a confirmatory factors analysis and the structural equation modelling approach were incorporated in the study. Several tests were applied, including descriptive analysis, KMO and Bartlett's test, rotated component matrix, and convergent and discriminant validity. The results show significant differences in direct and indirect effects. The direct effects indicated that market sensing capability and responsive market orientation are the significant and positive drivers of marketing performance, while no significant statistical association was found between proactive market orientation and marketing performance. Furthermore, the indirect effects show that quality-based differentiation significantly mediated the relationship of responsive market orientation and marketing performance. In addition, it acts as a significant mediator between proactive market orientation and marketing performance. In contrast, no mediation of quality-based differentiation is observed in the relationship between market sensing capability and marketing performance. The study also embraces several theoretical, practical, and policy-making implications for marketing management practitioners and strategy developers to attain high levels of marketing performance. In the last section of this article,

various limitations have been provided along with recommendations for in-depth findings by future researchers.

Keywords: *Marketing performance, Marketing orientation, Market sensing capability, Quality-based differentiation, Indonesia.*

Introduction

Marketing performance and market orientation are widely researched concepts in the domain of marketing management (Chernev, 2018). Marketing performance is reflected with financial and non-financial measures, such as market share, profitability of the firm, awareness of the brand, brand image and brand equity, as these indicators capture the performance and effectiveness of the implemented marketing strategies and approaches for a firm or a specific brand (Le Meunier-FitzHugh & Le Meunier-FitzHugh, 2017). The integration of marketing orientation approaches is one of the major significant drivers of a firm's financial and marketing performance (McAllister, 2017). Marketing is considered as the organisational responsibility and has emerged as a prominent concept in the last two decades, with multiple conceptualisations of market orientation. It is the determining factor of the positioning strategies, as they determine business processes and activities (Cacciolatti & Lee, 2016). Similarly, the orientation towards the market has been viewed as the element of culture of an organisation and an important resource or a capability building source that ultimately influences the performance of an organisation and provides competitive advantage (Davicik & Sharma, 2016). In order to achieve and preserve competitive advantage, the collection of marketing insights is crucial, especially regarding the competitive environment, needs, preferences of customers, and marketing trends. Moreover, gaining market insights is also essential for the brand performance and these insights rely on the market sensing capabilities of a firm (Bouguerra, Mellahi, Glaister, & Tatoğlu, 2017). In the present era, almost every industry is facing the challenge of high completion and a dynamic business environment which requires the implementation of market-specific approaches and strategies to survive in the business industry. Hence, to overcome this challenge, around the globe several studies explored successful and effective marketing strategies and activities in order to achieve high organisational performance. It is claimed that market-oriented behaviours result in the improved performance of a business and competitive advantage (Boso, Story, Cadogan, & Ashie, 2015). Also, it was highlighted by Powers and Valentine (2019) that market orientation generates the ways of market intelligence and its distribution to departments for the firm's performance.

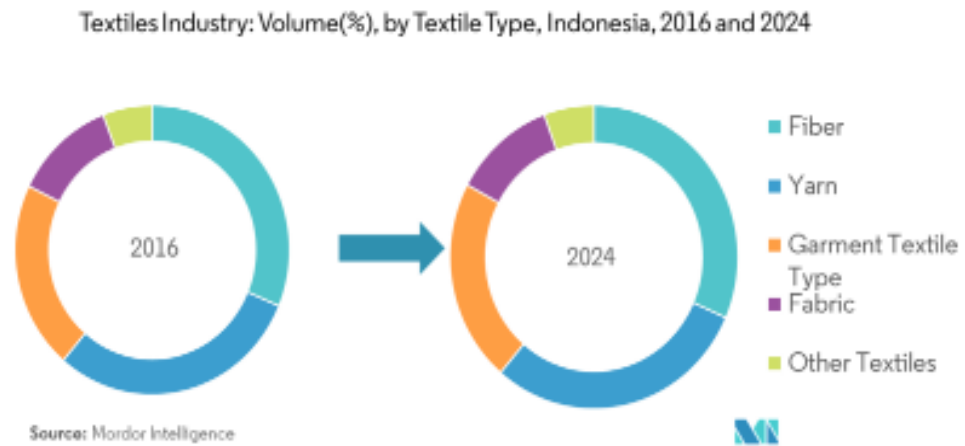
Therefore, in view of the discussed findings, it is observed that the research studies have focussed on the impact of market orientation on overall business performance, but no such studies have been conducted to analyse the role of market orientation with its specific types

and market sensing capabilities, and together on marketing performance in particular. Furthermore, the mediating role of the quality-based differentiation strategy in the relationship between market orientation, market sensing capability, and marketing performance, was not examined earlier. These observations highlighted the literature gap which needs to be fulfilled. Therefore, in order to fulfill the identified gap, and by following the suggestions of previous studies (Afriyie, Du, & Musah, 2019; A. M. Alshanty & Emeagwali, 2019; Iyer, Davari, Zolfagharian, & Paswan, 2019), the present study proposed the following research objectives:

1. To determine the impact of proactive market orientation on the marketing performance of the apparel sector in Indonesia.
2. To analyse the impact of responsive market orientation on the marketing performance of the apparel sector in Indonesia.
3. To explore the impact of market sensing capability on the marketing performance of the apparel sector in Indonesia.
4. To investigate the mediating role of quality-based differentiation in the relationship between proactive market orientation, responsive market orientation, market sensing capability, and marketing performance of the apparel sector in Indonesia.

Similarly, the other contribution was the inclusion of Indonesia's apparel sector to investigate the influence of market orientation, and market sensing capability on marketing performance, with the mediating role of quality-based differentiation, as no study has analysed the marketing performance of this sector. Among the textile-producing nations in the world, Indonesia is ranked in tenth position and holds the twelfth position as apparel exporter. The major destinations of export are the European Union, the Middle East, and the United States. Furthermore, in the global textile industry, the revenue generated from apparel reached USD 16 billion in 2018. The apparel industry of Indonesia is diversified in nature, as both local and international firms operate in the market with an extensive product range. In addition, the industry is expecting a prominent growth of its apparel divisions by 2024, as shown in Figure 1.

Figure 1. Textile industry statistics

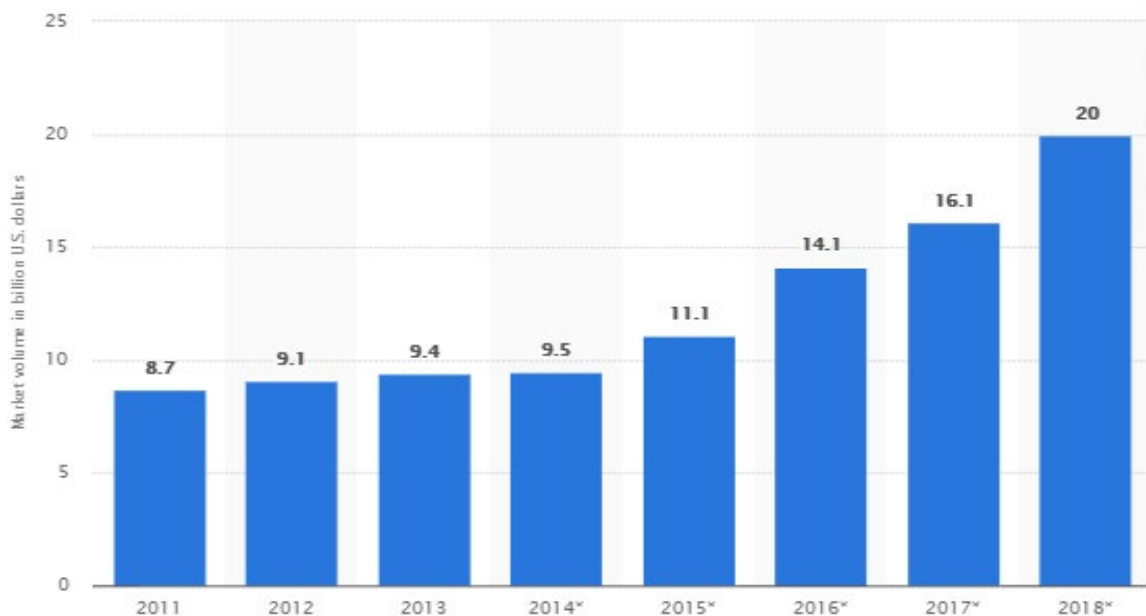


Moreover, the demand for garments is rising in the international and domestic industry, as shown in Figure 2, owing to an increasing demand for fashion, online retailing, and multiple sales channels.

Figure 2. Clothing demand in Indonesia

Market demand of clothing in Indonesia from 2011 to 2018

(in billion U.S. dollars)



Unlike previous studies, the current study incorporated advanced methodological techniques, such as structural equation modelling and confirmatory factor analysis. The explanation of the proposed mechanism is significant for marketing management practitioners to develop marketing strategies with the alignment of the business vision for the prominent growth and performance of a firm. Thus, the rest of the research covered the relevant literature and formulation of hypotheses. In section three, the methodology of the study is discussed. Section four comprises the data analysis and discussion of the results, meanwhile section five includes a conclusion and future policy implications.

Literature Review and Theoretical Background

In order to analyse the role of marketing orientation and market sensing capability on marketing performance, the study incorporated the “resource-based view” (RBV) (Barney, 2001). The RBV is the managerial framework that considers resources as the crucial factors for firm’s performance and also as the drivers of competitive advantage (Othman, Arshad, Aris, & Arif, 2015). The RBV model focusses on the attention of management on the internal resources of a firm to identify potential capabilities, assets, and competencies to attain effective and efficient firm performance. Several scholars provide the support of positive statistical associations between the market approach, market sensing capability, and marketing performance of a firm. From the view of RBV, these capabilities are considered as resources for effective marketing performance (Ketokivi, 2016). Furthermore, for the determination of the mediating role of quality-based differentiation, Mintzberg’s position strategies (Mintzberg & Lampel, 1999) are emphasised. Wherein, the quality-based differentiation strategy has been incorporated to analyse its outcomes on marketing performance with the presence of market orientation and market sensing capabilities. Several studies have incorporated these theories for an in-depth understanding of marketing performance drivers (Davis, 2017; Gellweiler, 2018). Thus, the present study proposed the following conceptual model presented in Figure 3, by taking into consideration the market orientation types of proactive market orientation, and responsive market orientation, along with market sensing capability (independent variables) as the determining factor of marketing performance (dependent variable). The study also assumed that quality-based differentiation acts as a significant mediator in the relationship between proactive market orientation, responsive market orientation, market sensing capability, and marketing performance.

Proactive Market Orientation and Marketing Performance

Proactive market orientation refers to the identification and addressing of the future needs of customers. It includes the discovery of future needs and detection of new market opportunities (Mac & Evangelista, 2018). Proactive market orientation is an approach based on market-driven research to explore the hidden needs and trends of customers for the

development of future products and enhancing the customer base (Ejdys, 2015). Basically, it is done for the detection of opportunity and for the calculation of future risks associated with new product development or innovation, as the firm identified unmet needs through proactive market orientation with the exploration mindset (Chahal, Dangwal, & Raina, 2016). This orientation plays a prominent role in determining the operating strategies of a business and aims to find solutions in order to meet the needs of customers. A well-designed research-based proactive approach results in the effective recognition of opportunities and market insights to cope up with the dynamic environment and leads towards effective marketing performance (Durie & Beshir, 2018) Many studies have emphasised the importance of proactive orientation for the growth of the company and ultimately for attracting customers. While studying the major determinants of marketing performance and high market shares, the findings of Oswald and Brettel (2017) highlighted that the implementation of proactive orientation is effective in designing marketing and business operations with calculated risk and creates a favourable environment for the growth. Therefore, based on the reviewed literature and the recognition of importance of proactive orientation in the determination of marketing performance, the current study hypothesised that:

H1: Proactive market orientation has a significant impact on marketing performance.

Responsive Market Orientation and Marketing Performance

Responsive market orientation refers to the identification and addressing of the existing needs of customers. It includes the discovery of current needs and detection of potential areas that need to be responded to (Herhausen, 2016). It is a customer-oriented perspective focussed on the collection of existing knowledge and customer experiences, which allows the firm to work on customer satisfaction by satisfying their current needs through the development of products and services. It works on the principle of exploitative learning and emphasises on improving current business practices, and ultimately effective marketing performance (Jaeger, Zacharias, & Brettel, 2016). It is argued by the authors that this market orientation generates solutions to the underlying problems faced by the customers. Without the adoption of this orientation, the companies are unable to resolve immediate problems and fulfill the needs of customers and it has a significant impact on the current profitability of the firm (Jaeger et al., 2016). Also, this orientation leads towards consistency in delving high customer value and brand performance and is targeted towards improved solutions of the existing product ranges (Snipes & Pitts, 2015). Furthermore, market orientation of being responsive is an approach based on solution-driven research to explore the current needs and trends of customers for the development of solutions and products to enhance the customer base. In order to archive high levels of performance, the firms incorporate the activities comprising of refining solutions to gauge efficiency in the marketplace and also results in effective marketing management practices (Casablancas-Segura & Llonch, 2016). Multiple

studies have emphasised the importance of the market orientation being responsive for marketing performance and ultimately for attracting customers. While studying the major determinants of marketing performance and high brand satisfaction, the findings highlighted that the implementation of responsive market orientation is effective in designing marketing and business solutions by creating a favourable environment for customer satisfaction (Schweitzer, Palmié, & Gassmann, 2018). Therefore, based on the reviewed literature and the recognition of the importance of responsive market orientation in the determination of marketing performance, the current study hypothesised that:

H2: Responsive market orientation has a significant impact on marketing performance.

Market Sensing Capability and Marketing Performance

The capacity to detect and respond to the market condition and changes as far as innovation takes place, and the taste and preferences of customer changes, is called market sensing capability (Foley & Fahy, 2004). The capability of sensing the market is associated with identifying the present and future needs of customers, dispersion of these learning over the business operations, and designing responsiveness strategies to the market (Ardayan, 2016). Also, it serves as an instrument for building up a firm that is skilful at getting the insights of, seeing, and reacting to the dynamic business environment (Osakwe, Chovancova, & Ogbonna, 2016). It is shown from the previous research, that when a firm intelligently gathers the information about its customers, their needs, and preferences, and recognises upcoming opportunities, they are more likely to perform competitive positions in the market compared to others (Sugiyarti & Ardayan, 2017). The ability of a firm to evaluate and apply current learning relies upon past related information and creates an ability to recognise the value of new data, and incorporate it and utilise it for strategy development (A. Alshanty, Emeagwali, Ibrahim, & Alrwashdeh, 2019). The marketing performance of the firm was improved with the unique resources — as mentioned by RBV — and valued competencies, which are difficult to imitate, and replaced with market sensing capability, which acts as the source to create competitive advantage (Murray, Lynch, & Foley, 2016). According to Miocevic and Morgan (2018), the most effective way of attaining market knowledge that aids in decision-making, is the ability to sense present market situations, as it boosts the tendency of a firm to identify opportunities and improve its product and service structures for high levels of performance. This is because it is essential for businesses to integrate internal knowledge with existing information in the environment. Therefore, in view of the reviewed literature and the recognition of importance of market sensing capability in the determination of marketing performance, the current study hypothesised that:

H3: Market sensing capability has a significant impact on marketing performance.

Mediating Role of Quality-Based Differentiation

Differentiation is the strategy of business and marketing through which the company directs its focus on distinguishing features and value in the offered product and services in order to get competitive advantage. Another purpose is the attraction and retention of the customers on the basis of provided quality (Habib, 2017). It is argued by the authors that quality-based differentiation strategy and proactive market orientation are interrelated. With the adoption of this differentiation, the companies are able to integrate demanded quality and fulfill the needs of customers, and it has a significant impact on the current profitability of the firm (Mazieres & Boespflug, 2017). Furthermore, a well-researched proactive approach results in the effective recognition of opportunities and provides ways for the positioning strategy according to market insights to cope up with the dynamic environment, and leads towards effective marketing performance (Voldnes et al., 2018). Thus, in view of the existing relationship between proactive market orientation, quality-based differentiation, and marketing performance, the present study hypothesised that:

H4: Quality-based differentiation has a significant mediating role in the relationship between proactive market orientation and marketing performance.

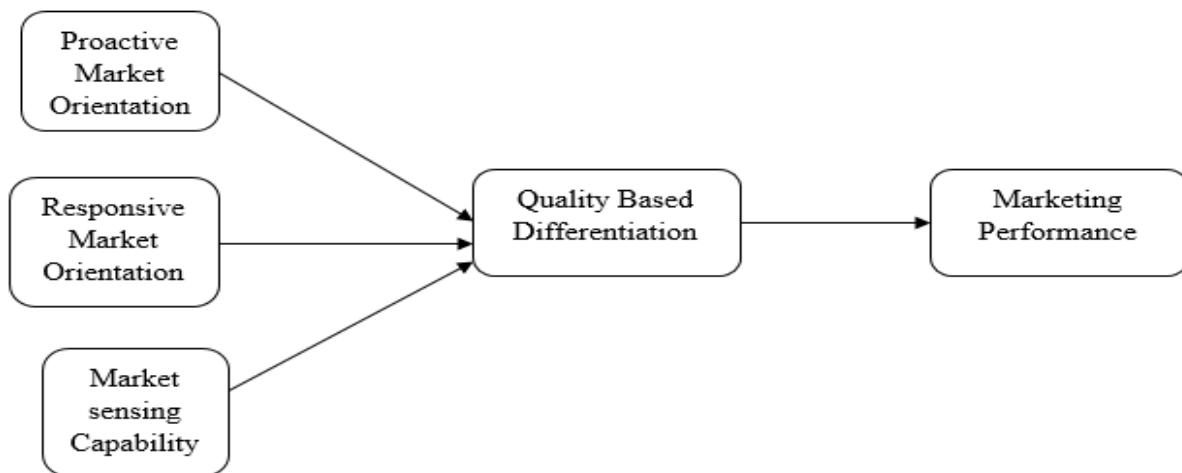
In addition, responsive market orientation allows the screening of market information, customer needs, and preferences, so this enables the firm to develop the differentiation strategy as per the market demand and integrate the quality features as per the requirement (Casablancas-Segura & Llonch, 2016). Therefore, in order to analyse the role of quality-based differentiation in the relationship between responsive market orientation and marketing performance, the current study hypothesised that:

H5: Quality-based differentiation has a significant mediating role in the relationship between responsive market orientation and marketing performance.

According to Miocevic and Morgan (2018), the most effective way of attaining market knowledge that aids in decision-making, is the ability to sense present market situations, i.e. market sensing capability, as it boosts the tendency of a firm to identify opportunities and improve their product and service strategies for high levels of performance. Hence, in view of Mintzberg's positioning strategy and the interrelationship of market sensing capability, the present study hypothesised that:

H6: Quality-based differentiation has a significant mediating role in the relationship between market sensing capability and marketing performance.

Figure 3. Conceptual model



Research Methodology

Population and Sampling

This research study observed the impact of marketing orientation and market sensing capability on market performance, in the mediating role of quality-based differentiation. The researcher choose the apparel sector of Indonesia as the population of study as Indonesia is the twelfth largest textile and apparel exporter in many different countries, but major countries include the European Union, the Middle East, and the United States. Moreover, Indonesia is also present in list of the top ten textile producing nations in the world. During the period of 2011–2016, the global market decreased but bounced back in 2018, with the apparel sector generating 38.13 per cent revenue in 2018 or USD 16 billion. Despite this success, the Indonesian Government set the target to increase the revenue to USD 73 billion by 2030, which is why it is mandatory to enhance market performance or to create the awareness of brands all around the world. Accordingly, in this study the researcher proposed several parameters for increasing marketing performance. The sampling frame for this study consists of six apparel brands in Indonesia, such as Kana Goods, Hlaih, Seratus Kapas, Cinta Bumi, Imaji Studio, and Biasa. The researcher collected the study data from these brands regarding the marketing performance and role of concerned variables in enhancing it. Through the purposive sampling technique, the researcher selected the managers and managerial employees of the marketing departments of the above mentioned apparel brands, in order to collect additional relevant data about the marketing strategies of these companies. The researcher distributed questionnaires to 360 respondents. Of these respondents, 344 completed the questionnaire, of which only 308 were considered valid responses. Thirty-six responses were rejected due to invalidity.

Data Collection Procedure

In collecting the primary and objective data from such a large sample size, the researcher used the survey questionnaire for data collection as it helps in generating authentic results in a relatively short time period. The questionnaire was originally written in the English language. However, it had to be converted into the native language of Indonesia for data collection, after which the research was translated back into English for data analysis. Furthermore, the researcher must ensure the content validity of measures with the feedback of industry professionals, and he or she has also minimised the error in wording, structure of questionnaire, and understandability of items through a pilot study. Both online and self-administering techniques have been taken into consideration for collecting data, as its enables respondents to respond easily, at the best possible time, and to ask for assistance in responding to the questionnaire.

Measures

All the measurement items in the questionnaire were adapted from the earlier research work of other authors in previous literature because the researcher considered them to be more reliable and authentic. For proactive market orientation, eight measurement items were adapted from the work of Narver, Slater, and MacLachlan (2004). In relation to reactive market orientation, seven measurement items were adapted from the research study of Narver et al. (2004). On market sensing capability, the researcher adapted the five survey items from Cohen and Levinthal (1990), and Teece (2007). Concerning quality-based differentiation, five survey items were taken from the research work of Kotha and Vadlamani (1995). Furthermore, market performance was measured through three survey items that were adapted from an earlier study of Katsikeas, Morgan, Leonidou, and Hult (2016). All these survey items have been measured through a five-point Likert scale, in which the responses range from 1 or strongly disagree to 5 or strongly agree.

Data Analysis

After data collection, the researcher analysed the collected responses through SPSS, by performing a regression test, descriptive statistics test, correlation test, Cronbach's alpha test, and composite reliability test. Moreover, AMOS has also been taken into account for evaluation or analysing the outcomes by running two types of analysis, such as structure equation modelling and confirmatory factor analysis. Convergent validity, discriminant validity, and model fitness were checked by conducting confirmatory factor analysis. On the other hand, structure equation modelling was used for hypothesis testing or for evaluating the acceptance or rejection status of the hypotheses.

Data Analysis and Interpretation

This study was conducted to determine the impact of proactive market orientation on market performance and the impact of responsive market orientation on market performance. The aim was also to determine market sensing capability on market performance, and the mediating role of quality-based differentiation in the apparel sector in Indonesia. The study comprised the distribution of questionnaires to participants with 308 valid responses returned. The demographic details of the respondents consisted of 125 males and 183 females, according to which the number of females were high. Education wise, 23 of the respondents had completed their graduation, 152 had completed their postgraduation, 122 had completed their masters, and ten had other degrees. Age wise, 58 of the respondents were between the ages of 21 to 30 years old, 121 were 31 to 40 years old, 107 were 41 to 50 years old, and 22 were in the 50+ age range.

Table 1: Descriptive Statistics

	N	Minimum	Maximum	Mean	SD	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	SE
PMO	308	1.00	5.00	3.4704	1.09294	-0.754	0.139
RMO	308	1.00	5.00	3.5478	1.07031	-0.876	0.139
MSC	308	1.00	5.00	3.5117	1.07540	-0.758	0.139
QBD	308	1.00	5.00	3.4799	1.07854	-0.688	0.139
MP	308	1.00	5.00	3.4286	1.11918	-0.507	0.139
Valid N (listwise)	308						

Table 1 above shows the descriptive statistics of the study. The descriptive statistics provide a detailed explanation regarding the variables of the study, and they show that the descriptive coefficients that provide a complete summary of the data. This set of data represent the entire sample of the population. The data shows that there is no outlier in the given data because the maximum values are in the threshold range of the five-point Likert scale, and the value of skewness is between -1 to 1, which is the threshold range of normality. Therefore, the given data is normal and valid. The data is valid to proceed for further testing.

Table 2: Rotated Component Matrix

	Component				
	1	2	3	4	5
PM1	0.774				
PM2	0.816				
PM3	0.795				
PM4	0.783				
PM5	0.753				
PM6	0.752				
PM7	0.804				
PM8	0.791				
RM1		0.698			
RM2		0.762			
RM3		0.840			
RM4		0.815			
RM5		0.813			
RM6		0.746			
RM7		0.753			
MS1			0.765		
MS2			0.800		
MS3			0.825		
MS4			0.801		
MS5			0.727		
QB1				0.737	
QB2				0.779	
QB3				0.786	
QB4				0.776	
QB5				0.768	
MP1					0.816
MP2					0.847
MP3					0.860

Table 2 above displaying the rotated components matrix shows that almost all of the indicators have a factor loading of more than 0.7. This means that all indicators are eligible to be exposed to further hypothesis testing techniques because all the factors are at a suitable threshold level and are in valid sequence and range. Therefore, this data can proceed for further testing techniques. There is no cross loading in the data shown in the rotated components matrix, therefore the data is reliable.

Table 3: Convergent and Discriminant Validity

	CR	AVE	MSV	MaxR(H)	QB	PM	RM	MS	MP
QB	0.896	0.632	0.314	0.897	0.795				
PM	0.947	0.690	0.353	0.964	0.560	0.831			
RM	0.940	0.691	0.353	0.978	0.559	0.594	0.831		
MS	0.909	0.667	0.324	0.982	0.473	0.569	0.514	0.817	
MP	0.886	0.722	0.239	0.984	0.456	0.333	0.489	0.463	0.850

The validity master sheet was used in order to confirm the convergent and discriminant validity for the research model variable. The discriminant validity provided the discrimination between variables while the convergent validity was measured with the help of composite reliability and average variance extracted. The results of the validities are shown in the Table 3. The results and convergence of each variable is more than 70 per cent. The average variances extracted are more than 50 per cent, while the discriminate validity showed that the loading of each variable discriminates from each other. Every variable has a maximum loading with itself when compared with others. Therefore, these validities prove the authenticity of the collected data.

Table 4: Confirmatory Factors Analysis

Indicators	Threshold range	Current values
CMIN/DF	Less or equal 3	2.728
GFI	Equal or greater 0.80	0.826
CFI	Equal or greater 0.90	0.917
IFI	Equal or greater 0.90	0.917
RMSEA	Less or equal 0.08	0.075

Table 4 displays the confirmatory factors analysis, which is used to confirm the fitness of the hypothetical model before structural equation modelling. The current results show that CMIN is less than three, GFI is more than 0.80, CFI is more than 0.90, IFI is more than 0.90, and RMSEA is less than 0.08. All of the results showed that the data is in a valid range and can proceed for further testing. The following Figure 4 outlines the confirmatory factors analysis.

Figure 4. Confirmatory Factors Analysis

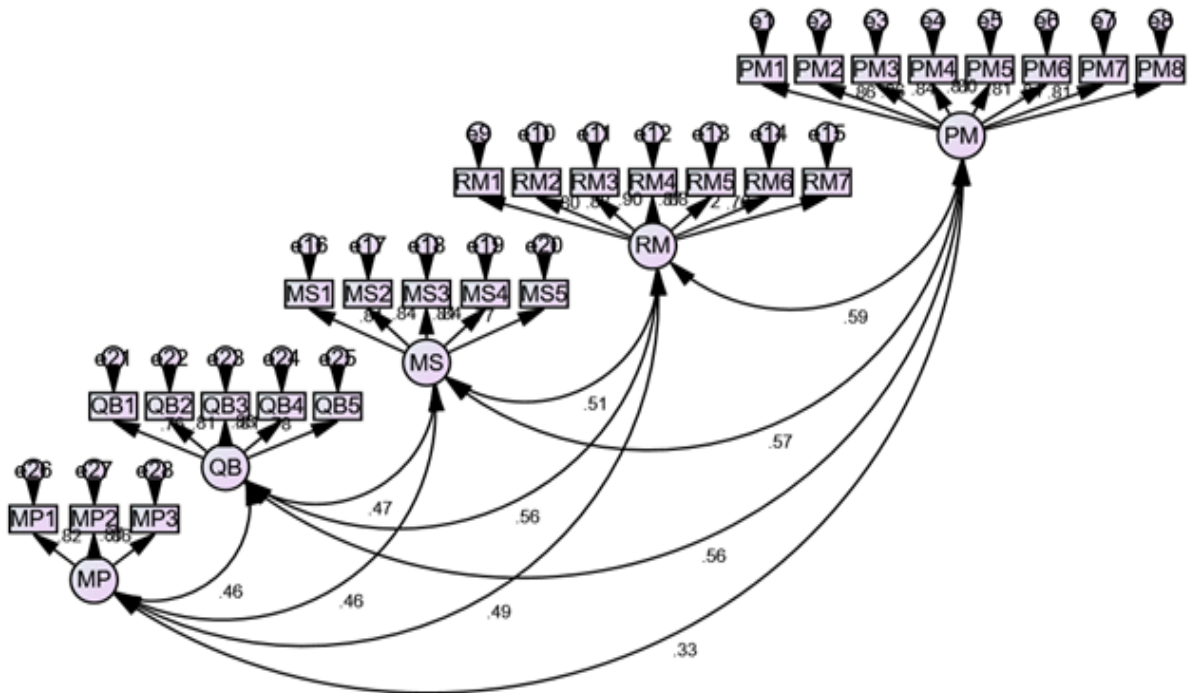
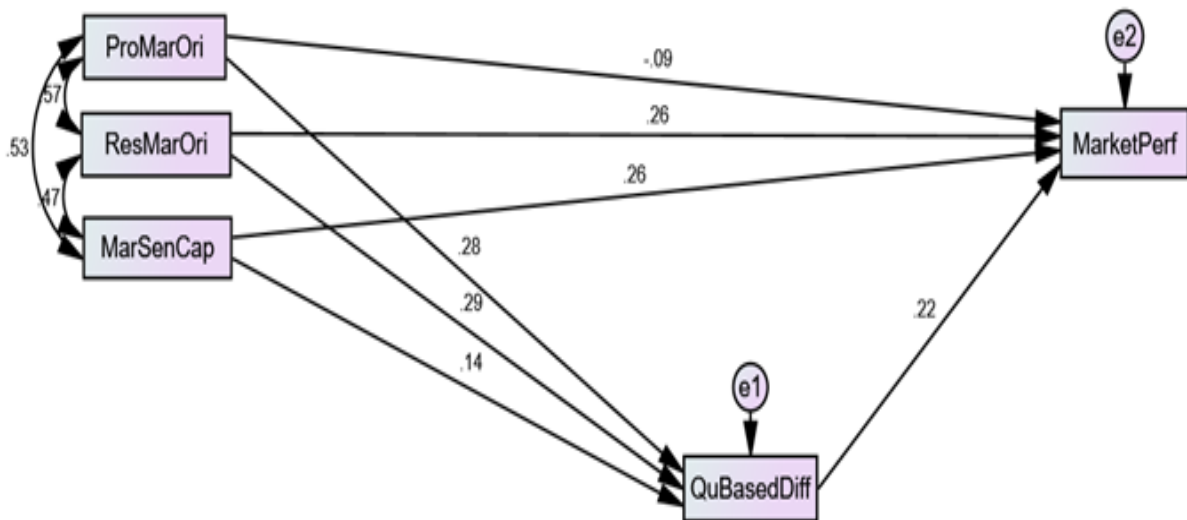


Table 5: Structural Equation Modeling

Total Effect	MSC	RMO	PMO	QBD
QBD	0.144	0.285***	0.275**	0.000
MP	0.287**	0.321***	-0.030	0.217**
Direct effect	MSC	RMO	PMO	QBD
QBD	0.144	0.285**	0.275***	0.000
MP	0.256**	0.259**	-0.089	0.217***
Indirect effect	MSC	RMO	PMO	QBD
QBD	0.000	0.000	0.000	0.000
MP	0.031	0.062**	0.060*	0.000

The above table of the structural equation modelling shows the relationships between the different variables and what impact they cast on one another. The direct effect of marketing sensing capability, responsive market orientation, and quality-based differentiation on market performance is significant and positive. Meanwhile, the impact of proactive market orientation is not significant, while it can be seen that the mediation of quality-based differentiation is not significant in the case of market sensing capability but is significant for reactive market orientation and proactive market orientation. The following Figure 5 shows the structural equation modelling.

Figure 5. Structural equation modelling



Discussion and Conclusion

Discussion

The marketing performance of the apparel sector in Indonesia went through decline because of several inabilities. This study was conducted with the aim to determine the impact of proactive market orientation (PMO) on marketing performance (MP), and to determine how responsive market orientation (RMO), and market sensing capability (MSC) impacts marketing performance. This study considered quality-based differentiation (QBD) as a mediator.

The first hypothesis proposed by this study was that “PMO has a significant impact on MP”. According to the theory of Hasegawa and Matsuoka (2015) and the results of the study, this hypothesis has been rejected because orientation is always undertaken based on the target market and doing it proactively does not enhance differentiation to any extent and has no impact on marketing performance.

The second hypothesis posed by the study was that “RMO has a significant impact on MP”. This hypothesis is accepted. A significant and positive relationship exists between these two. According to the past literature (Kirono et al., 2016) and according to the analysis, responsive market orientation is always done based on the present needs of the customers and thus, it can play a significant role in enhancing the marketing performance.

The third hypothesis suggested by the study is that “MSC has a significant impact on MP”. This hypothesis is accepted based on previous theory (Kis-Katos & Sparrow, 2015). It can be

said that the capability of knowledge about the market and sensing the needs of the customers, orients the products according to the need and mindset of the customers, which in return enhances the MP.

The fourth hypothesis proposed by the study was that “the mediating role of QBD between PMO and MP is significant”. This hypothesis is accepted because when PMO is allowed to impact on MP through QBD, then the impact of PMO enhances (Mukhlis, Utomo, & Soesetio, 2015), as PMO helps to create differentiation between different brands and also creates a higher level of customer value. Thus, its impacts enhance while reacting to the QBD on MP.

The fifth hypothesis proposed was that “QBD has a significant mediating role on RMO and MP”. This hypothesis is accepted because previous literature has proven that RMO enhances the ability of a business and brand to become different from its competitors and to provide better quality when compared to its competitors, which in turn enhances the MP (Sidharta & Affandi, 2016).

Last hypothesis posed by the study was that “QBD has a significant mediating role between MSC and MP”. This hypothesis is rejected based on the analysis and the past literature which has foregrounded that market sensing capability alone is not enough to create differentiation (Zuhdi, 2015). In addition, it is also important that the marketers do this kind of sensing along with the orientation towards the customers, in order to enhance the marketing performance significantly.

Conclusion

This study was conducted in the apparel sector of Indonesia with the aim to determine the impact of PMO, RMO, and MSC on MP, and to determine the mediating role of QBD. The results showed that PMO is not a significant influence for MP, and QBD also does not mediate significantly between MSC and MP. It is evident that RMO and MSC influence MP significantly and positively, and QBD also mediates significantly here. For the purpose of this study, 308 completed questionnaires were distributed and received from participants of the Indonesian apparel sector. The data analysis used the confirmatory factor analysis and structural equation modelling methods.

Implications of the Study

The study focussed on a very broad spectrum, adding to the literature the importance of PMO, RMO and MSC to enhance the MP significantly, and how QBD reacts in mediation for further increasing MP. The study has given valid and research-based results to prove its



validity and usage. Organisations should focus on PMO, along with QBD for enhancing MP. In addition, organisations can also enhance RMO and MSC by looking at their results for enhancing MP. A policy making section implementation of PMO, RMO, and MSC can be added as integral components to enhance the MP.

Limitations and Future Research Indications

MP is not just the problem of a single sector, whereas the study has focussed on the apparel sector only. At least two sectors could have been selected in order to provide a wider range of results and implications. Moreover, the researchers have also chosen to focus on only 300 participants as a sample, which places a high level of constraints on the generalisation of the results and validity for other sectors as well.

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