

Culinary-Gastronomic Value Advantage in a Competitive Dynamic Market: A Service-Dominant Logic Perspective

Augusty Tae Ferdinand*, Raras Sekar Kinasih, Amie Kusumawardhani, Idris Idris, Irene Rini Demi Pangestuti, Hersugondo Hersugondo

Diponegoro University, Semarang, Central Java, Indonesia

ARTICLE INFO

Article history:

Received : 24 October 2022

Revised : 15 February 2023

Accepted : 17 February 2023

JEL Classification:

L25, L26, M31

Key words:

Entrepreneurial orientation, Culinary-gastronomic value advantage, Business performance, Competitive pressure consciousness

DOI:

10.14414/jebav.v25i3.3356

ABSTRACT

Since there are inconsistent findings on the influence of entrepreneurial orientation on business performance, we aim to develop a conceptual model to explain how an entrepreneurial orientation has the potential to enhance business performance. We develop a concept of culinary-gastronomic value advantage as mediation for entrepreneurial orientation to improve business performance effectively. We examine the model by involving 241 owner-managers of micro and small-sized enterprises in the food industry, whose results were analyzed using SEM-AMOS software. This study's results indicate that the culinary-gastronomic value advantage derived from the Service-Dominant Logic (SDL) theory is an acceptable solution as mediation for entrepreneurial orientation and performance. Another important finding is that the entrepreneurial orientation and culinary-gastronomic value advantages are highly dependent on the level of risk consciousness on the competitive pressures that occur in the market. This study brings several theoretical implications to service-dominant logic theory, particularly on value accentuation in the form of culinary-gastronomic value advantage for enhancing performance.

ABSTRAK

Mengingat ada temuan yang tidak konsisten tentang pengaruh orientasi kewirausahaan pada kinerja bisnis, kami bertujuan untuk mengembangkan model konseptual guna menjelaskan bagaimana proses yang harus dikembangkan agar orientasi kewirausahaan memiliki potensi untuk meningkatkan kinerja bisnis. Kami mengembangkan konsep keunggulan nilai kuliner-gastronomi sebagai mediasi orientasi kewirausahaan untuk meningkatkan kinerja bisnis secara efektif. Kami menguji model dengan melibatkan 241 pemilik-pengelola usaha mikro dan kecil di industri makanan, yang hasilnya dianalisis menggunakan perangkat lunak SEM-AMOS. Hasil penelitian ini menunjukkan bahwa keunggulan nilai kuliner-gastronomi yang diturunkan dari teori Service-Dominant Logic (SDL) merupakan solusi yang dapat diterima sebagai mediasi orientasi dan kinerja kewirausahaan. Temuan penting lainnya adalah bahwa orientasi kewirausahaan dan keunggulan nilai kuliner-gastronomi sangat bergantung pada tingkat risk-consciousness dari tekanan kompetisi yang terjadi dalam pasar. Kajian ini membawa beberapa implikasi teoritis terhadap teori logika service-dominant, khususnya pada aksentuasi nilai berupa keunggulan nilai kuliner-gastronomi untuk peningkatan kinerja.

1. INTRODUCTION

Studies on food products, culinary and gastronomy, and gastronomic value developed by Micro and Small-sized Enterprises (MSEs) have snowballed in these decades for several reasons. First, food and gastronomy products act not only as basic needs but turned into a new business trend where food has become a promising business area where consumers usually pay cash before or after consumption

(Rahkovsky et al., 2018). Second, culinary and gastronomy have become a lifestyle of an eating-out trend where consumers prefer to buy ready-for-serve products sold hygienically for consumption rather than cooking for themselves (Gesteiro et al., 2022). Third, various small businesses that have grown because of their entrepreneurial spirit and capabilities have become a very potential business sector and are recognized as a safety valve during a

* Corresponding author, email address: augusty@live.undip.ac.id

crisis such as the peak of the Covid-19 pandemic (Tirajoh et al., 2019; Utami & Lantu, 2013). Fifth, our observation indicated that the impact of the Covid-19 pandemic is that many large companies have decreased their business scale, impacting the decline in people's disposable income. Subsequently, those unemployed family members build micro or small businesses, such as culinary businesses. As a consequence, the competition is becoming fiercer.

Furthermore, studies on the success of business development, especially those carried out by MSEs, demonstrated the role of the entrepreneurial power possessed by a company through the concept of entrepreneurial orientation (EO) for enhancing performance (Bianchi et al., 2017; Irwin et al., 2018; Jiang et al., 2018). Business literature recognizes entrepreneurial orientation as a spirit and sound business skills for creating business performance (BP). The following arguments come from the reliable adoption of the entrepreneurial orientation conception in improving business performance. First, entrepreneurial-oriented enterprises (EOEs) have the power to generate performance due to their business creativity, which proactively and preemptively recognizes and explores existing business opportunities to emerge as preemptive power that will be more effective in creating performance (Irwin et al., 2018). Second, because of their innovative capabilities, EOEs are competent in configuring and constructing novel and innovative products and services with high market attractiveness (Moradi et al., 2021) as a trigger for increasing business performance. Third, the EOEs have a solid character to recognize and manage risks boldly and well-calculated (Kantur, 2016), leading to having a breakthrough advantage for winning the market competition better than its competitors. An EOE, therefore, has excellent potential to generate good business performance. Fourth, EOEs that usually work with an excellent entrepreneurial marketing style may have strong networks as key success factors for improving business performance.

Our literature review indicates that companies with an excellent entrepreneurial orientation tend to have good business performance (Ali et al., 2020; Budiati et al., 2021; Fatima & Bilal, 2019; Hou et al., 2019; Susanto et al., 2021). Many studies demonstrated the success of entrepreneurial orientation as a business spirit and capability for enhancing performance due to having a proactive power for being the first in the market. The EOEs' success is also due to their innovative power, calculated risk, proactiveness (Irwin et al., 2018; Kantur, 2016), and the power of inward and forward

network competence. The inward network is the strength of supplier-side networking, while the forward network is the strength of distributional networks for selling and delivering consumer products and services. However, many studies also reveal the opposite result: entrepreneurial orientation is not a suitable instrument to improve performance indicated by the insignificant effect of entrepreneurial orientation on business performance (Bianchi et al., 2017; Conti et al., 2020; Nguyen et al., 2021; Shirokova et al., 2022; Widjaja & Sugiarto, 2022). The inconsistent results of this issue arise for several reasons. First, EO is basically seen as a trigger to improve business processes, for example, developing superior strategic entrepreneurship (Kantur, 2016) or deploying technological capability (Bianchi et al., 2017) or other business processes as a steppingstone to improve performance. Second, the role of an EO is very contextually sensitive (Pulka et al., 2021), so it does not constantly improve performance. Third, the previous study revealed that entrepreneurial orientation is a contingent rather than a direct determinant of firm performance (Nguyen et al., 2021). Fourth, the character of entrepreneurs can impact this inconsistency, for example, in the case of SMEs in Indonesia, which are more reactive in meeting demand, instead of proactively innovating (Widjaja & Sugiarto, 2022). Fifth, the degree of sensitivity to market risk, only those very sensitive to market dynamics will be successful with a good EO; otherwise, they will have lower performance (Conti et al., 2020). Therefore, this research gap on the inconsistent effect of entrepreneurial orientation on business performance opens new space for further exploration. To cope with this research gap, we raise two research problems: first, what process must be done to empower the entrepreneurial orientation as a strategic instrument for improving business performance? Second, due to competitive pressure in the market, our research question is how the EOEs react to the competitive pressure for explaining the process of enhancing performance

This study aims to elaborate on a marketing process on how companies manage their entrepreneurial orientation when the business situation is under competitive pressure to improve their business performance. Based on the elaboration of the process, this study will propose a conceptual model in entrepreneurial marketing as a business process to enhance business performance. To test the reliability of this model, we invite the food sector MSEs owner-manager to participate in our research.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

Entrepreneurial orientation, culinary-gastronomic value advantage, and business performance: an SDL perspective

To solve this EO-BP research gap, we have a basic view that no matter how good the entrepreneurial orientation is, it must lead to a reasonable value provision to stimulate consumer interest to try and buy, as in the view of SDL. Therefore, we rooted this theoretical elaboration on SDL for the following considerations. First, SDL provides basic guidelines on the concept of value in terms of value-in-use (ViU) and value-in-exchange (ViE) (Batat & Addis, 2021; Vargo & Lusch, 2017) as essential factors sought by consumers. Second, due to the market dynamics characteristics, the key to the company's success lies in the advantages displayed by a product and service (Ferdinand, 2021), which leads to the opportunity for broadly resonated by companies and consumers. Third, especially in food marketing, culinary and gastronomic products, its success is very dependent on the superiority of the values that are well resonated.

The study of food marketing has shifted from just selling basic needs to studying the process of preparing a food product as a value provision to value resonating and accentuating the product's value. The study of food marketing has been widely discussed in the context of providing a suitable value for the market and has the potential to be resonated in marketing strategies. Therefore, food marketing focuses on studying values that can increase value-in-use (VIU) and value-in-exchange (VIE), such as culinary, gastronomic, authentic, ethical, and gift value. From the perspective of SDL, a company's success depends on how well it formulates and delivers good value for its customers in the form of value-in-use for its customers and value in exchange for its sales process. Therefore, the success of a product in the market depends on how superior a product is designed, configured, created, and finally articulated to consumers through a value-resonating process (Hiong et al., 2020; Vargo & Lusch, 2017). The current study focuses on building a value advantage for a food product that will be marketed both on a narrow and broad scale.

In marketing studies, the conceptualization of value advantage will focus on building superiority of product and service attributes so that a product or value potential to be a strategic input in the form of comparative advantage resources to drive market attractiveness. On the other hand, if a value is seen as a process to drive consumers, that value should

be promoted as a competitive advantage attribute attached to the product sold or consumed. That is why, in SDL's view, food products and their derivative products and services should be treated as a distribution mechanism of a specific value that has the potential to be a good market attractor. Therefore, efforts to build business performance is a value-centered marketing strategy. The further question is how to implement the value-centered strategy. This study will describe how the value-centered strategy is implemented by developing the value advantage of this food product through the conceptualization of culinary-gastronomic value advantages.

From the perspective of SDL, a product could be understood as a distribution mechanism for providing appropriate value to the market. This study believes that developing a value distribution mechanism for prospective food products in the market is carried out in a process, as presented in Figure 1.

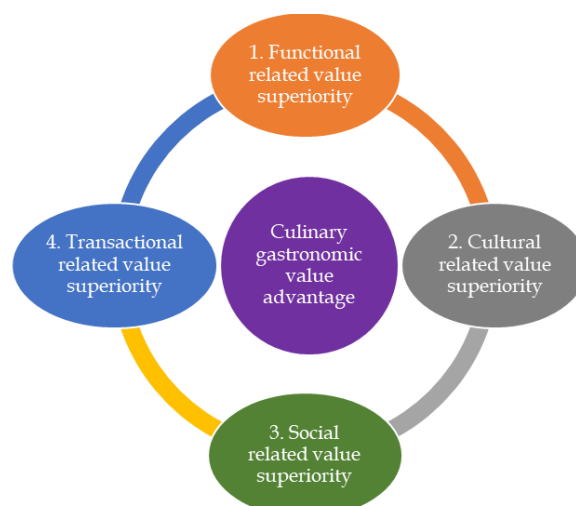


Figure 1: Culinary-gastronomic value advantage

As depicted in Figure 1, a Culinary-gastronomic value advantage (CGVA) is proposed based on functional-related value superiority, cultural-related value superiority, social-related value superiority, and transactional-related value superiority. The main character of this CGVA concept could be explained as follows. First, a value advantage, as in Vargo & Lusch's SDL view (Vargo & Lusch, 2017), is that value must provide a real VIU advantage expressed by how far the product's functionality shows its VIU strength. This advantage will become a strategic marketing capital if, as in Hunt and Morgan's view, it has a substantial superiority as a comparative advantage marketing capital for attracting consumers. Therefore, a functional value

superiority in food marketing exists by providing superior safety value of a food product, for example, fulfilling food hygiene standards for products that are safe for consumption and valuable for the human body. Another example is antibiotic-free meat, which meets dietary needs, MSG-Free, and the like.

Second, a VIU attribute may become a market attractor if developed by providing a characteristic of specific cultural values, such as indicating cultural uniqueness as an attribute of a product's attractiveness (Vargo & Lusch, 2017). For example, in the Gastronomy business, one of the keys to the success of food product marketing is how the value is configured by adding unique cultural touch to the prepared and served food, indicating the art of food attributes. Other examples of cultural touch are adding local wisdom attributes to accentuate the product's authenticity as a distinctive consumption value. This example of VIU has the potential to produce a high memory consumption for consumers. Artistic ornaments such as cultural specificity developed as product attributes can potentially increase VIU's uniqueness for consumers.

Third, the development of CGVA for a food product or culinary and gastronomy product is carried out by strengthening the social-related value of the food product. As in SDL's view, not only VIU, Value in Exchange-VIE is the key to increasing the advantage of a product for the market. With VIE, a company can ensure that its product has good market bargaining power due to its ability to increase the social status of a consumer. Consequently, an iconic restaurant with a high-end price level still attracts consumers with its superior social value displayed by the product. Likewise, the social value may apply when a food product is bought as a valuable and worthy gift (in Indonesia, called "*oleh-oleh* or *buah tangan*").

Fourth, a CGVA could be understood as a transactional-related value superiority in terms of the advantages given to highlight the VIE of a product. As a driver for the success of VIE (Vargo & Lusch, 2017), a food product is marketed with various conveniences, and convenience in transactions will be an attractor for the market to enhance business performance. The advantages of VIE due to the strengthening of this transactional-related value can be justified by several considerations as follows. First, if a product is supported by the company to easily penetrate the market through various value-resonating strategies such as offline and online promotion, the product's

superiority will be high in the eyes of the market and consumers (Baruk, 2020). Second, if a product is equipped with good technical support to ensure good quality (Beacom et al., 2021), then quality will potentially become a market attractor. Third, suppose a food product in its delivery service is presented in a specific way, with a good touch of cultural gastronomic accentuation (Meler & Cerovic, 2003). In that case, it has the potential to increase consumer confidence in the value status of this product and therefore facilitate a sales transaction to occur; for example, a consumer decides to enter a restaurant. Some even become loyal because of the VIE strength built and delivered excellently.

Entrepreneurial orientation and culinary-gastronomic value advantage

Entrepreneurial orientation is essential for companies with long-term outlook orientation for success in a highly competitive market. Therefore, an entrepreneurial-oriented firm is a business entity always looking to develop innovative breakthroughs. Furthermore, an entrepreneurial-oriented firm constantly strives for a preventive move against competitors by carefully calculating risk (Kasouf et al., 2009) in its decisions to invest in strategic resources and develop potentially successful marketing management processes. From the SDL's perspective, our literature review indicated several essential characteristics of an entrepreneurial-oriented company. First, an entrepreneurial-oriented firm always seeks knowledge and information as a source of absorptive capacity (Ato Sarsah et al., 2020) to create better value for the market (Wahyono, 2019). Second, the entrepreneurial-oriented company always looks for hidden opportunities in a competitive market (Bilal et al., 2022; Kasouf et al., 2009) to create specific values for an unarticulated need. Third, the company strives for breakthrough innovations to differentiate the product and service value better than competitors to attract the market consistently (Tang et al., 2021). Fourth, the company always looks for potential spaces from technology to generate superior value for its market (Heng & Afifah, 2020). Fifth, Entrepreneur orientation has always been a catalyst for business growth because of its ability to anticipate market trends by constantly innovating to produce breakthroughs when the market becomes saturated (Khalili et al., 2013).

Therefore, we argue that EOE will strive to build a variety of advantages in its business processes as follows. First, EOE strives to always be

innovative in enhancing its innovative product development capabilities to highlight superior functional values for its products. Second, because of its creativity, EOE will highlight the attractive advantages of each product developed, such as the attributes of cultural excellence in product development. Third, EOE, because of its creative and innovative power, has the potential to develop excellence in the form of social attributes of its products so that they become worthy and exciting to share, such as souvenirs. Fourth, the entrepreneurial vision always has to be preemptive and proactive to encourage the strength of market entry and market penetration by providing various facilities for creating a profitable transaction. Therefore, we propose the following hypothesis:

H₁: Entrepreneurial orientation has a positive influence on Culinary-gastronomic value advantage

H₂: Culinary-Gastronomic value advantage has a positive influence on marketing performance.

H₃: Entrepreneurial orientation has a positive influence on marketing performance

H₄: Culinary-Gastronomic value advantage mediated the influence of entrepreneurial orientation on marketing performance

Competitive Pressure Consciousness

Competition is standard practice and recognized as a market dynamic; every company should cope with competitive tactics. The competition or competitive environment may negatively or positively impact EOE, depending on their competitive consciousness. A company with high competitive consciousness may be able to take anticipatory steps for its marketing activities compared to those with low consciousness. In other words, focus or inertia will produce different results (Conti et al., 2020). Through the following three basic arguments, this study will elaborate on why entrepreneurial orientation is not always a good trigger for increasing marketing performance. First, an MSE may produce good business performance without having an excellent entrepreneurial orientation. Management practices consider many factors to improve business performance, such as good product quality, competitive prices, good promotional programs, good sales strategies, and good customer care management (Bianchi et al.,

2017; Conti et al., 2020). Second, many cases illustrate that entrepreneurial orientation is not the proper focus or priority to drive performance (Pulka et al., 2021; Widjaja & Sugiarto, 2022). Third, suppose entrepreneurial orientation is recognized as an excellent strategic orientation and is managed as a good driver of value creation (Vargo & Lusch, 2017) in a challenging business environment.

In addition, an entrepreneurial orientation might be an effective instrument for enhancing performance when a business operates in a tough competitive market. Therefore, we believe that in a competitive business environment, because the company is afraid of losing its strong market platform to generate performance, it will maneuver to work hard so that the EO is potent in enhancing performance. Meanwhile, suppose the condition of the business environment is safe with less competitive dynamics. In that case, the company is complacent in utilizing all its strategic instruments to secure and improve business performance. Therefore, we propose the following moderator hypothesis

H₅: Competitive pressure consciousness moderates the influence of entrepreneurial orientation on marketing performance.

The solution we developed for this research gap is CGVA mediation. EO will improve business performance if an entrepreneurial orientation is effectively managed to increase culinary-gastronomic value advantages. This solution raises further questions about whether companies that are aware of developing CGVA will also be more substantial if they are in a management environment that has a high competitive consciousness. However, competition dynamics impact how a company reconfigures its resources to maintain its market position (Yang & Meyer, 2015). Therefore, we propose a hypothesis as follows

H₆: Competitive pressure consciousness moderates the influence of culinary-gastronomic value advantage on business performance.

Based on our literature review and hypotheses development, we propose a conceptual model for managing entrepreneurial orientation to enhance business performance, as depicted in Figure 2.

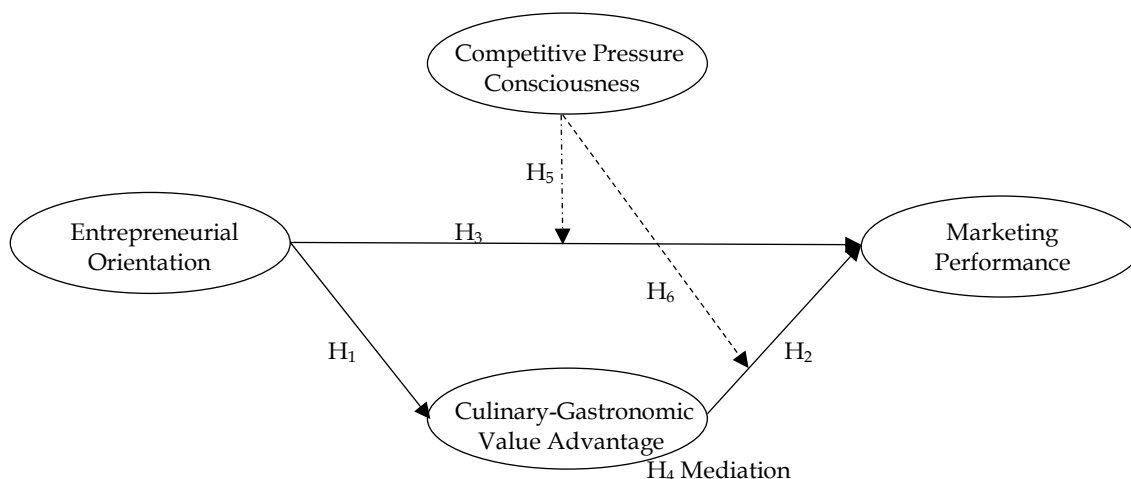


Figure 2. Conceptual model

3. RESEARCH METHOD

To test our conceptual model, we invited 245 MSEs’ owners or managers of the food production industry to participate in this study. After data trimming for the complete and usable data, we got 241 usable data points for further analysis and testing of the proposed hypotheses.

As presented in Table 1, the final sample consisted of 241 responses, which were dominated by female executives (64%) having at least one to three business experiences (54.8%), more than half of respondents (54.3%) categorized as young entrepreneurs aged below 30 years old, and almost half of them (53.5%) had an undergraduate education background

Table 1. Respondent’s profile

Respondents Profile	Total	Percentage
<i>Gender</i>		
Male	87	36%
Female	154	64%
<i>Respondent age</i>		
≥ 30	131	54.3%
31 - 50	73	30.3%
> 50	37	15.4%
<i>MSEs Business Experience</i>		
1 - 3 Years	132	54.8%
3.1 - 5 Years	55	22.8%
> 5 years	54	22.4%
<i>Education</i>		
High School Graduate	101	41.9%
Undergraduate	129	53.5%
Master degree	11	4.6%
<i>Total</i>	241	100%

Source: Primary Data, 2022

Measurement

The current study adapted several studies for building the measurement of the variables. When measuring the entrepreneurial orientation construct, we adapted the indicators used by Heng & Afifah (2020) and Ato Sarsah et al. (2020). The EO construct was reflected by several items, such as proactively exploring market opportunities, carefully anticipating market and demand trends with calculated risk, and incisively innovating by

acquiring and adopting appropriate technology. To measure the culinary-gastronomic value advantage, we referred to the work of Seegebarth et al. (2016) and Uehara & Assarut (2020). Moreover, we measured the moderator variable of competitive risk consciousness by asking, “How worried are you about the pressure of competition in this business?” Lastly, to measure the variable of business performance, we adapted the work of Jiang et al.

(2018) and Heng & Afifah (2020). A questionnaire set with items measured on a 10-point numerical scale was prepared to reach an interval scale. Following the guidelines for developing an interval scale in Nunnally and Bernstein (1994), the scale was anchored one at the left and ten at the right side of each item to achieve ‘tend-to-be’ interval data as required by a multivariate statistical procedure (Tabachnick & Fidell, 2013).

Before testing the proposed hypotheses, we identified the degree of our data instruments’ validity and reliability. AMOS SEM version 23 was the software we used for our statistical analysis. As guided by Tabachnick & Fidell (2013), the acceptable

validity and reliability cut-off value were 0.50 for convergent validity (measured by average variance extracted (AVE) and 0.70 for construct reliability index. The AMOS SEM software resulted in an acceptable AVE validity value for entrepreneurial orientation (0.50), culinary-gastronomic value advantage (0.60), and business performance (0.86). A similar process was applied for calculating the degree of construct reliability, which results in the acceptance of reliability values such as entrepreneurial orientation (0.73), culinary-gastronomic value advantage (0.87), and business performance (0.95), as presented in Table 2.

Table 2. Validity and reliability measurement

Variable and Indicator Item	Source	Std. Loading	Critical Ratio ≥ 1.96
<i>Entrepreneurial orientation (AVE=0.50; CRI=0.73)</i>			
Exploring market opportunities Proactively	Adapted from Heng & Afifah (2020) and	0.726	8.14
Anticipating changing trends by calculating risk	Ato Sarsah et al.	0.759	8.14
Innovation by acquiring and adopting appropriate technology	(2020)	0.572	7.221
<i>Culinary-Gastronomic Value Advantage (AVE=0.60; CRI=0.87)</i>			
Food product functional value superiority	Adapted from Seegebarth et al.	0.695	12.038
Food product cultural value superiority	(2016) and (Uehara & Assarut, 2020)	0.850	12.038
Food product social value superiority		0.879	15.875
Food product transactional value superiority		0.735	13.021
<i>Business performance (AVE=0.86; CRI=0.95)</i>			
Sales Revenue Growth	Adapted from Jiang et al. (2018) and	0.924	26.202
Sales Value Growth	Heng & Afifah	0.941	26.202
Customer growth	(2020).	0.925	25.046

4. DATA ANALYSIS AND DISCUSSION

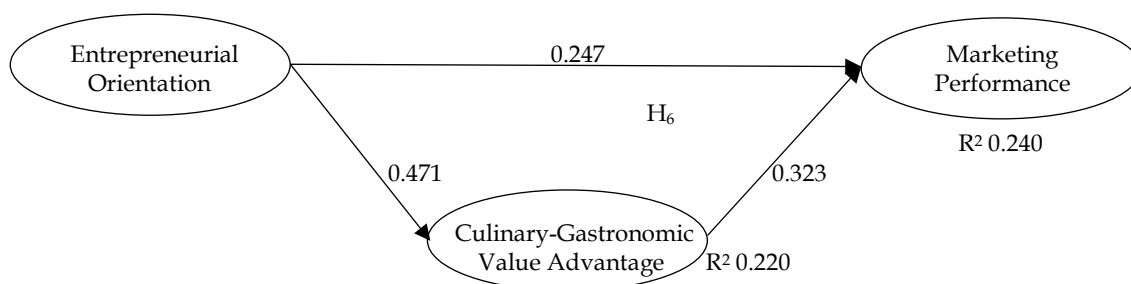
Model test

Our first statistical analysis is for the model’s goodness of fit evaluation. The model evaluation resulted in the acceptance of the model with the magnitude of $\chi^2 = 63.252$; $p = 0.001$, which is still far from the cut-off significance level of ≥ 0.05 . The statistical significance level should be compensated by the magnitude of the goodness of fit indices above 0.90 (Tabachnick & Fidell, 2013). The SEM Analysis resulted in the acceptance level of goodness of fit indices such as GFI=0.949, AGFI=0.912, TLI = 0.970, and CFI= 0.979, with RMSEA = 0.064 in the acceptance range of 0.03 – 0,08 (Arbuckle, 2016; Tabachnick &

Fidell, 2013). As those criteria for model acceptance are fulfilled, we turn to test the causal hypotheses.

Causal hypothesis test

Our second statistical procedure tests the causal hypothesis in a full structural equation model with the AMOS 23 software. During the first run of the software, we were aware of the non-normality of our data with moderate negative skewness. Therefore, using the statistical guideline of Tabachnick and Fidell (2013), we transformed the data with the formula Transformed X = Sqrt (K-X) to reach a normalized data distribution. The second run of the AMOS Software with acceptable normality is the full structural model, as presented in Figure 3.



Model testing: Chi-square = 63.252; Sig. level = 0.001; GFI = 0.949; AGFI = 0.912; TLI = 0.970; CFI = 0.979; RMSEA = 0.064

Figure 3. Full structural model result

The standard procedure for testing a causal hypothesis is a t-test or critical ratio with a magnitude of ≥ 1.96 in AMOS (Arbuckle, 2016; Tabachnick & Fidell, 2013), indicating the required criteria for accepting a proposed hypothesis as summarized in

Table 3. As all critical ratios meet the cut-off value of ≥ 1.96 (+ indicating positive impact and - showing negative impact), the conclusion is that all hypotheses are accepted or supported, as presented in Figure 3 and Table 3.

Table 3. Hypothesis testing

Hypothesis	Std. Estimates	Estimate	Critical Ratio	P	Conclusion
H ₁ : Entrepreneurial orientation → Culinary-gastronomic value advantage	0.471	0.283	5.683	0.000	Accepted
H ₂ : Culinary-gastronomic value advantage → Business performance	0.323	0.334	4.207	0.000	Accepted
H ₃ : Entrepreneurial orientation → Business performance	0.247	0.154	2.938	0.003	Accepted

Source: Primary data elaboration

The next is the third procedure for testing the mediation hypothesis. Culinary-gastronomic value advantage was designed as a mediating variable for bridging the influence of entrepreneurial orientation on business performance. Following the Baron & Kenny (1986) procedure for testing the significant role of mediation, we run a four-step process for testing the mediation. Firstly, the regression analysis for the independent variable to the dependent variable of entrepreneurial orientation to business performance resulted in a regression coefficient of 0.397 with a Critical Ratio = of 5.007. Secondly, regression of the independent variable to the mediation variable of entrepreneurial orientation to culinary-gastronomic

value advantage. This second step resulted in a regression coefficient of 0.463 with a Critical Ratio = 5.597. Thirdly, the regression of the mediation variable to the dependent variable resulted in a regression coefficient of 0.438 with a Critical Ratio of 6.549. Fourthly, repeating the first step while inserting the mediation variable resulted in a decreasing regression coefficient from 0.396 to 0.247 with a Critical Ratio of 0.003. The decreasing significant regression coefficient indicated the partial mediation effect of culinary-gastronomic value advantage to the influence of entrepreneurial orientation on business performance, as presented in Table 4.

Table 4. Testing the mediation hypothesis

Mediation test procedure	Std. Estimates	Estimate	SE.	Critical Ratio	P	Conclusion
Step 1: Entrepreneurial orientation → Business performance	0.397	0.246	0.049	5.007	0.000	Accepted
Step 2: Entrepreneurial orientation → Culinary-gastronomic value advantage	0.463	0.270	0.048	5.597	0.000	Accepted
Step 3: Culinary-gastronomic value advantage → Business performance	0.438	0.451	0.069	6.549	0.000	Accepted
Step 4: Entrepreneurial orientation → Business performance (when inserting the mediation variable into the model)	0.247	0.154	0.052	2.938	0.003	Accepted
H4: Culinary-Gastronomic value advantage mediated the influence of entrepreneurial orientation on business performance	The decreasing magnitude of the regression coefficient of entrepreneurial orientation to business performance with a significant critical ratio when inserting the variable of culinary-gastronomic value advantage indicates the acceptance of the partial-mediation hypothesis					Accepted

Source: Primary data elaboration

The fourth procedure is for testing the moderating hypothesis. SEM AMOS software provides a menu for testing the moderating effect through the multi-group analysis. In the first step, we calculate the mean value of moderating variable for dividing our data unit into two groups. Group one is eighty MSEs, considered low consciousness on competitive pressure, and group two is 161 MSEs

with a high consciousness. In the second step, we ran the software for calculating the regression weight. The analysis then resulted in the magnitude and significance level of the chi-square of the unconstrained and fully constrained structural models for getting the difference between the two groups, as presented in Table 5.

Table 5. Moderating hypothesis testing

Hypotheses	Moderating hypothesis of competitive pressure consciousness					
	Low consciousness (n=80)			High consciousness (n=161)		
	Std. Estimate	CR.	P	Std. Estimate	CR.	P
H5: Competitive pressure consciousness moderates the influence of entrepreneurial orientation on business performance.	0.081	0.490	0.624	0.385	3.577	0.000
H6: Competitive pressure consciousness moderates the influence of culinary-gastronomic value advantage on business performance	0.291	1.744	0.081	0.296	3.444	0.000

The unconstrained model ($\chi^2= 94.988$; $df =64$) and the fully constrained model for the structural weight ($\chi^2= 100.994$; $df = 66$) resulted in a difference in chi-square = 6.006; $df =2$; $p = .049$. Therefore, the moderating hypotheses are accepted

Note: NS= Not Significant

Source: Authors' research data

The chi-square difference test is the tool for finding a conclusion of a moderating effect in the multi-group analysis of SEM-AMOS Software (Arbuckle, 2016). The chi-square calculation and degree of freedom difference between the unconstrained and fully constrained model resulted in a delta (Δ a sign of difference) of $\Delta\chi^2=6.006$; $\Delta df =2$; and $p = .049$). This chi-square difference signifies the moderating effect of the competitive pressure

consciousness entrepreneurial orientation and culinary-gastronomic value advantage on business performance.

The six hypotheses raised in this study are well-accepted, indicated by the magnitude of the statistical values that reached the cut-off value for inferential conclusions followed by the subsequent discussion. First, MSEs with intensive entrepreneurial orientation hold the potential to succeed in developing and

accentuating their culinary-gastronomic value advantage. Our first accepted hypothesis demonstrates the critical role of the novel concept of CGVA. Those who proactively explore the opportunity, anticipate market trends, and unceasingly innovate may keep the strategic role in driving the advantage of the culinary-gastronomic value they provide (Ato Sarsah et al., 2020; Wahyono, 2019). Second, our second confirmed hypothesis on the influence of culinary-gastronomic value advantage on business performance signifies the critical role of our novel concept of CGVA in attracting the market. Those who unceasingly innovate value for consumers hold the potential to attract the market better than competitors (Tang et al., 2021) as a stepping stone for enhancing business performance. Third, our third and fourth validated hypotheses represent the critical role of our novel concept of CGVA as a solution to empower the strength of entrepreneurial orientation in enhancing performance. Success in emphasizing food product superiority (in terms of functional value superiority, cultural value superiority, social value superiority, and transactional value superiority) may leverage the potential to be good market attractors (Tang et al., 2021) for improving business performance. Fourth, our fifth and sixth accepted hypotheses of the moderating power of competitive pressure consciousness demonstrate that all strategic instruments are contingent on the market environment in which they operate. Some MSEs feel safe and therefore do not take any anticipatory steps, while those who are highly conscious always see all threats as room for growth. This finding proves that those who focus will do better than those with inertia (Conti et al., 2020).

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

The current study shows that in food marketing, value advantages such as functional value, cultural value, cultural value, and commercial value of a food product are critical drivers for improving business performance. Furthermore, the acceptance of the moderating hypothesis developed in this study provides two essential findings. First, companies with highly competitive risk consciousness always view the market as a space that offers challenges and opportunities to prove the effectiveness of a well-cultivated EO. Those who see a market with dynamic competition always try to build essential breakthroughs, such as preemptively ahead of competitors in finding and working on all current market opportunities, sustaining their

performance. The significant role of EO and CGVA in improving business performance at the moment of highly competitive dynamics is evidence that high consciousness in competitive market changes is the capital to maintain performance and even to sustain business performance. On the other hand, companies with a less competitive risk consciousness, due to their unpreparedness to anticipate changes that may occur, will cause them to fall behind in the market and fail to improve their performance through the marketing instruments they have developed.

This study also shows that competitive risk unconsciousness can trigger company failure. The results of the moderation analysis show that for those with less competitive consciousness, EO does not impact business performance. Still, for those with high CRC, EO significantly affects business performance. Challenges and opportunities in dynamic competitive situations drive entrepreneurs to seek innovative and preemptive breakthroughs with all their entrepreneurial power.

This study, rooted in the SDL theory and the accepted hypotheses, brings several theoretical implications. First, the concept of culinary-gastronomic value advantage provides evidence of the applicability of SDL to food products and food marketing in the sense of value provision. The critical success factor for a business is the strength of its value provision, such as functional, cultural, social, and commercial value for the market. An important theoretical implication of this study is to answer the fundamental perspective of SDL that "goods are distribution mechanism of value provision". This study provides an empirical explanation that only if a product can highlight good functional or social and cultural values will that value become a practical example of how the concept of value-in-use becomes real in the eyes of customers and even becomes the basis for forming good memory consumption. Even the value strengthened by an excellent commercial or transactional value is an example of how to explain the value in exchange rights at the level of management practice.

The proof of the proposed hypothesis has several managerial implications, as follows. First, entrepreneurial orientation as a management practice can be the basis for building company performance if the company directs its innovation capabilities to become capital for increasing the superior value generated and easily captured by customers' eyes. It impacts MSEs in the food industry; the entrepreneurial spirit should be used

to leverage the strength of the established value advantage. Value excellence can be achieved if the company continuously improves the functional value by ensuring good food safety for consumers and fulfilling the hygienic attributes of food products that significantly affect human health. Functional values can be developed by strengthening the green attribute of a healthy product for humans and the environment. Social and cultural values can be continuously improved so that this product is more suitable to be purchased not only for personal consumption but to be distributed as souvenirs. Cultural values can continue to be developed by providing cultural ornaments to increase the product's dance power. Increasing the value advantage will give food products higher VIU and VIE as a driver of business performance. Second, MSEs must prioritize maintaining and strengthening their consciousness over the fierce competition by continuously developing their innovative and proactive power in developing their products. For example, developing a new product variant when the market is saturated and ahead of competitors is evidence of awareness of the ever-present competitive pressures. Developing new variants according to market tastes, ahead of competitors in launching a new variant, using technology to enhance the appearance of product packaging, and continuously learning to increase the functional value of this product

Although this study has been well designed and implemented, it is not without limitations, as with marketing studies in general. First, the limitations of scope and sample make us careful with the generalizations of this concept. Second, This study is a preliminary exploration of SDL theory on the concept of culinary-gastronomic value advantage to improve business performance; therefore, this study is not yet a comprehensive study and therefore opens up much space for further academic exploration. Our moderation analysis shows that EO may not impact performance in some situations. However, this study has not been able to reveal why in particular situations with low competitive consciousness, EO is not effective in improving business performance. Therefore, some space for further research can be developed. The first is a follow-up study to increase the generalization of the concept of culinary-gastronomic value advantage on a broader scope of research. Second, further studies can be developed to answer why and in what process, when competitive consciousness is low, EO cannot be expected to improve business performance, which can be conducted by employing

quantitative or qualitative research.

REFERENCES

- Ali, G. A., Hilman, H., & Gorondutse, A. H. (2020). Effect of entrepreneurial orientation, market orientation and total quality management on performance. *Benchmarking: An International Journal*, 27(4), 1503-1531.
- Arbuckle, J. L. (2016). *IBM® SPSS® Amos™ User's Guide*.
- Ato Sarsah, S., Tian, H., Dogbe, C. S. K., Bamfo, B. A., & Pomegbe, W. W. K. (2020). Effect of entrepreneurial orientation on radical innovation performance among manufacturing SMEs: the mediating role of absorptive capacity. *Journal of Strategy and Management*, 13(4), 551-570.
- Baruk, A. I. (2020). Co-creation of a food marketing offer by final purchasers in the context of their lifestyles. *British Food Journal*, 123(4), 1494-1512.
- Batat, W., & Addis, M. (2021). Designing food experiences for well-being: a framework advancing design thinking research from a customer experience perspective. *European Journal of Marketing*, 55(9), 2392-2413.
- Beacom, E., Hollywood, L. E., McLaughlin, C., Furey, S., Price, R., McMahon-Beattie, U., & Burns, A. (2021). Investigating the healthiness of food products on promotion: market brands and own brands. *British Food Journal*, 124(4), 1221-1237.
- Bianchi, C., Glavas, C., & Mathews, S. (2017). SME international performance in Latin America. *Journal of Small Business and Enterprise Development*, 24(1), 176-195.
- Bilal, A. R., Fatima, T., Iqbal, S., & Imran, M. K. (2022). I can see the opportunity that you cannot! A nexus between individual entrepreneurial orientation, alertness, and access to finance. *European Business Review*, 34(4), 556-577.
- Budiati, Y., Untoro, W., Wahyudi, L., & Harsono, M. (2021). The mediating effect of strategy on entrepreneurial orientation and performance. *Journal of Research in Marketing and Entrepreneurship*, 24(1), 1-22.
- Conti, C. R., Goldszmidt, R., & Vasconcelos, F. C. (2020). Firm characteristics and capabilities that enable superior performance in recessions. *Journal of Business Research*, 119, 553-561.
- Fatima, T., & Bilal, A. R. (2019). Achieving SME performance through individual entrepreneurial orientation. *Journal of Entrepreneurship in Emerging Economies*, 12(3),

- 399-411.
- Ferdinand, A. T. (2021). Destination authentic value advantage: an SDL perspective. *Management & Marketing. Challenges for the Knowledge Society*, 16(2), 101-117.
- Gesteiro, E., Garcia-Carro, A., Aparicio-Ugarriza, R., & Gonzalez-Gross, M. (2022). Eating out of home: influence on nutrition, health, and policies: A scoping review. *Nutrients*, 14(6), 1265
- Heng, L., & Afifah, N. (2020). Entrepreneurial orientation for enhancement of marketing performance. *International Review of Management and Marketing*, 10(3), 46-53.
- Hiong, L. S., Ferdinand, A. T., & Listiana, E. (2020). Techno-resonance innovation capability for enhancing marketing performance: A perspective of ra-theory. *Business: Theory and Practice*, 21(1), 329-339.
- Hou, B., Hong, J., & Zhu, R. (2019). Exploration/exploitation innovation and firm performance: the mediation of entrepreneurial orientation and moderation of competitive intensity. *Journal of Asia Business Studies*, 13(4), 489-506.
- Irwin, K. C., Landay, K. M., Aaron, J. R., McDowell, W. C., Marino, L. D., & Geho, P. R. (2018). Entrepreneurial orientation (EO) and human resources outsourcing (HRO): A "HERO" combination for SME performance. *Journal of Business Research*, 90, 134-140. 6
- Jiang, W., Chai, H., Shao, J., & Feng, T. (2018). Green entrepreneurial orientation for enhancing firm performance: A dynamic capability perspective. *Journal of Cleaner Production*, 198, 1311-1323. d
- Kantur, D. (2016). Strategic entrepreneurship: mediating the entrepreneurial orientation-performance link. *Management Decision*, 54(1), 24-43.
- Kasouf, C. J., Darroch, J., Hultman, C. M., & Miles, M. P. (2009). Service dominant logic. *Journal of Research in Marketing and Entrepreneurship*, 10(1), 57-69.
- Khalili, H., nejadhussein, s., & Fazel, A. (2013). The influence of entrepreneurial orientation on innovative performance. *Journal of Knowledge-based Innovation in China*, 5(3), 262-278.
- Meler, M., & Cerovic, Z. (2003). Food marketing in the function of tourist product development. *British Food Journal*, 105(3), 175-192.
- Moradi, E., Jafari, S. M., Doorbash, Z. M., & Mirzaei, A. (2021). Impact of organizational inertia on business model innovation, open innovation and corporate performance. *Asia Pacific Management Review*, 26(4), 171-179.
- Nguyen, P. V., Huynh, H. T. N., Lam, L. N. H., Le, T. B., & Nguyen, N. H. X. (2021). The impact of entrepreneurial leadership on SMEs' performance: the mediating effects of organizational factors. *Heliyon*, 7(6), e07326.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric Theory* (Third ed.). New York: McGraw-Hill.
- Pulka, B. M., Ramli, A., & Mohamad, A. (2021). Entrepreneurial competencies, entrepreneurial orientation, entrepreneurial network, government business support and SMEs performance. The moderating role of the external environment. *Journal of Small Business and Enterprise Development*, 28(4), 586-618.
- Rahkovsky, I., Jo, Y., & Carlson, A. (2018). *Consumers balance time and money in purchasing convenience foods*. Retrieved from <http://www.ers.usda.gov/publications/pub-details>
- Seegebarth, B., Behrens, S. H., Klarmann, C., Hennigs, N., & Scribner, L. L. (2016). Customer value perception of organic food: cultural differences and cross-national segments. *British Food Journal*, 118(2), 396-411.
- Shirokova, G., Shakina, E., Bacon-Gerasymenko, V., & Wales, W. (2022). Entrepreneurial orientation as a mediator of ADHD - Performance relationship: A staged quasi-replication study. *Journal of Business Venturing Insights*, 17, e00312
- Susanto, P., Hoque, M. E., Shah, N. U., Candra, A. H., Hashim, N. M. H. N., & Abdullah, N. L. (2021). Entrepreneurial orientation and performance of SMEs: the roles of marketing capabilities and social media usage. *Journal of Entrepreneurship in Emerging Economies*, Vol. ahead-of-print No. ahead-of-print.
- Tabachnick, B. G., & Fidell, L. S. (2013). *Using Multivariate Statistics* (6 ed.). New York: Pearson Publisher.
- Tang, T., Zhang, S., & Peng, J. (2021). The value of marketing innovation: Market-driven versus market-driving. *Journal of Business Research*, 126, 88-98.
- Tirajoh, V. Z., Mandagie, Y., & Kalalo, M. Y. B. (2019). *The Effect of Understanding and Application of Accounting Information System on SMEs Culinary Performance in Manado City*. Paper presented at the 6th Annual International Conference on Management Research, Manade.
- Uehara, W., & Assarut, N. (2020). Foreign food consumption as an extraordinary experience. *Tourism*, 68(2), 120-129.
- Utami, R. M., & Lantu, D. C. (2013). DDevelopment competitiveness model for small-medium

- enterprises among the creative industry in Bandung. *Procedia-Social and Behavioral Sciences*, 115, 305-323..
- Vargo, S. L., & Lusch, R. F. (2017). Service-dominant logic 2025. *International Journal of Research in Marketing*, 34(1), 46-67.
- Wahyono, W. (2019). The mediating effects of product innovation in relation between knowledge management and competitive advantage. *Journal of Management Development*, 39(1), 18-30.
- Widjaja, A. W., & Sugiarto. (2022). Strategic orientation's dilemma of batik retailers in Jakarta. *Heliyon*, 8(6), e09622.
- Yang, W., & Meyer, K. E. (2015). Competitive dynamics in an emerging economy: Competitive pressures, resources, and the speed of action. *Journal of Business Research*, 68(6), 1176-1185.