

Determinants of Marketing Performance and Company Performance: The Role of Employee Creativity As Moderating Variable

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Abstract

The company performance can also reflect the quality of products and or services provided by the company's customers. Several previous studies have found several strategies that are widely used and considered effective in encouraging company performance to be able to compete with companies that have been around for a long time. However, different from various previous studies, this study tries to relate not only one or two but the various variables previously mentioned, such as firm performance, marketing performance, innovation, network capability, and customer relationship. Therefore, this research aims to determine factors that can affect firm performance. This research is conducted with a quantitative approach with the subject being the service users of newcomer IT manufactures companies as many as 75 companies with 200 respondents. The analysis technique uses a Structural Equation Model (SEM) approach with smart PLS. The results in this study indicate that digital innovation, network capability, and marketing performance affect firm performance but customer relationship management does not. In addition, innovation and customer relationship management affect marketing performance but network capability does not. Other than that, marketing performance can moderate digital innovation and firm performance, customer relationship management and firm performance but cannot on network capability and firm performance. It means that digital innovation, network capability, and marketing performance need maintaining in order to increase the firm performance. Therefore, any company needs to determine the significant factors to reach the advantages. In addition, because this research only focuses on several factors such as digital innovation, network capability, marketing performance, and customer relationship, other research that involves several factors that can increase firm performance needs to be conducted.

Keywords

Firm performance, Marketing performance, Innovation, Network capability, Customer relationship

1. Introduction

The company performance is an indicator that can describe the success achieved by the company in a certain period of time, apart from that, firm performance can also reflect the quality of the products and or services provided by the consumer company (Elena et al. 2018). The level of performance not only affects the company internally but also affects the company's image in the eyes of consumers, where this will have an impact on company growth (Ali et al. 2020). In addition, the company's performance will also have an impact on the value of shares in the company itself (Mohamed et al. 2021). Thus the company's performance becomes an important thing to pay attention as an effort for the development and sustainability of the company.

The performance of a company can be influenced by various factors, both internal and external. Hanelt et al. (2021) through his research found that digital innovation can improve firm performance, even more in the current industrial 4.0 era. Digital innovation can be defined as the creation or change in market offerings resulting from the use of digital technology (Nambisan et al. 2018). Khin & Ho (2018) in their research, they found that technology orientation and technological capability affect the company performance both financially and non-financially by being mediated

by digital innovation. Some of these studies prove that digital innovation is one of the variables that can encourage increased company performance.

Another factor that can affect the company performance is customer relationship management as a strategic approach. Customer relationship management aims to increase share value by creating, developing, and maintaining relationships between customers and key stakeholders that can benefit the company by integrating relationship marketing and information technology perspectives (Frow and Payne). In this perspective, customer relationship management capabilities have been conceptualized as “the company ability to effectively deploy relational resources”(Vorhies et al. 2011). Akroush et al. (2011) in his research found that customer relationship management affects the company performance positively and significantly. This shows that customer relationship management plays a role in organizational performance and becomes an important variable to be studied together with firm performance.

Other than that, Mokhtarzadeh et al. (2020) in his research found that one of the factors that also affect firm performance is network capability. Mitrega et al. (2017) through his research found similar results where network capability significantly affects the company's overall performance. Another factor that is no less important in improving company performance is marketing performance as stated by O'Sullivan et al (2009) through his research that marketing performance has an effect on firm performance in a company. No less important, employee performance also plays an important role, which is 29% in increasing company performance (Mwesigwa and Namiyango 2014) Otherwise Yang et al. (2016) through his research revealed a link between employee creativity and performance in a newly developing company. In addition, research conducted by Cenamor et al. (2019) found that network capability is a variable associated with increasing organizational performance.

However, how does the factors impact the company performance? Several previous studies have found several strategies that are widely used and considered effective in encouraging company performance to be able to compete with companies that have been around for a long time. Some of these strategies include customer relationship management (Soltani et al.2018). This strategy has become one of the strategies that are widely used in various manufacturing companies in China, one of which is Huawei (Yajid and Tham 2020) to collect data regarding customer needs, expectations and priorities. With this strategy the company can adjust the production process, delivery, and marketing procedures according to the information obtained about consumer tastes. Another strategy adopted by Huawei as one of the newcomer companies in the IT industry is total quality management (Murmam et al. 2020).

However, different from various previous studies, this study tries to relate not only one or two but the various variables previously mentioned with firm performance with location settings in Indonesia. The research entitled “Determinants of Marketing Performance and Company Performance: The Role of Employee Creativity As Moderating Variable” is to find a more suitable strategy in an effort to improve company performance that supports company development and sustainability. With this research is expected to help companies in evaluating and determining strategies to improve company performance.

2. Literature Review

2.1 Firm Performance

Mehrez et al., (2020) defines company performance as successful new product and market development, where company performance can be measured through sales growth and market share. It is appropriate to view financial performance and growth as different aspects of a company performance, each has unique and important information. Together, the financial and growth indicators provide a richer description of the actual performance of the company when compared to using the measurements alone. Based on the description above, the company's performance indicators that are raised are sales growth, profit growth, new product growth, employee productivity.

According to Singh & Misra (2021), company performance as the overall success of the company in achieving the strategic goals that have been set through selected strategic initiatives. Company performance is defined as the company's ability to achieve its goals through efficient and effective use of resources and describes how far a company has achieved its results after being compared with previous performance and benchmarking performance of other organizations, as well as to what extent it has achieved the goals and targets that have been set (Tjahjana et al. 2020).

Performance is a description of the level of achievement of the implementation of an activity/policy program in realizing the goals, objectives, mission and vision of the organization contained in the formulation of an organization's strategic plan (strategic planning) (Chen et al. 2021).

2.2 Digital Innovation

Innovation comes from the Latin nova which means new. Innovation is a change that offers newness from an existing product or service (Panchbudhe et al. 2021). Generally, innovation can be understood as the introduction of novelty. Innovation is the embodiment, combination, or synthesis of knowledge about new products, processes, or services that are original, relevant, and valued (Kahn 2018). While the product according to (Kotler and Keller 2016) is anything that can be offered in the market to satisfy the needs and wants of consumers. Innovation can be in the form of product design, components and architecture (Gawer and Cusumano 2014; Slater 2014 ; Wahyuni and Irawan 2018). The concept of digital innovation refers to the novelty of a product or service in terms of physical and digitalization to increase its competitive value (Kohli and Melville 2019).

In summary, implementing digital innovation includes four activities, namely initiation, development, implementation and exploitation (Åkerman et al. 2018 ; Kohli and Melville 2019). Product innovation is an important way for companies to stay adaptable to the market, technology, and competition. Innovation has been valued by the market as the creator and continuation of a company or organization. But innovation can also be devastating, if there is a miscalculation, so that it can destroy the old way of doing things and the companies and institutions associated with them (Gawer and Cusumano 2014 ; Slater 2014). Otherwise, innovations in electronics and pharmaceuticals, including services, can improve products and services in a sustainable manner. Digital innovation is an idea to implement digital technology in related organizations, in this case, IT companies. Dimensions of Digital Innovation Strategy is used in this research adopted by (Nylén and Holmström 2015).

2.3 Customer Relationship Management

According to Anshari et al. (2019), CRM is a view that emphasizes the importance of the relationship developed between an organization and its customers. It involves strategic and tactical management tasks to achieve positive communication and long term customer relationships. Daqar & Smoudy (2019) also defines customer relationship management (CRM) as “an organization’s efforts to develop cost-effective long-term relationships with customers for the benefit of the customer and the organization.” According to Sumantri et al. (2020), three business sectors that rely the most on CRM and use it to great advantage include the financial services sector, various high-tech companies and the telecommunications industry. The customer relationship management process doesn’t just end when the customer is won. Rather it must continue over time that the customer will stay in the organization. Indicator of Customer Relationship Management in this research is adopted by (Kumar and Reinartz 2012).

2.4 Network Capability

Network capability is a dynamic capability that creates dependencies inside and outside the organization (Battistella et al. 2017). Networking capabilities enable companies to gain access to disparate resources, identify opportunities and respond quickly to ever-changing marketing needs (Solano et al. 2018). This variable is a company ability to develop and utilize interactions between organizations in order to gain access to various resources owned by other parties (Walter et al.(??); dalam Chabachib 2020). According to Zacca et al. (2015) network capability is the company's ability to create, improve, and use the organization's internal and external relationships.

In network capability there are four aspects, that are internal communication, coordination, relationship skills, partner knowledge. Coordination consists of the integration and synchronization of resources to ensure their effective utilization to achieve organizational goals (Bengesi and Le Roux). The main essence of coordination is a situation in which various important organizational resources and activities are shared beyond organizational boundaries, linking different individuals and independent organizations together, thus developing a network of mutually beneficial interactions (Walter et al.(??); dalam Majid et al. 2019).

2.5 Marketing Performance

Performance is all systems related to activities and results (outcomes) obtained. Market-oriented companies have a positive impact on the performances of large companies and small companies (Barham and Chitemi), Marketing performance is defined as an effort to measure the level of performance including sales volume, number of customers, profits and sales growth (Järvinen & Karjaluo 2015). Marketing performance is a concept to measure the company’s achievement in the market for a product. Every company has an interest in knowing its achievements as a reflection

of the success of its business in business competition (Frösén et al. 2016). Järvinen & Karjaluo (2015), stated that marketing performance is something that the company wants to achieve in making the company more effective, increasing market share, and profitability. Besides that Järvinen & Karjaluo (2015) also presents that innovation in an organization is said to be successful if it can produce superior performance, resulting from a commitment to total customer satisfaction that can be caused by continuous innovation. The desire to create superior value for consumers to create a sustainable competitive advantage will encourage companies to build innovations that affect their performance. Indicator of Marketing Performance in this research. Indicator of Marketing Performance in this research is used by (Reid et al. 2005).

2.6 Employee Creativity

In general, creativity is defined as the ability to present new perspectives, to generate new and meaningful ideas. Creativity can also mean employees use their diverse skills, abilities, knowledge, views and experiences to generate new ideas for decision making, problem solving and task completion in an efficient manner (Kremer et al. 2019). Otherwise according to Lee & Kim (2021), Creativity is a person’s ability to create something different, both in the form of results that can be assessed and in the form of ideas (actions that produce new and different creative works). Employee creativity can be interpreted as central to the long-term survival of an organization because employees can generate new and potentially useful ideas for creating new, or improving existing, products, services, processes, and routines (Akgunduz et al. 2018). According to (Ye et al. 2020), Employee creativity is defined as the production of an idea, product, or procedure that is new or original, and has the potential to benefit for organization. In general, creativity is defined as the ability to present new perspectives, to generate new and meaningful ideas.

Creativity can also mean employees use their diverse skills, abilities, knowledge, views and experiences to generate new ideas for decision making, problem solving and task completion in an efficient manner (Newman et al. 2018). According to Ogbeibu et al. (2018), employee creativity is defined as the production of an idea, product, or procedure that is new or original, and has the potential to benefit an organization. Creativity is important for organizations because creative contributions can not only help organizations become more efficient and more responsive to opportunities, but also help organizations adapt to change, grow, and compete in the business environment. Indicator of Employee Creativity is used by (Ogbeibu et al. 2018).

2.7 Research Framework

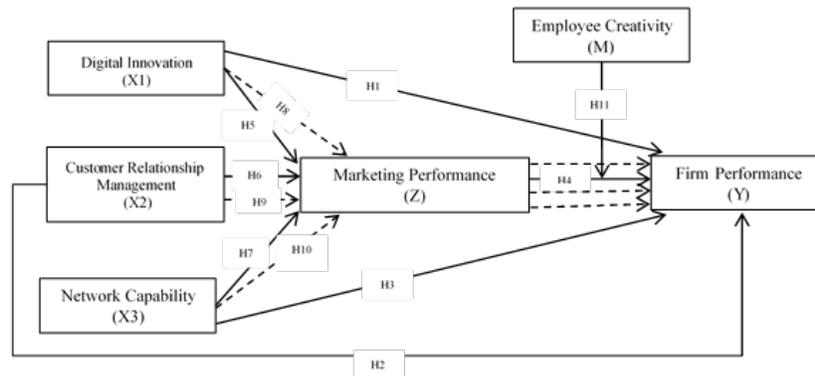


Figure 1. Research Framework

- H1 : The Effect of Digital Innovation (X1) on Firm Performance (Y)
- H2 : The Effect of Customer Relationship Management (X2) on Firm Performance (Y)
- H3 : The Effect of Network Capability (X3) on Firm Performance (Y)
- H4 : The Effect of Marketing Performance (Z) on Firm Performance (Y)
- H5 : The Effect of Digital Innovation (X1) on Marketing Performance (Z)
- H6 : The Effect of Customer Relationship Management (X2) on Marketing Performance (Z)
- H7 : The Effect of Network Capability (X3) on Marketing Performance (Z)
- H8 : The Effect of Digital Innovation (X1) on Firm Performance (Y) moderated by Marketing Performance (Z)
- H9 : The Effect of Customer Relationship Management (X2) on Firm Performance (Y) moderated by Marketing Performance (Z)

H10 : The Effect of Network Capability (X3) on Firm Performance (Y) moderated by Marketing Performance (Z)
 H11 : The Effect of Marketing Performance (Z) on Firm Performance (Y) moderated by Employee Creativity (M)

3. Methods

Quantitative techniques are used in this study. The purpose of quantitative studies is to test known hypotheses. This method uses the numbers generated from measurements made with a questionnaire on the study variables. The subjects in this research are newcomer IT manufacturers that establish in Indonesia during 2018-2020 and are growing rapidly, a number of three companies such as GFR, AEI, and CTH. The samples are taken from random sampling in which the customers from the three companies and involve 75 customers in total. The 75 customers are selected because they have worked together with each company of GFR (20), AEI (35), or CTH (20) for more than one year. The analysis used in this study is a structural Equation Model (SEM) approach with of smart PLS (Ghozali). With this approach, researchers can perform component or variance-based measurements and simultaneously test relatively complex relationships. The instrument of test which used in this research is Validity and reliability tests are carried out to ensure that the measurements used are accurate and reliable (valid and reliable). Testing the validity and reliability can be seen in: 1) Convergent Validity, 2) discriminant validity, 3) Composite reliability, 4) Cronbach's Alpha. Also R-Square Test that the dependent construct R-squared is used to analyze the effect of the specific independent variable on the dependent latent variable, which displays the magnitude of the effect.

Deep Model Analysis, also known as Structural Modeling, is a technique for predicting causal relationships between model variables. Hypotheses were tested during deep model analysis in Smart PLS testing. The value of t-statistics and probability values can be shown in evaluating the hypothesis. The results of the t-statistics used to test the hypothesis by using the statistical value is 1.96 for alpha 5 percent, while the beta score is used to determine the direction of the influence of the relationship between variables. The criteria for acceptance/rejection of the hypothesis are:

Ha= t-statistik > 1.96 with score p-values < 0.05.
 H0= t-statistik <1.96 with score p-values>0.05

4. Results

4.1 Data Descriptive

The 75 companies that involve in this research is explained with a total of 200 respondents.

Table 1. Respondents of Research

Criteria	Frequency	Percentages	
Age	< 30	35	17.5%
	30-35	67	33.5%
	> 35	98	49.0%
Total	200	100%	
Working Period	< 3 years	93	46.5%
	> 3 years	107	53.5%
Total	200	100%	
Number of Projects Handled	< 5 time	24	12%
	5-10 times	104	52%
	> 10 times	72	36%
Total	200	100%	

From the table above, it can be seen that the respondents are 35 people in the age of less than 30 years old, 67 people in the age of 30-35 years old, and 98 people in the age of more than 35 years old. Other than that, 93 people have a working period of less than 3 years and the remaining 107 people have a working period of more than 3 years. In this study, 24 people have the number of projects handled in more than 5 times. Another 104 people have handled 5-10 projects and 72 other people have handled more than 10 projects.

4.2 Outer Model Analysis

Validitas Test

Validity test is used to measure the validity or validity of a questionnaire. In this research, validity testing is carried out using convergent validity and AVE. The instrument is declared valid if the AVE value is > 0.05 and the outer loading value is (> 0.6) .

Table 2. Validity Test Result

Variable	Indicator	AVE	Outer Loading	Valid
Digital Innovation (X1)	X1.1	0.668	0,818	Valid
	X1.2		0,798	Valid
	X1.3		0,849	Valid
	X1.4		0,814	Valid
	X1.5		0,806	Valid
Customer Relationship Management (X2)	X2.1	0.637	0,812	Valid
	X2.2		0,788	Valid
	X2.3		0,732	Valid
	X2.4		0,856	Valid
Network Capability (X3)	X3.1	0.648	0,760	Valid
	X3.2		0,850	Valid
	X3.3		0,861	Valid
	X3.4		0,765	Valid
	X3.5		0,781	Valid
Firm Performance (Y)	Y1.1	0.664	0,733	Valid
	Y1.2		0,795	Valid
	Y1.3		0,897	Valid
	Y1.4		0,882	Valid
	Y1.5		0,754	Valid
Marketing Performance (Z)	Z1	0.775	0,902	Valid
	Z2		0,887	Valid
	Z3		0,851	Valid
Employee Creativity	M1.1	0.600	0,836	Valid
	M1.2		0,707	Valid
	M1.3		0,798	Valid
	M1.4		0,750	Valid

Reliability Test

Researchers used 2 types of reliability tests, namely the Cronbach Alpha test and the Composite Reliability test. Cronbach Alpha measures the lowest value (lowerbound) reliability. The data is declared good if the data has a Cronbach alpha value > 0.7 . Meanwhile, composite reliability measures the actual reliability value of a variable. The data is declared to have high reliability if it has a composite reliability score > 0.7 .

Table 3. Reability Test Result

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Customer Relationship Management (X2)	0,809	0,819	0,875	0,637
Digital Innovation (X1)	0,876	0,877	0,909	0,668
Employee Creativity (M)	0,776	0,784	0,856	0,600
Firm Performance (Y)	0,873	0,896	0,908	0,664

M*Z	1,000	1,000	1,000	1,000
Marketing Performance (Z)	0,855	0,855	0,912	0,775
Network Capability (X3)	0,863	0,868	0,902	0,648

R-Squared Test

Test R-Square Coefficient determination (R-Square) is used in the measurement to measure how much the endogenous variables are influenced by other variables. Based on the data analysis carried out using the smartPLS program, the R-Square value is obtained as shown in the table below:

Table 4. Reliability Test Result

	R Square	R Square Adjusted
Firm Performance (Y)	0,785	0,778
Marketing Performance (Z)	0,838	0,835

Based on the test results, the r-square score for firm performance is 0.785, which means firm performance is affected by digital innovation, customer relationship management, network capability, marketing performance, employee creativity by 78.5% and the rest is affected by variables that have not been explained in this study. Then the r square score for marketing performance is 0.838, which means that marketing performance is affected by digital innovation, customer relationship management, network capability, firm performance, employee creativity by 83.8% and the rest is affected by variables that have not been explained in this study.

Hypothesis Test

Table 5. Hypothesis Test Result

	Original Sample (O)	T Statistics (O/STDEV)	P Values
Direct Effect			
Customer Relationship Management (X2) -> Firm Performance (Y)	-0,035	0,569	0,570
Customer Relationship Management (X2) -> Marketing Performance (Z)	0,415	6,135	0,000
Digital Innovation (X1) -> Firm Performance (Y)	0,349	4,444	0,000
Digital Innovation (X1) -> Marketing Performance (Z)	0,370	4,245	0,000
M*Z -> Firm Performance (Y)	-0,028	0,433	0,665
Marketing Performance (Z) -> Firm Performance (Y)	0,052	1,160	0,246
Network Capability (X3) -> Firm Performance (Y)	0,391	3,985	0,000
Network Capability (X3) -> Marketing Performance (Z)	0,243	2,738	0,006
Indirect Effect			
Customer Relationship Management (X2) -> Marketing Performance (Z) -> Firm Performance (Y)	0,162	3,006	0,003
Digital Innovation (X1) -> Marketing Performance (Z) -> Firm Performance (Y)	0,145	2,903	0,004
Network Capability (X3) -> Marketing Performance (Z) -> Firm Performance (Y)	0,070	1,551	0,122

5. Discussion

5.1 Digital Innovation (X1) Affects Firm Performance (Y)

The results of the digital innovation hypothesis test on firm performance get a score ($p = 0.349$) with p values of 0.000 ($p < 0.05$) and t statistics of 4.444 ($p > 1.96$) indicating that there is a significant positive relationship of digital innovation variables with firm performance. The better the digital innovation, so better the firm performance will be. Research by oleh Fauziah & Wahyuningtyas, (2020) found that digital innovations carried out by companies had a positive and significant effect on company performance from the perspective of finance, consumers and internal business and growth and learning. In addition, the result research by Ferreira et al., (2019) found that digital adoption as a company innovation affects the competitiveness and performance of the company.

5.2 Customer Relationship Management (X2) does not Affect Firm Performance (Y)

The results of the customer relationship management hypothesis test on firm performance get a score ($p = -0.035$) with p values of 0.570 ($p > 0.05$) and t statistics of 0.569 ($p < 1.96$) indicating that there is no relationship between customer relationship management variables and firm performance. Inversely proportional with research by Al-Weshah et al. (2018) resulted that customer relationship management significantly affects the company performance. This is also in accordance with research by Ahani et al., (2017) which revealed that there was a significant customer relationship management on SMEs performance.

5.3 Network Capability (X3) Affects Firm Performance (Y)

The results of the network capability hypothesis test on firm performance get a score ($p = 0.243$) with p values of 0.006 ($p < 0.05$) and a t statistic of 2.738 ($p > 1.96$) indicating that there is an effect of network capability on firm performance. Where the better the network capability, the better the firm performance. This is in accordance with research by Papastamatelou et al. (2016) in his research suggests that network capability affects the companies performance in several countries such as China, Turkey, and Germany. So the role of network capability on company performance is affected by culture. Similar to these findings, Sajilan & Tehseen, (2019) found that network capability has a positive and significant effect on company performance mediated by the entrepreneurial innovativeness variable

5.4 Marketing Performance (Z) Affects Firm Performance (Y)

The results of the marketing performance hypothesis test on firm performance get a score ($p = 0.391$) with p values of 0.000 ($p < 0.05$) and t statistics of 3.985 ($p > 1.96$) indicating that there is a significant positive relationship of marketing performance variables with firm performance. The better the marketing performance, the better the firm performance. This is in accordance with research by O'Sullivan et al., (2009) in his research which proves that there is a significant relationship of marketing performance with firm performance. Not only that, this research also finds that marketing performance can affect profits, stock returns and marketing status. These results are also in accordance with the results showing that the ability to measure marketing performance has a positive impact on company performance mediated by reporting frequency.

5.5 Digital Innovation (X1) Affects Marketing Performance (Z)

The results of the digital innovation hypothesis test on marketing performance get a score ($p = 0.370$) with p values of 0.000 ($p < 0.05$) and t statistics of 4.245 ($p > 1.96$) indicating that there is an effect of digital innovation variables on marketing performance. This result is in accordance with research by Sidi & Yogatama (2019) in his research shows that digital innovation applied in an organization is able to improve marketing performance seen from an increase in profits and revenue growth as well as a growth in the number of customers.

5.6 Customer Relationship Management (X2) Affects Marketing Performance (Z)

The results of the customer relationship management hypothesis test on marketing performance get a score ($p = 0.415$) with p values of 0.000 ($p < 0.05$) and t statistics of 6.135 ($p > 1.96$) indicating that there is an influence between customer relationship management variables and marketing performance. This result is in accordance with research by Budiarti (2018) where customer relationship management has a significant effect on marketing performance.

5.7 Network Capability (X3) does not Affects Marketing Performance (Z)

The results of hypothesis test of the effect of network capability on marketing performance get a score ($p = 0.179$) with p values of 0.129 ($p < 0.05$) and a t statistic of 1.521 ($p < 1.96$) indicating that there is no influence between the variable network capability and marketing performance. This result contradicts the findings Sijabat, (2017) *network capability as a form of company innovation can improve marketing performance*. Almost same as Sijabat (2017), Sayekti & Soliha, (2016) the higher the competitiveness and access to marketing owned by a company, the better performance through network capability.

5.8 Digital Innovation (X1) Affected Firm Performance (Y) Moderated by Marketing Performance (Z)

The results of the digital innovation hypothesis test on firm performance moderated by marketing performance get a score ($p = 0.145$) with p values of 0.004 ($p < 0.05$) and t statistics of 3.006 ($p > 1.96$) indicating that there is a significant positive relationship of digital innovation variables with firm performance moderated by marketing performance. Research by Fauziah & Wahyuningtyas, (2020) found that digital innovations carried out by companies had a positive and significant effect on company performance from the perspective of finance, consumers and internal business and growth and learning. In addition, the results of research by Ferreira et al., (2019) found that digital adoption as a company's innovation affects the competitiveness and company performance. O'Sullivan et al., (2009) in his research which proves that there is a significant relationship between marketing performance and firm performance.

5.9 Customer Relationship Management (X2) Affects Firm Performance (Y) Moderated by Marketing Performance (Z)

The results of the customer relationship management hypothesis test on firm performance moderated by marketing performance get a score ($p = 0.145$) with p values of 0.004 ($p < 0.05$) and t statistics of 2.903 ($p > 1.96$) indicating that there is a significant positive relationship of customer variables relationship management with firm performance moderated by marketing performance. Research by Al-Weshah et al., (2018) resulted that customer relationship management significantly affects the company performance. This is also in accordance with Ahani et al., (2017) in his research which proves that there is a significant relationship of marketing performance with firm performance.

5.10 Network Capability (X3) does not affected Firm Performance (Y) Moderated by Marketing Performance (Z)

The results of the network capability hypothesis test on firm performance moderated by marketing performance get a score ($p = 0.070$) with p values of 0.122 ($p > 0.05$) and a t statistic of 1.551 ($p < 1.96$) shows that there is no effect of the variable network capability with firm performance moderated by marketing performance. Contrary to research by O'Sullivan et al., (2009) in his research which proves that there is a significant relationship of marketing performance on firm performance. Papastamatelou et al., (2016) in his research suggests that network capability affects the performance of companies in several countries such as China, Turkey, and Germany. So that the role of network capability on company performance is influenced by culture. Similar to research by, Sajilan & Tehseen, (2019) found that network capability has a positive and significant effect on company performance mediated by the entrepreneurial innovativeness variable.

6. Conclusion

The results in this study indicate that there is a significant positive relationship of digital innovation variables with firm performance. There is no relationship of customer relationship management variables and firm performance. There is an effect of network capability on firm performance. Where the better the network capability, the better the firm performance. There is a significant positive relationship of the marketing performance variables with firm performance. The better the marketing performance, so better the firm performance. There is an effect of digital innovation variables with marketing performance. There is an effect between customer relationship management variables with marketing performance. There is no effect of the network capability variable with marketing performance. There is a significant positive relationship of the digital innovation variable and firm performance, moderated by marketing performance. There is a significant positive relationship of the variables of customer relationship management and firm performance, moderated by marketing performance. There is no effect of network

capability variable with firm performance, moderated by marketing performance. It means that digital innovation, network capability, and marketing performance need maintaining in order to increase the firm performance.

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