The Impact of Sostac's Digital Marketing Planning Strategy on Marketing Performance Through Competitive Advantage

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Abstract

In the Sukmajaya sub-district, Depok, most of the MSMEs (771 out of 2,835) are in the culinary field. However, the Covid-19 pandemic has made it challenging for them to sell their products. Therefore, digital marketing is crucial for MSMEs to thrive in this changing market, as customers now prefer to buy digitally. To investigate the impact of SOSTAC digital marketing planning on marketing performance through competitive advantage, this study uses a quantitative descriptive method with SmartPLS 3.0 tool. The researchers collected primary data from 125 culinary MSMEs in the Sukmajaya sub-district through questionnaires and analyzed the data using descriptive and inferential analysis and hypothesis testing. The study found that SOSTAC digital marketing planning has a positive and significant impact on competitive advantage, which, in turn, has a positive and significant impact on marketing performance. Furthermore, the indirect relationship between SOSTAC Digital Marketing Planning and marketing performance through competitive advantage was more significant than the direct relationship. Therefore, MSMEs must prioritize creating a competitive advantage if they want to achieve good marketing performance with SOSTAC Digital Marketing Planning.

Keywords SOSTAC digital marketing planning, competitive advantage, marketing performance

INTRODUCTION

MSMEs are responsible for contributing 61.97% to the National GDP and absorbing 97% of the workforce in the business sector. However, due to the COVID-19 pandemic in 2020, there has been a decrease in their contribution to Indonesia’s GDP, (Kementrian-Investasi-BKPM, 2021), (Sasongko, 2020). A survey conducted by Katadata Insight Center in 2020 showed that 82.9% of MSMEs were negatively impacted, while 5.9% had a positive impact, and 11.2% had no impact. This has resulted in a decrease in MSMEs’ turnover. Despite the challenges, 78.6% of MSMEs have started to sell their products online. The International Labor Organization (ILO) conducted a survey that revealed that 70% of MSMEs had to stop their operations due to the pandemic, while 35% of them attempted to diversify their market by selling their products through online delivery. According to ILO, 60% of MSMEs require business plan training to survive during the pandemic, (Alika, 2020). Delloite Access Economics reported that 36% of Indonesian MSMEs still use traditional marketing, while 37% of them have implemented digital marketing with computer and internet access. Additionally, 18% of MSMEs have implemented digital marketing using websites and social media, while 9% have received support for digital marketing (Maulid, 2022).

At present, economic players must adapt to the digital era and globalization by devising strategies and altering traditional business models. Small and medium-sized enterprises (MSMEs) can enhance their marketing performance by using various tactics, such as selling through e-commerce or marketplaces and leveraging digital platforms on social media. Despite research and surveys suggesting a shift from direct to digital marketing, many economic players have yet to fully implement this strategy. Developing the right marketing strategy is essential for boosting sales and
improving marketing performance, as it increases product awareness. MSMEs can use the SOSTAC Digital Marketing Planning method to efficiently identify marketing issues and plan their business strategy. This framework serves as a guide for creating an overall marketing plan in the context of digital marketing. (Maulid, 2022).

Depok City has a significant increase in the number of MSMEs. The increase in MSMEs number is due to public awareness of the importance of MSMEs to help Indonesia’s economy. Total of MSMEs number in this strategic city in 2020 is 2,835, mostly in culinary fields. The culinary field was chosen with the assumption that it could be a solution to get out of the economic recession (Windrarto, 2020).

Table 1. Data of Culinary SME Depok City based on region

<table>
<thead>
<tr>
<th>No</th>
<th>Kecamatan</th>
<th>Jumlah UMKM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Beji</td>
<td>101</td>
</tr>
<tr>
<td>2.</td>
<td>Bojongsari</td>
<td>35</td>
</tr>
<tr>
<td>3.</td>
<td>Cilodong</td>
<td>60</td>
</tr>
<tr>
<td>4.</td>
<td>Cimanggis</td>
<td>71</td>
</tr>
<tr>
<td>5.</td>
<td>Cinere</td>
<td>11</td>
</tr>
<tr>
<td>6.</td>
<td>Gipayung</td>
<td>64</td>
</tr>
<tr>
<td>7.</td>
<td>Limo</td>
<td>29</td>
</tr>
<tr>
<td>8.</td>
<td>Pancoran Mais</td>
<td>112</td>
</tr>
<tr>
<td>9.</td>
<td>Sawangan</td>
<td>51</td>
</tr>
<tr>
<td>10.</td>
<td>Sukmajaya</td>
<td>154</td>
</tr>
<tr>
<td>11.</td>
<td>Tapos</td>
<td>83</td>
</tr>
<tr>
<td></td>
<td>Jumlah</td>
<td>771</td>
</tr>
</tbody>
</table>

Source: DKUM Depok City, 2020

Data from the Department of Cooperatives and Micro Enterprises (DKUM) of Depok City, about 35% of MSMEs are engaged in the culinary sector. Revenue culinary MSMEs managed to contribute 30% to the level of the Depok City economy, especially during the Covid-19 pandemic (Maulana, 2021). The number of Culinary MSMEs in 2020 in Depok City in 11 sub-districts is dominated by Sukmajaya sub-districts with a total of 154 MSMEs. The culinary industry is a top sector of Depok City. Depok City’s government engages this industry as a regional economic activator.

The number of business actors makes consumers more selective in choosing products. MSMEs must be more proactive in seizing opportunities and able to offer products that have more value than competitors. every business actor has different strategies to fulfill customers’ needs. Competitive advantage can be interpreted as the result of implementing strategies that utilize various available resources. A company can be told to be in a competitive advantage position if it has a comparative advantage in resources that produce superior value at lower costs (David et al., 2020).

World marketing trend has been a switch from conventional to digital, due to the rapid development of technology. This digital marketing strategy is more prospective because it allows potential customers to get all kinds of information about products and transact via the Internet. Digital marketing is simply defined as a way to achieve marketing goals through the application of technology and digital media (Chaffey & Chadwick, 2016).

Promotional activities and market research through online digital media use various social networking tools. Data of trends of internet users and social media all around the world and in Indonesia in 2021 and 2022, as below:

Table 2. Data and Trends of internet users and social media all around the world and in Indonesia in 2021 and 2022 (in billion rupiahs)
The COVID-19 pandemic, which has affected Indonesia and the world, has led to a shift from offline activities to online. This change has resulted in increased usage of various digital platforms like WhatsApp, Instagram, Facebook, YouTube, and websites. Consequently, the marketing industry has also undergone significant transformations, with many companies adopting digital marketing methods. The success of the digital marketing strategy will depend on whether customers are comfortable with online transactions, which, in turn, will impact the marketing performance of MSMEs. To enhance their marketing performance, MSMEs should use the SOSTAC method to develop a digital marketing plan. The SOSTAC system provides an integrated digital marketing plan that aligns with the overall business plan and delivers optimal results. Therefore, SOSTAC is an effective approach for developing marketing plans, (Chaffey & Smith, 2017), (Arifianti, 2019), (Maghfira et al., 2021).

Strategic planning of marketing information systems is needed to assist MSMEs in marketing the products they produce. SOSTAC analysis describes that it takes the website as a directory to introduce MSMEs in the production and sales industry. (Juwita et al., 2018), describe that every MSMEs need its website to market its products. Besides of website, it needs to have an account on several social media such as Facebook, Twitter, dan Instagram. Need to be active to do online marketing by advertising and posting on each social media’s timeline account. The application of digital marketing will have a positive impact, such as increasing sales, for new businesses or business development. Implementation of digital marketing will be affected to increase MSMEs sales (Az-Zahra, 2021). There is a positive and significant connection between the digital market and sales volume, and Facebook is the first social media platform that is most used (Abdurrahman et al., 2021), (Rifai et al., 2021). In the online market, social media marketing is the easiest marketing strategy and most favorable to be implemented due to most people having social media started from WhatsApp, Line, Facebook, Twitter, Instagram, and Tiktok, (Putri & Sanica, 2022).

Due to the rapid advancement of technology and changes in consumer behavior, MSMEs need to adapt and transform through digital marketing in the new normal era. A digital marketing plan

<table>
<thead>
<tr>
<th>No</th>
<th>Details</th>
<th>2022</th>
<th>%</th>
<th>2021</th>
<th>%</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total Population</td>
<td>7,91</td>
<td>101%</td>
<td>7,83</td>
<td>100%</td>
<td>1%</td>
</tr>
<tr>
<td>2</td>
<td>Connected mobile device</td>
<td>8,28</td>
<td>104,68%</td>
<td>5,22</td>
<td>66,67%</td>
<td>38,01%</td>
</tr>
<tr>
<td>3</td>
<td>Internet user</td>
<td>4,95</td>
<td>62,58%</td>
<td>4,66</td>
<td>59,51%</td>
<td>3,06%</td>
</tr>
<tr>
<td>4</td>
<td>Active social media user</td>
<td>4,62</td>
<td>58,41%</td>
<td>4,20</td>
<td>53,64%</td>
<td>4,77%</td>
</tr>
</tbody>
</table>

Source: Hootsuite (We are Social)-data

Table 3. Data dan Trends of Internet users and social media all around the world and in Indonesia in 2021 and 2022

<table>
<thead>
<tr>
<th>No</th>
<th>Uraian</th>
<th>2022</th>
<th>%</th>
<th>2021</th>
<th>%</th>
<th>% Kenaikan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total Population</td>
<td>277,7</td>
<td>101%</td>
<td>274,9</td>
<td>100%</td>
<td>1,0%</td>
</tr>
<tr>
<td>2</td>
<td>Connected mobile device</td>
<td>370,1</td>
<td>133,27%</td>
<td>345,3</td>
<td>125,61%</td>
<td>7,66%</td>
</tr>
<tr>
<td>3</td>
<td>Internet user</td>
<td>204,7</td>
<td>73,71%</td>
<td>202,6</td>
<td>73,70%</td>
<td>0,01%</td>
</tr>
<tr>
<td>4</td>
<td>Active social media user</td>
<td>191,4</td>
<td>68,92%</td>
<td>170</td>
<td>61,04%</td>
<td>7,08%</td>
</tr>
</tbody>
</table>

Source: Hootsuite (We are Social)-data

Table 4. Percentage of usage of social media platform in 2021 and 2022

<table>
<thead>
<tr>
<th>No</th>
<th>Uraian</th>
<th>2022</th>
<th>%</th>
<th>2021</th>
<th>%</th>
<th>% Naik/Turun</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Whatsapp</td>
<td>88,70%</td>
<td>87,70%</td>
<td>1,00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Instagram</td>
<td>84,80%</td>
<td>86,60%</td>
<td>-1,80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Facebook</td>
<td>81,30%</td>
<td>85,50%</td>
<td>-4,20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Tiktok</td>
<td>63,10%</td>
<td>38,70%</td>
<td>24,40%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Hootsuite (We are Social)-data
should be considered a crucial aspect of MSMEs' business plans, (Rahayu & Day, 2015). According to research, the adoption of e-commerce technology by MSMEs in Indonesia is influenced by technological readiness factors and individual factors. Therefore, it is important for various parties, such as the government, industry, and universities, to provide serious support to encourage MSMEs to become familiar with digital information. The main obstacle preventing MSMEs from implementing digital marketing is their willingness and ability to use technology. The poor performance of MSMEs can be attributed to a lack of knowledge in areas such as planning, tactics, and targeting the appropriate audience. To improve marketing performance, MSMEs need to have a competitive advantage, which can be achieved through unique products and services that attract customers. This study aims to analyze the impact of the SOSTAC method in digital marketing planning on the market performance of MSMEs. The SOSTAC method has both a direct influence on market performance and an indirect influence through the creation of a competitive advantage. The findings of this research will be beneficial to agencies such as the Sukmajaya sub-district in Depok City, as they will be able to obtain information on digital marketing planning for MSMEs that can affect competitive advantage and marketing performance. Moreover, MSMEs can enhance their knowledge and skills in business development through digital marketing planning using the SOSTAC method.

LITERATURE REVIEW

Marketing Performance
To evaluate marketing performance, it is necessary to consider both financial and non-financial factors, including returns to the business and society. Successful marketers go beyond measuring just sales revenue and also consider metrics such as market share, customer satisfaction, and product quality. They also take into account the legal, ethical, social, and environmental impacts of their marketing activities, (Kotler & Armstrong, 2021). To achieve profitable revenue growth, marketing must focus on finding, retaining, and increasing the value of profitable customers, (Kotler et al., 2019). Performance standards are used to measure progress toward marketing goals and include factors such as target market, sales volume, product profitability, and customer satisfaction. Companies need to consider both financial and non-financial factors when evaluating marketing programs to avoid negative impacts on intangible assets like brand equity and image. Additionally, companies must operate following laws, ethics, and social norms, and consider the welfare of the wider community through social responsibility programs, (Rahmawati, 2016).

According to Tjiptono & Chandra (2012), performance marketing emphasizes the importance of achieving profitability and productivity through strong sales growth that surpasses competitors, as well as an increase in market share compared to previous years. The company's profits are a reflection of good marketing performance, which is determined by metrics such as sales value, sales growth, and target market, as noted by Ferdinand (2014), and Farida (2016). However, Markus et al., (2019), found that having a competitive advantage did not have a positive and significant impact on company performance, which is typically measured by factors such as sales growth, profitability, target market, and asset increase.

According to a study by Emiliani et al. (2021), government policies aimed at curbing the Covid-19 pandemic have led to the enforcement of the Public Activity Restrictions System (PPKM), which has limited the activities of MSMEs, making it difficult for them to generate income. Moreover, the public has become more cautious about the hygiene standards of the food offered by MSMEs, resulting in a decline in their revenue. To survive these challenging times, MSMEs must adopt innovative digital marketing strategies, maintain good customer relations, and improve the quality of their products and services. A survey conducted by Bank Indonesia in 2021, as reported by Sulaiman, (2022), shows that the Covid-19 pandemic has had a significant impact on Indonesian MSMEs, with 77.95% of them reporting adverse effects. The main problem faced by MSMEs is a decline in income and an increase in operational expenses due to limited mobility and economic activity. The drop in demand has led to a sharp decline in the sales of business sector products, which are crucial to the national economy. However, as noted by, Hakim (2022), the pandemic has encouraged the use of digital
technology in the economic sector.

According to Ulya (2019), marketing performance refers to the degree of success attained from a company or organization’s marketing activities. This metric generally encompasses measures such as revenue, sales growth rate, and target market impact, which are also cited in (Ferdinand, 2014). Thus, it can be concluded that performance marketing is a gauge of success for businesses and industries, as determined by three key factors: sales volume, customer growth, and profitability. This study employs the same indicators as those used in prior research, including profitability and sales growth, while Li et al. (2006), identified other indicators such as ROI growth, sales growth, market share growth, and overall competitive position.

**Competitive Advantage**

Competitive advantage is a company’s ability to work in one way or many ways that cannot be able or not be the same as competitors (Kotler & Keller, 2016). In general, companies that hope to survive must continue to be in a business that is constantly creating new advantages and customers must view all competitive advantages as customer advantages. The company must be focused to build customer advantage, then delivering high customer value and satisfaction, which results in high repeated purchases and will increase company profitability. David et al. (2020), and (Hitt et al. (2009), define Competitive advantage as “whatever a company does is better than its competitor”. Once the company can be able to do something that the competitor cannot or have something that the competitor desire, therefore it can be shown as a competitive advantage (Porter, 1998). Based on Rangkuti (2001), and Leonard G Love & Mcgee, (n.d.), strategy concepts are Distinctive competence dan Competitive advantage. Distinctive competence is an action taken by the company to perform activities better than its competitors. Competitive advantage is a strategic choice made by the company to seize market opportunities, such as Cost leadership, Differentiation, and Focus, Porter named the three generic strategies, (Porter, 1998). Ketut Ribek (2021), discover that the research we do is sustainable innovation that can increase competitive advantage, sustainable innovation is not able to improve marketing performance directly, however, can improve marketing performance mediated by competitive advantage.

Yasa et al. (2020), suggest that the implementation of a promotion strategy can have a positive impact on a company’s competitive advantage, and it is statistically significant. Moreover, supply chain management practices can, directly and indirectly, enhance organizational performance, leading to greater competitive advantage, as Li et al. (2006) have found. Essentially, a firm’s improved performance can lead to a stronger competitive advantage.

If a company possesses resources that create greater value at lower costs, it may be considered to have a competitive advantage. The design, production, marketing, delivery, and support of its products may contribute to this advantage. Researchers have used indicators such as price/cost, quality, delivery dependability, product innovation, and time to market to measure competitive advantage, as shown in studies by Wijetunge, 2016), (Li et al., 2006), (Suharyati et al., 2021), and (Prayogo et al., 2019).

**SOSTAC Digital Marketing Planning**

A market plan is the main concept of marketing, the idea of the market is a matching process between the company’s ability and desire and the customer’s need to achieve the goal on both sides. Marketing is about providing items and services that customer demand is known, not only just selling an item that the company produces, the purpose of the market plan, and the main focus is to identify and create a competitive advantage. (McDonald, 2008).

The purpose of a simple digital market is to support the goal and market activities. The simple definition of the digital market is “Achieve the goal of marketing through technology application and digital media” (Chaffey & Chadwick, 2016). Digital marketing emphasizes the five main areas of investment and management needed, such as Governance, Media, Experience, Messaging, and Content. Dave Chaffey, Smart Insights, 2022, explain that all business in the world has been touched
by digital marketing, however, almost 50% of the business in the world do not have a digital market plan. (Chaffey & Smith, 2017), SOSTAC® is a Digital Marketing Planning Model that has six steps shortened Situation Analysis, Objectives, Strategy, Tactics, Action dan Control. (Priyandana, 2016), have been used in research with this SOSTAC® Digital Marketing Model.

Framework and Hypotheses

Based on explained concept framework below:

![Figure 1. Conceptual Framework](source: processed data (2022))

Based on a search of the results of previous studies, the research hypothesis can be seen from the study’s conceptual framework in Figure 1.

The hypotheses in this study are:

H1: Digital marketing planning has a direct and significant effect on competitive advantage.
Research results from (Rahmawati et al. (2019), Nugraha et al. (2020), Sari & Gultom (2020), and Yasa et al. (2020), demonstrate a positive and significant relationship between digital marketing planning and competitive advantage.

H2: Digital marketing planning has a direct and significant effect on marketing performance.
Research by (Amir et al. (2020), and Hendrawan et al. (2019), provides evidence for the significant impact of digital marketing on marketing performance.

H3: Competitive advantage has a direct and significant effect on marketing performance.

H4: Digital marketing planning has an indirect and significant effect on marketing performance through competitive advantage.
Research by Al-Murad (2022), and Vaněková & Szczepańska-Woszczyńska (2020) demonstrate the mediating role of competitive advantage between digital marketing planning and marketing performance, as supported by Maulana Ichsan et al. (2022).

METHODOLOGY

This research uses quantitative descriptive data analysis, which uses a research instrument as questioner that is given to respondents. This analysis can describe descriptively related to the respondents in this study, (Sugiyono, 2014). Based on (Ferdinand, 2014), The three-box method index analysis technique is used to describe the respondents’ opinions on the statement items given by a scoring technique, with the interpretation of the index values being high, medium, and low. The variables in this study consist of the exogenous variables: SOSTAC digital marketing plan; the Intervening variable: Competitive advantage, and the Endogenous Variable: Marketing performance. Indikator SOSTAC Digital Marketing Planning: Situation analysis, Objectives, Strategy, Tactics, Action, Control; Indikator Competitive Advantage: Price/cost, Quality, Delivery dependability, Product innovation, Time to market; Indikator Marketing Performance: Profitability, Sales growth, Customer growth.

The population of this research is a micro-scale of MSMEs user that is still active to run culinary business, located in Sukmajaya Region, Depok City. The sampling technique is Simple Random
Sampling. Determination of sample measure based on Rosco’s opinion, (Sugiyono, 2014) explains that the measure of valid samples is 30 – 500. In multivariate research, the sample size is determined as much as 10 times the variables studied. (Ghozali, 2016), explain that the valid recommended sample size that can be used for the partial least square (PLS) method is 30 to 100 samples. Based on the theory above, therefore sample used in this research is 125 respondent that is still active to run the business. The type of data that the research use is primary data that is measured by the Likert scale, a scale range starting from a “Strongly disapprove” score of one to a “Strongly approved” score of five.

Inferential analysis was conducted using the Partial Least Square (PLS) tool to measure the convergent validity and discriminant validity of the Evaluation Model Measure (outer model), as well as the composite reliability and Cronbach’s alpha evaluation of the structural model (inner model). The goodness of fit of the model was also assessed using the coefficient of determination (R Square) and coefficient Q Square. Path diagram construction:

FINDINGS AND DISCUSSION

Respondent Data Description

The research findings show that there are 125 MSME micro sectors in Sukmajaya district, Depok City, based on the respondent data. Of these, 54% are female and 46% are male. The majority of businesses (41%) are between 1 and 3 years old, while 20% are less than a year old. As a result, 61% of respondents are beginners in the MSMEs micro sector. The business capital is mostly below 5 million rupiahs (46%), with 39% falling within the range of 5 to 10 million rupiahs. This means that 85% of businesses have capital below 10 million rupiahs. In terms of employment, 65% of businesses have fewer than 5 employees, and 29% have between 5 and 10 employees. As a result, 94% of total employment is below 10 people. Finally, 97% of MSMEs generate total revenue per month of up to 25 million rupiahs, with only 3% generating above 25 million rupiahs. The most popular online product marketing tools used by MSMEs are Instagram (38%), WhatsApp (29%), and Facebook (18%). As for digital payment tools, the most widely used are Gopay (36%), QRIS (18%), and OVO (18%). Overall, the research shows that MSMEs in the micro sector rely heavily on social media for digital marketing and utilize digital payment tools.

Research Data Description
According to Ferdinand’s three-box method, the respondent’s evaluation of marketing performance, competitive advantage, and SOSTAC Digital Marketing Planning all scored high on the index, with scores of 101, 98, and 95 respectively. This suggests that the respondent strongly agrees with the statements presented in the questionnaire. Additionally, the average percentage of the respondent’s answers for Marketing performance, Competitive advantage, and SOSTAC Digital Marketing Planning were 80.7%, 78.3%, and 76% respectively.

**Inferential Data Analysis**

The acquisition of the convergent validity test is shown in the initial path diagram through SmartPLS 3.0 which shows that there are four indicators whose loading factor value is <0.50, in the KK12 statement item with a value of 0.188; SOSTAC 01 with a value of 0.295; SOSTAC 17 with a value of 0.120 and SOSTAC 19 with a value of 0.178, so it is necessary to re-estimate the second model. Outer Model Before Re-Estimation

**Beginning of Outer Model**

![Figure 3. Beginning of Outer Model](source)

**Outer Model After Re-Estimation**

Re-estimation result shows that all instruments from the indicator connected with the SOSTAC Digital Marketing Planning variable, Competitive advantage, and marketing performance are declared valid, it can be proven by value >0.50 loading factor that can be used on the research due to meet the requirements of convergent validity test.
Discriminant validity can be seen based on the Square Root of Average Variance Extracted (AVE), an indicator is declared valid in research if it has an AVE value > 0.5. The variables in the research model obtained an AVE value > 0.50, as SOSTAC Digital Marketing Planning had an AVE score of 0.577, a competitive advantage of 0.554, and a Marketing Performance variable of 0.653. Based on that result, therefore each question as an indicator that has been used on its variables declared that meets requirement SVE value >0.50. That result strengthened the previous loading factor result’s score that each question variable is valid.

The Composite Reliability and Cronbach’s Alpha values for all variables are > 0.70 which shows that all variables in the model are estimated to have reached these criteria. SOSTAC Digital Marketing Planning in the variable has a Composite Reliability score of 0.977 and Cronbach’s Alpha is 0.976, the Competitive advantage variable has a Composite Reliability value of 0.937 and Cronbach’s Alpha value of 0.927, the Marketing performance variable has a Composite Reliability value of 0.850 and Cronbach’s Alpha is 0.736. It can be concluded that all variables have a value of > 0.70 so that they are declared reliable or consistent in measuring each construct and can proceed to the next test.

The $R^2$ Competitive advantage value of 0.682 shows the effect of the SOSTAC Digital Marketing Planning variable on the Competitive advantage of 68.2%. Meanwhile, the effect of the SOSTAC Digital Marketing Planning variable on marketing performance is 0.477 or 47.7%. The $Q^2$ value has a range value of $0 < Q^2 < 1$, the closer to the value 1 the model is declared good. The value of $Q^2$ Competitive advantage is 0.363 and its Marketing performance is 0.289. Therefore, the observed value and the estimated $Q$ parameter have predictive relevance.
The results of data processing for the significance test (t-test) obtain the results as below:

### Table 5. t-statistik test

|                         | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|-------------------------|---------------------|-----------------|-----------------------------|---------------------------|----------|
| SOSTAC -> Competitive advantage | 0.826              | 0.827           | 0.027                       | 30.691                    | 0.000    |
| SOSTAC -> Marketing performance | 0.342              | 0.349           | 0.143                       | 2.387                     | 0.018    |
| Competitive advantage -> Marketing performance | 0.380              | 0.374           | 0.141                       | 2.701                     | 0.008    |

Source: Output Result SmartPLS 3.0

The results of hypothesis testing with the t-statistic test are as follows:

1. SOSTAC variable test of digital marketing planning with Competitive has a correlation value of 0.826 which means the SOSTAC Digital Marketing Planning variable has a direct and positive effect with a competitive advantage. The Score of t-value is 30.691 > t-table 1.97960 and the significant value is 0.000 <0.05. These results prove that SOSTAC Digital Marketing Planning has a positive and significant effect on competitive advantage, so hypothesis 1 is accepted.

2. Test the SOSTAC Digital Marketing Planning variable on Marketing performance to obtain a correlation value of 0.342, which means that the SOSTAC Digital Marketing Planning variable has a positive relationship to Marketing performance, with a contribution of 34.2%. The t-value is 2.387 > t-table 1.97960 and the significant value is 0.018 <0.05. These results prove that SOSTAC Digital Marketing Planning has a positive and significant direct effect on marketing performance, so hypothesis 2 is accepted.

3. The Competitive advantage variable test on Marketing performance shows a correlation value of 0.380 which means that the Competitive advantage variable has a relationship in a positive direction. Competitive advantage contribution to marketing performance is 38%. The t-value is 2.701 > t-table 1.97960 and the significant value is 0.008 <0.05. These results prove that competitive advantage has a positive and significant effect on marketing performance, so Hypothesis 3 is accepted.

4. Digital Marketing Planning has an indirect and significant effect on Marketing performance through competitive advantage. This can be explained where there is a direct effect of SOSTAC Digital Marketing Planning on Marketing performance, obtaining a correlation value of 0.342 and an indirect effect of 0.314, namely 0.826 x 0.380, therefore an indirect effect of 0.342 + 0.314, which is 0.694, and a contribution of 69.4%. Based on the results obtained, the indirect effect is greater than the direct effect, so Digital Marketing Planning has a positive and significant indirect effect on Marketing performance through Competitive advantage, thus hypothesis 4 is accepted.

The above explanation can be described in the diagram below:
Based on the results of research related to SOSTAC Digital Marketing Planning, Competitive advantage, and Marketing performance of culinary MSMEs in Sukmajaya District with the SmartPLS 3.0 analysis tool it was found that:

1. **The direct effect of SOSTAC Digital Marketing Planning on Competitive advantage**

   Research results show that SOSTAC Digital marketing planning has a positive and significant effect on Competitive advantage. The direct contribution of SOSTAC Digital Marketing Planning to Competitive advantage is 0.826 or 82.6% contribution, this is shown that SME user Sukmajaya district understood and implemented Digital Marketing Planning to increase Competitive advantage. The application of digital marketing is used for marketing on social media such as Instagram, WhatsApp, Facebook, Tiktok, Shopee, and Ojek Online. And, the types of digital payment used a variation of instruments, such as Gopay, QRIS, OVO, ShopeePay, Funds, Bank transfers via Mobile banking, this is online research (Juwita et al., 2018), (Arifianti, 2019), (Maghfira et al., 2021), (Cowley, 2016). Several general weaknesses of MSMEs are in the technology and marketing industry. This research shows of high correlation are 0.826 from SOSTAC Digital Marketing Planning to Competitive Advantage. SME development strategies can take advantage of internet growth to open opportunities to expand their market reach through e-commerce and social media networks. MSME actors can take advantage of the growth of shipping service companies for product distribution to customers. Besides, marketing strategies can be done by paying more attention to the changes in customer taste and improving quality and service to maintain customers which can increase Marketing Performance. (Permana, 2017)

Based on (Rahmawati et al., 2019), (Nugraha et al., 2020), marketing strategic alternatives that can be done to improve Competitive advantage are giving variant options according to customer’s tastes, improving promotion techniques, choosing media channels, and creating new product variant with an attractive design, add more media channel, adjust competitor price, improve employee performance through training. (Sari & Gultom, 2020) the research shows that MSMEs will benefit from a product marketing strategy that meets consumer tastes, setting the right price, and promotion will provide more value for competitive advantage. (Ketut Ribek, 2021), the findings from the research conducted are that continuous innovation can increase competitive advantage. (Yasa et al., 2020), the promotion strategy has a positive and significant effect on Competitive advantage, so the promotion strategy is very capable of increasing Competitive advantage.

The implication of this research and support from various articles is that SOSTAC Digital Marketing Planning influences, Competitive advantage, with SOSTAC elements such as Situation Analysis, Objectives, Strategy, Tactics, Action, and Control. MSMEs implementing Digital Marketing Planning through the marketing mix can be done by creating unique products according to consumer tastes, using various media channels as a means of promotion, setting competitive prices, and providing various goods delivery channels, implementing excellent services, including digital financial
services.

2. A direct effect of SOSTAC Digital Marketing Planning on Marketing Performance

The results of this study indicate that SOSTAC Digital Marketing Planning has a positive and significant direct influence on marketing performance with a correlation value of 0.342 or a contribution of 34.2%. This case is in line with (Soebroto, 2021) research, that explains strategic planning has a positive and significant effect on Competitive advantage and organizational performance, this thing also supported by (Hendrawan et al., 2019) (Amir et al., 2020) research, the results shown that digital marketing affected to MSME’s product sales performance.

The implications of this research, and supported by previous research, show that SOSTAC Digital Marketing Planning has a direct influence on marketing performance, so MSMEs need to apply the right Digital Marketing Planning strategy. To achieve marketing performance. Digital Marketing Planning can be done by applying technology that forms online channels to markets such as the web, social media, email, databases, and mobile and digital TV, (Chaffey & Chadwick, 2016). Posting interesting content on social media is one way of implementing digital marketing to increase sales volume, which has an impact on sales growth, market share growth, and profitability, which are elements of marketing performance.

3. A direct effect of Competitive advantage on Marketing Performance

The results of this research indicate that Competitive advantage has a correlation value of 0.380, which means that Competitive advantage has a positive and significant relationship to Marketing performance directly and contributes 38%. In line with the research of (Wulandari & Murniawaty, 2019), (Daengs GS et al., 2019), showed that Competitive advantage has a significant effect on marketing performance, same research from (Dahana et al., 2021), (Winarso et al., 2020), (Puspaningrum, 2020), (Harjadi et al., 2020), (Wahyu Yanuarti, 2019), (Amin et al., 2019), (Noftizal et al., 2021), (Managing et al., 2018), (Sugiyarti, 2016), (Dewi Ni Made Putri & Ni Wayan Ekawati, 2017), (Arbawa & Wardoyo, 2018) (Hasniaty et al., 2019), Competitive advantage has a direct positive effect on marketing performance. Empirical findings (Markus et al., 2019), show that the differentiation strategy has a significant positive effect on competitive advantage; Innovation has a significant positive effect on company performance, but competitive advantage does not have a significant positive effect on company performance.

The implication of this research is that MSMEs actors must seriously seek competitive advantage for the products or services offered to consumers. To achieve a competitive advantage, SMEs need to innovate in all fields, such as product innovation, service innovation, and channel innovation which can provide higher value than their competitors. Differentiation strategies need to be done to improve competitive advantage through the marketing mix, which will encourage increased sales growth, and market share growth which can have an impact on increasing profitability for the company. (Farida, 2016), (Ferdinand, 2014), explains that marketing performance which is reflected in three main focuses, such as sales value, sales growth, and market share can increase company profits.

4. The indirect effect of SOSTAC Digital Marketing Planning on Marketing Performance through Competitive advantage

The results of this research indicate that SOSTAC Digital Marketing Planning has an indirect influence that is greater than its direct influence on Marketing performance, as amount to 0.694 or contributing 69.4%, through Competitive advantage, this is in line with research (Al-Murad, 2022), Competitive advantage as a mediating factor in marketing performance. Competitive advantage plays a role in mediating the effect of strategic planning on company performance. (Yasa et al., 2020), the results of the research show that competitive advantage has a positive and significant effect on achieving marketing performance. This means that the higher the Competitive advantage, the greater the Marketing performance, and the Competitive advantage can significantly mediate the influence of promotional strategies on Marketing performance. (Maulana Ichsan et al., 2022), dimensions and market strategy determinants to improve marketing performance through
optimizing competitive advantage. (Vaníčková & Szczepańska-Woszczyna, 2020), process digitization as well as efforts to increase the added value of product performance and service specialization as a complete solution for customers. (Maulana Ichsan et al., 2022), the results of the research show that marketing strategy has a significant effect on marketing performance through competitive advantage as an intervening agent. Therefore, it is necessary to act to do digital marketing by placing advertisements or posting on the timeline of each social media account. (Ketut Ribek, 2021), continuous innovation is not able to directly improve marketing performance but can improve marketing performance mediated by competitive advantage.

The implication of the results of this study, where SOSTAC Digital Marketing Planning, Competitive advantage influences Marketing performance, MSMEs players need to improve their SOSTAC Digital Marketing Planning, Competitive advantage to achieve Marketing performance, which is reflected in high sales growth, high market share, and ultimately able to increase the company's profits. According to (Nirmala et al., 2018), The effectiveness of implementing Competitive advantage can affect Marketing performance. Competitive advantage needs to be increased through (1) company skills, (2) company resources, (3) offering products at lower prices, (4) efforts to offer their products, (5) target market, especially domestically, (6) the company’s ability to generate profits, and (7) set aside a portion of profits to maintain its competitive advantage. These seven improvement methods are implemented by considering other aspects of the company’s competitive advantage, which are: (1) continuing to increase the company’s level of control, (2) offering products with even higher value, and (3) keeping customers more loyal. In addition, the application of a differentiation strategy encourages the creation of a competitive advantage.

CONCLUSIONS

Based on the respondent data gathered from the research, it was discovered that MSMEs actors in the micro sector have utilized social media for digital marketing and digital payment tools. The top three social media marketing tools used were Instagram, WhatsApp, and Facebook, whereas Gopay, QRIS, and OVO were the most commonly used digital payment instruments. The results of the hypothesis testing conducted in the research demonstrate the following findings: (1) SOSTAC Digital Marketing Planning has a direct impact on Competitive advantage, (2) SOSTAC Digital Marketing Planning has a direct impact on Marketing performance, (3) Competitive advantage has a direct impact on Marketing performance, and (4) SOSTAC Digital Marketing Planning has an indirect impact on Marketing performance through Competitive advantage. The study also found that the indirect effect of SOSTAC Digital Marketing Planning on marketing performance, through Competitive advantage, was more significant than its direct impact. The use of Digital Marketing Planning with the SOSTAC method, which involves Situation analysis, Objectives, Strategy, Tactics, Action, and Control, helps create a competitive advantage through unique marketing approaches such as Price/cost, Quality, Delivery dependability, Product innovation, and Time to market. Furthermore, Competitive advantage can result in measurable improvements in Marketing performance, as evidenced by Profitability, Sales Growth, and Customer Growth.

The findings of this study have both theoretical and managerial implications. Theoretically, this study contributes to the existing knowledge of the relationship between digital marketing planning, competitive advantage, and marketing performance. It confirms that SOSTAC Digital Marketing Planning is a valuable tool for achieving a competitive advantage and improving marketing performance. This knowledge can help marketers and researchers better understand the strategic importance of digital marketing planning and its impact on organizational performance. From a managerial perspective, the study provides insights that can help organizations improve their digital marketing planning and execution. By adopting the SOSTAC method, companies can develop unique marketing approaches that create a competitive advantage in the market. This advantage can result in improved marketing performance, as evidenced by increased profitability, sales growth, and customer growth. Moreover, the study highlights the importance of focusing on competitive advantage in marketing planning and execution, as it can have a significant impact on overall performance. Overall, the study demonstrates the importance of digital marketing planning and the role it plays in creating a competitive advantage and improving marketing performance.
The theoretical and managerial implications of these findings can help organizations develop more effective marketing strategies and achieve better results.

LIMITATIONS & FURTHER RESEARCH

The limitation of this research is that the number of SOSTAC Digital Marketing Planning variable statement items used consists of 34 items from all SOSTAC indicators. This causes the respondent to have difficulty filling out the answers. Limitations in the use of analysis tools in the form of SmartPLS have not been able to measure the effect of variables simultaneously. Further research can be done using a qualitative research model that specifically examines the implementation of SOSTAC Digital Marketing Planning for MSMEs.

REFERENCES


