

Original Article

The Antecedents of Sustainable Business Mediated By Competitive Advantage: A Study On Micro Small And Medium Enterprises [MSMEs] Klungkung

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Abstract: Ready-to-consume fried peanut products represent a type of souvenir snack that offers a unique regional flavor, serving as a solution for consumers to fulfill their snack preferences. This research discusses the impact of product innovation and social media marketing on sustainable business at Laksmi Devi Nut MSMEs in Nyanglan Village, Klungkung, with competitive advantage variables as intervening variables. This research was conducted to ascertain how product innovation has affected along with social media marketing on sustainable business and competitive advantage, the effect of competitive advantage on sustainable business, and the role of competitive advantage as an intervening variable in mediating the impact of product innovation and social media marketing on sustainable business. The research's population comprises consumers aged 17 and above who have both purchased and consumed Laksmi Devi products, with a sample size of 100 individuals. The data was analyzed using Smart PLS, encompassing examinations of the measurement model, structural model, and hypothesis testing. The outcomes found a positive and insignificant impact of social media marketing and new product creation on sustainable business, a positive and insignificant effect of product innovation and social media marketing on competitive advantage, a negative and insignificant effect of competitive advantage on sustainable business, and competitive advantage does not mediate the effect of product innovation and social media marketing on sustainable business.

Keywords: Sustainable Business, Product Innovation, Social Media Marketing, Competitive Advantage.

I. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a significant role in the growth and development of the Indonesian economy. (Lestari Nasution et al., 2021). The COVID-19 pandemic threatens the sustainability of MSMEs due to changes in consumer purchasing power, which causes demand for products and services to decrease. (Kibtyah et al., 2021).. Investigations by LIPI related to the performance of MSMEs during the pandemic gathered the perception that MSME players are vulnerable to closing their businesses if the pandemic does not end.

The sustainability of Micro, Small, and Medium Enterprises (MSMEs) is contingent upon the effectiveness with which the company innovates, manages its personnel and customer relations, and generates returns on its initial capital (Idawati & Pratama, 2020). Product innovation is a business sustainability strategy so that products can survive and compete with potential competitors. (Miftahul Imtihan, 2020). Research by Satrianny & Fernando (2021), Taufik et al. (2022), Hamka et al. (2021), and Rosyad & Wiguna (2018) prove that product innovation affects business sustainability. Meanwhile, research by Azhar & Arofah (2021) proves that product innovation does not affect business continuity.

The enhancement of Small and Medium Enterprises (SMEs) business sustainability for a competitive advantage is closely tied to the implementation of market-oriented strategies and product innovation. (Alwi & Handayani, 2018). One of the primary components of competition is innovation, as it can yield significant benefits for companies through the generation of novel ideas, products, and services or by enhancing existing business conditions (Wijaya et al., 2019). Research by Darma et al. (2022), Haloho et al. (2020), Lestari et al. (2020), Alwi & Handayani (2018), Hotima & Yusianti (2018), Nurmalis & Haloho (2020), Persada & Kusumawardhani (2021), and Shodiqin & Rhain (2020) prove that product innovation affects competitive advantage. Meanwhile, research by Sherlin (2016) proves that product innovation does not affect competitive advantage.

Micro, Small, and Medium Enterprises (MSMEs), in general, are intricately connected to the tourism industry, particularly in Bali. Consequently, both sectors have undergone a substantial decline and even faced a downturn amid the Covid-19 pandemic. (Rizhaldi & Mahyuni, 2021). According to data obtained from the official website of the Bali Province



SME Cooperative Office (diskopukm.baliprov.go.id), the quantity of Micro, Small, and Medium Enterprises (MSMEs) in Bali increased during the Covid-19 pandemic, specifically in 2020. There was a noteworthy rise of 84,912 units, reflecting a development percentage of 20.60 percent.

The onset of the pandemic in early 2020 has underscored the heightened significance of digitalization. Amid the COVID-19 pandemic, digitalization in the economic sector has proven advantageous not only for sales but has also facilitated numerous Micro, Small, and Medium Enterprises (MSMEs) in carrying out marketing and transactions through digital systems (Saputra, 2022). The utilization of digital media is the main way to maintain business sustainability. (Mustika et al., 2021). Research by Novita and Malik (2021) proves that digital marketing affects business continuity. Meanwhile, research by Fauziah & Ramadhani (2019) proves that social media marketing does not affect competitive advantage.

In the current digital era, achieving profitable objectives involves leveraging the convenience and innovation provided by various social media platforms, thereby competing effectively in the business world (Paramitha & Doho, 2021). Research by Darma et al. (2022), Haloho et al. (2020), Nurmali & Haloho (2020), Samoedra ((2021) and , and Silaningsih et al. (2021) prove that marketing through social media affects competitive advantage. Fitriani et al. (2022) stated that competitive advantage is obtained if customers can distinguish the products and services obtained from a company compared to other competitors and Hyken (2021) states that it is a myth in business if companies need a sustainable competitive advantage to compete in this highly competitive environment.

Government-imposed restrictions on activities have indirectly led to diminished consumer purchasing power, subsequently affecting the sales performance of Micro, Small, and Medium Enterprises (MSMEs) products. Furthermore, MSME players must also contend with market competition. Laksmi Devi is one of the MSMEs established in 1995 located in Klungkung Regency. The types of products produced and sold are capri beans, koro beans, red beans and mentik beans. As an MSME that has been operating for a long time in Nyanglan Village with a type of fried bean food, Laksmi Devi's sales revenue has actually decreased.

Table 1: Laksmi Devi Sales Revenue 2019-2021

Year	Sales Revenue	Percentage of Progress
2019	IDR 660,000,000	0%
2020	IDR 428,400,000	-54%
2021	IDR 285,000,000	-50%

Source: Owner of MSME Kacang Laksmi Devi, year 2022

According to outcomes derived from interviews with the proprietor of the Micro, Small, and Medium Enterprise (MSME) Laksmi Devi, the decrease in sales revenue can be attributed to insufficient production capacity arising from a low volume of orders and heightened competition. Laksmi Devi specializes in the production of kapri and koro fried bean products, available in 200 and 400-gram packages tailored to consumer preferences, with the anticipation that such customization would lead to an increase in sales revenue. Contrarily, the sales revenue has experienced a decline.

The flavour variants of Laksmi Devi products have remained the same from 2016 to the present. The packaging used in Laksmi Devi products is plastic packaging, which is difficult to recycle as complaints or complaints from several consumers based on the results of interviews with business owners, namely the seal on the packaging of Laksmi Devi products is easily detached so that consumers return the product. There is a strand of hair tucked into Laksmi Devi products.

Business owners, in promoting their products, primarily engage in direct or conventional marketing, yet they have not fully optimized the marketing potential through social media. Although business owners initially utilized social media for marketing by uploading product photos, this practice has been discontinued and remains inactive up to the present. This is because the business owner participates in the production process of Laksmi Devi products, so the owner has not been able to do marketing through social media to the fullest. There are parties who take advantage of opportunities on digital media by marketing and uploading photos of fried peanut products under the Laksmi Devi brand. However, the packaging design used is different from the original, and this was done without the knowledge of the owner of Laksmi Devi MSMEs.

II. LITERATURE REVIEW

A) Sustainable Business

Business sustainability is expansively characterized as the capacity of an organization to earn a profit without depleting essential resources, including labor, natural resources, and local community support. Sustainable businesses achieve this by meeting needs through the provision of high-quality goods and services. (Noe et al. 2016:14).. According to Dwiyananda & Mawardi (2015), Business continuity is the company's performance in competing with competitors to ensure survival, growth, and avoid bankruptcy, commonly referred to as bankruptcy. Indicators used according to WWickham (2006: 551) and Widayanto et al. (2020) namely:

- 1) Strategic growth,
- 2) Organizational growth,
- 3) Production capacity,
- 4) Product development.

B) Product Innovation

Product innovation encompasses any product, service, or concept that is perceived as novel by an individual, irrespective of the actual duration the product has been in existence. (Kotler & Keller, 2016: 476). According to Crawford & Benedetto (2011: 4), Product innovation is an organizational function. This function includes components (strategic plans, teams, etc.). Indicators used according to Robertson (1967) in Tjiptono (2015: 259) and Kotler & Keller (2009: 307) namely:

- 1) Continuous innovation,
- 2) Product quality, modern product characteristics, and style,
- 3) New models, as well as attack or flanker products,
- 4) Increased distribution coverage and penetrated new distribution channels,
- 5) Price reduction influences the next layer of consumers who are price-vulnerable.

C) Social Media Marketing

Marketing through social media is a mechanism that enables individuals to introduce their website, products, or services to a broad audience that may not be reached through traditional advertising channels. Social media emphasizes groups rather than individuals (Weinberg, 2010:4). Indicators used according to GGunelius (2011: 59-61) and Singh (2010) in As'ad & Alhadid (2014) namely:

- 1) Content creation
- 2) Interaction
- 3) Sharing of content
- 4) Accessibility
- 5) Trustworthiness or credibility

D) Competitive Advantage

Competitive advantage is an edge over competitors attained by offering numerous benefits to customers, achieved either through price reduction or by providing substantial value justifying premium pricing. (Kotler & Armstrong, 2017: 668). Indicators used according to Porter in Danial (2017), Droge & Vickery (1994: 669) in Hotima & Yusianti (2018), and Tjiptono (2015: 483) namely:

- 1) Differentiation
- 2) Speed of response
- 3) Product uniqueness
- 4) Competitive price
- 5) Product leadership
- 6) Customer intimacy

E) Effect of Product Innovation on Sustainable Business

Miftahul Imtihan (2020), in his research, states that product innovation is a business sustainability strategy so that products can survive and compete with potential competitors. This statement is supported by research by Satrianny & Fernando (2021), Taufik et al. (2022), Hamka et al. (2021), and Rosyad & Wiguna (2018), which found that product innovation affects business sustainability. who found that product innovation affects business sustainability. The proposed hypothesis is:

H1 : Product innovation has a positive and significant effect on sustainable business.

F) The Effect of Social Media Marketing on Sustainable Business

Mustika et al. (2021) stated in their research that the use of digital media is the main way to maintain business sustainability. This statement is supported by research by Novita & Malik (2021), which states that digital marketing affects business continuity. The proposed hypothesis is:

H2 : Social media marketing has a positive and significant effect on sustainable business.

G) Effect of Product Innovation on Competitive Advantage

Wijaya et al. (2019) stated in their research that one of the main components of competition is innovation because innovation can benefit companies by creating new ideas, products, and goods or by improving current business conditions. This statement is supported by research by Darma et al. (2022), Haloho et al. (2020), Lestari et al. (2020), Alwi & Handayani (2018), Hotima & Yusianti (2018), Nurmali & Haloho (2020), Persada & Kusumawardhani (2021), and Shodiqin & Rhain (2020). who found that product innovation affects competitive advantage. The proposed hypothesis is:

H3 : Product innovation has a positive and significant effect on competitive advantage.

H) The Effect of Social Media Marketing on Competitive Advantage

Paramitha & Doho (2021) in their research stated that in today's digital era, to achieve profitable goals, many social media platforms offer convenience and innovation in competing in the business world. This statement is supported by research by Darma et al. (2022), Haloho et al. (2020), Nurmali & Haloho (2020), Samoedra ((2021))., and Silaningsih et al. (2021), which state that marketing through social media affects competitive advantage. The proposed hypothesis is:

H4 : Social media marketing has a positive and significant effect on competitive advantage.

I) The Effect of Competitive Advantage on Sustainable Business

Dhani (2018), in his research, stated that business actors add value to goods and services through creative and innovative processes, which lead to various benefits, such as competitive advantages that affect the sustainability of business activities. This statement is in accordance with research by Fitriani et al. (2022) and Sopandi et al. (2022), who found that competitive advantage affects business continuity. The proposed hypothesis is:

H5 : Competitive advantage has a positive and significant effect on sustainable business.

J) Competitive advantage plays a role in mediating the effect of Product Innovation on Sustainable Business

Hotima & Yusianti (2018), in their research, stated that product innovation is used as a way to gain an advantage in competing to be able to maintain the survival of a business. The proposed hypothesis is:

H6 : Competitive advantage plays a role in mediating the effect of product innovation on sustainable business.

K) Competitive advantage plays a role in mediating the effect of Social Media Marketing on Sustainable Business

Based on the statement submitted by Mustika et al. (2021) in their research that digital media utilization is the main way to maintain business sustainability and the statement from Paramitha & Doho (2021) that in today's digital era to achieve profitable goals, many social media platforms offer convenience and innovation in competing in the business world. So, the proposed hypothesis is:

H7 : Competitive advantage mediates the effect of social media marketing on sustainable business.

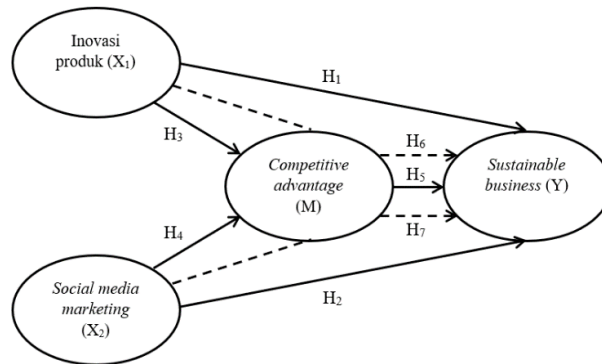


Figure 1: Conceptual framework

III. RESEARCH METHODS

This research is classified as quantitative research employing a descriptive approach and associative analysis. The primary objective is to provide an overview of the relationship between the variables under investigation. The participants in this research encompass all customers or consumers of Laksmi Devi. The sample determination in this research used a purposive sampling technique, namely with the criteria of age 17 years and over, having bought and consumed Laksmi Devi products at least once within the last one year, and being a social media user. This research used a questionnaire as an instrument for collecting data. The questionnaire was designed using Google Forms and distributed in link and barcode versions to 100 Laksmi Devi consumers who met the predetermined criteria. The proposed hypotheses were analyzed using the model fitting technique, Structural Equation Modeling (SEM) operated using Smart PLS.

IV. RESULTS AND DISCUSSION

The questionnaire data that has been processed investigated the value at each stage in this research, which includes 3 stages, namely the measurement model, structural model, and hypothesis testing.

A) Measurement Model

The following is testing the outer model or measurement model from the data of 100 respondents processed using Smart PLS:

a. Internal Consistency Reliability

Internal consistency reliability is usually assessed as the first criterion. In this research, all variables are considered reliable or reliable with indicators that are able to measure latent variables if seen from Cronbach's alpha and composite reliability values exceeding 0.70 and less than 0.90.

Table 2: Cronbach's Alpha and Composite Reliability on Internal Consistency Reliability Testing

Variables	Cronbach's Alpha	Composite Reliability
Competitive Advantage (M)	0,845	0,879
Product Innovation (X) ₁	0,835	0,879
Social Media Marketing (X) ₂	0,817	0,871
Sustainable Business (Y)	0,785	0,851

Source: Data Processed, Year 2023

b. Convergent Validity

Convergent validity is the amount of positive correlation between a measure and other measures of the same variable. The outer loadings and AVE values are taken into account by researchers to assess the convergent validity of reflective constructs (J. F. Hair et al., 2017: 112). (J. F. Hair et al., 2017: 112).. The outer loadings value of all indicators in this research is declared valid, which exceeds 0.70 and the AVE value on all variables has met the provisions, which exceeds 0.50.

Table 3: Outer loadings on convergent validity testing

Sustainable Business Indicator (Y)		Product Innovation Indicator (X) ₁		Social Media Marketing Indicator (X) ₂		Competitive Advantage Indicator (M)	
Y ₁	0,716	X _{1,1}	0,789	X _{2,1}	0,742	M ₁	0,705
Y ₂	0,753	X _{1,2}	0,777	X _{2,2}	0,795	M ₂	0,710
Y ₃	0,860	X _{1,3}	0,807	X _{2,3}	0,739	M ₃	0,773
Y ₄	0,731	X _{1,4}	0,712	X _{2,4}	0,766	M ₄	0,727
		X _{1,5}	0,759	X _{2,5}	0,745	M ₅	0,785
						M ₆	0,742

Source: Data Processed, Year 2023

Table 4: Average Variance Extracted (AVE) Value in Convergent Validity Testing

Variables	Average Variance Extracted (AVE)
Sustainable Business (Y)	0,588
Product Innovation (X) ₁	0,592
Social Media Marketing (X) ₂	0,574
Competitive Advantage (M)	0,549

Source: Data Processed, Year 2023

c. Discriminant Validity

Discriminant validity is used to determine how significantly the construct differs from other constructs according to empirical standards. Cross-loadings are usually used as an initial method for evaluating the discriminant validity of an indicator, the Fornell-Larcker criterion as a second approach, and the assessment of the heterotrait-monotrait ratio (HTMT) of the correlation (J. F. Hair et al., 2017: 115-118). (J. F. hair et al., 2017: 115-118)..

Table 5: Cross-Loadings on Discriminant Validity Testing

Indicators	Sustainable Business (Y)	Product Innovation (X) ₁	Social Media Marketing (X) ₂	Competitive Advantage (M)
Y1	0,716			
Y2	0,753			
Y3	0,860			
Y4	0,731			
X _{1,1}		0,789		
X _{1,2}		0,777		
X _{1,3}		0,807		
X _{1,4}		0,712		
X _{1,5}		0,759		
X _{2,1}			0,742	
X _{2,2}			0,795	

Indicators	Sustainable Business (Y)	Product Innovation (X) ₁	Social Media Marketing (X) ₂	Competitive Advantage (M)
X _{2,3}			0,739	
X _{2,4}			0,766	
X _{2,5}			0,745	
M1				0,705
M2				0,710
M3				0,773
M4				0,727
M5				0,785
M6				0,742

Source: Data Processed, Year 2023

The loading value is more than 0.70, so this model is declared to have fulfilled the provisions of discriminant validity.

Table 6: Fornell-Larcker Criteria on Discriminant Validity Testing

Variables	Competitive Advantage (M)	Product Innovation (X) ₁	Social Media Marketing (X) ₂	Sustainable Business (Y)
Competitive Advantage (M)	0,741			
Product Innovation (X) ₁	0,154	0,769		
Social Media Marketing (X) ₂	0,152	0,027	0,758	
Sustainable Business (Y)	-0,116	0,155	0,202	0,767

Source: Data Processed, Year 2023

This model fulfils the discriminant validity requirement because the square root of the AVE value on all variables in this research exceeds the correlation of other latent variables.

Table 7: Heterotrait-Monotrait Ratio (HTMT) in Discriminant Validity Testing.

Variables	Competitive Advantage (M)	Product Innovation (X) ₁	Social Media Marketing (X) ₂	Sustainable Business (Y)
Competitive Advantage (M)				
Product Innovation (X) ₁	0,158			
Social Media Marketing (X) ₂	0,192	0,143		
Sustainable Business (Y)	0,189	0,199	0,210	

Source: Data Processed, Year 2023

Suppose the correlation value between two constructs or latent variables defined in this research is less than 0.90. In that case, it can be concluded that this model satisfies the criteria for discriminant validity and is deemed both measurable and reliable.

B) Structural Model

The inner model or structural model uses the help of the Bootstrapping procedure in Smart PLS.

a. Coefficient of Determination (R² Value)

The R square value of the effect of product innovation (X₁) and social media marketing (X₂) on competitive advantage (M) and sustainable business (Y) is very weak. It has no effect because the R² value is less than 0.25.

Table 8: R Square Value (R2 Value)

Variables	R Square	Adjusted R Square
Competitive Advantage (M)	0,046	0,026
Sustainable Business (Y)	0,093	0,065

Source: Data Processed, Year 2023

b. Effect Size f²

The value of the effect or f² on all variables in this research indicates a small influence because the value of the effect or f² is in the range of 0.02 and smaller than 0.15.

Table 9: Effect Size or F Values ²

Variables	Sustainable Business (Y)	Product Innovation (X) ₁	Social Media Marketing (X) ₂	Competitive Advantage (M)
Sustainable Business (Y)				
Product Innovation (X) ₁	0,034			0,024
Social Media Marketing (X) ₂	0,054			0,023
Competitive Advantage (M)	0,033			

Source: Data Processed, Year 2023

c. Model Fit

Standardized Root Mean Square Residual (SRMR) testing model is used to assess model fit. The SRMR value is less than 0.10, and it indicates that the model fits the data.

Table 10: Evaluation of Model Fit

	Saturated Model	Estimation Model
SRMR	0,086	0,086

Source: Data Processed, Year 2023

C) Hypothesis Testing

a. Direct Influence

The results of hypothesis testing prove that the five hypotheses in hypothesis testing that have a direct effect are rejected due to p values exceeding 0.05.

Table 11: Results of Direct Effects

Hypothesis	Relationship	Original Sample (O)	T Statistics	P Values	Conclusion
H ₁	(X) ₁ → (Y)	0,177	0,997	0,321	Rejected
H ₂	(X) ₂ → (Y)	0,224	1,836	0,069	Rejected
H ₃	(X) ₁ → (M)	0,150	0,869	0,387	Rejected
H ₄	(X) ₂ → (M)	0,148	0,839	0,404	Rejected
H ₅	(M) → (Y)	-0,178	1,267	0,208	Rejected

Source: Data Processed, Year 2023

b. Indirect Influence

The results of hypothesis testing prove that the sixth and seventh hypotheses in hypothesis testing that have an indirect effect are rejected due to p values exceeding 0.05 and the path coefficient has a negative value, which means that there is a negative indirect effect.

Table 12: Results of Indirect Effects

Hypothesis	Relationship	Original Sample (O)	T Statistics	P Values	Conclusion
H ₆	(X) ₁ → (M) → (Y)	-0,027	0,642	0,522	Rejected
H ₇	(X) ₂ → (M) → (Y)	-0,026	0,607	0,545	Rejected

Source: Data Processed, Year 2023

D) The Effect of Product Innovation on Sustainable Business

Studies have demonstrated that product innovation does not have an impact on sustainable business. In other words, in proportion to the degree of product innovation, the enhancement in Laksmi Devi's business sustainability is less pronounced, and vice versa. The outcomes of this research are in line with research by Azhar & Arofah (2021), who found that product innovation does not affect business continuity.

E) The Influence of Social Media Marketing on Sustainable Business

The research proved that social media marketing does not affect sustainable business. In other words, the better the social media marketing is done, the less strong the increase in Laksmi Devi's business sustainability and vice versa. The outcomes of this research are in line with research by Riyanti & Nur Aini (2022), who found that digital marketing does not statistically affect business continuity.

F) The Effect of Product Innovation on Competitive Advantage

Research outcomes have established that competitive advantage is unaffected by product innovation. In essence, a superior level of product innovation is associated with a relatively modest increase in Laksmi Devi's competitive advantage and vice versa. The outcomes of this research are in line with research by Sherlin (2016), who found that product innovation does not affect competitive advantage.

G) *The Effect of Social Media Marketing on Competitive Advantage*

Research has demonstrated that the influence of social media marketing has little impact on competitive advantage. In other words, an improvement in the effectiveness of social media marketing is associated with a relatively modest increase in Laksmi Devi's competitive advantage and vice versa. The outcomes of this research are in line with research by Fauziah & Ramadhani (2019), who found that social media marketing has a negative and insignificant effect on competitive advantage.

H) *The Effect of Competitive Advantage on Sustainable Business*

Studies have proven that competitive advantage does not affect sustainable business. In a sense, the better competitive advantage obtained will be followed by a not-too-strong decline in the sustainability of Laksmi Devi's business and vice versa. The outcomes of this research are in line with Hyken's (2021) statement that companies must have a sustainable competitive advantage to survive in this competitive world, which is a myth in business.

I) *Competitive Advantage Plays a Role in Mediating the Effect of Product Innovation on Sustainable Business*

Studies have proven that product innovation does not affect sustainable business through competitive advantage. In other words, the better the product innovation carried out will be followed by a not-too-strong decrease in business sustainability mediated by an increase in competitive advantage. Based on interviews with the owner of Laksmi Devi related to the outcomes of this research, Laksmi Devi does not fully require a competitive advantage for its business to continue because Laksmi Devi has products with unique characteristics that seem traditional and have a distinctive regional taste that is suitable for souvenirs. Not only that, Laksmi Devi's business sustainability is also supported by stable and regular orders from several Balinese souvenir shops such as all Krisna Oleh-oleh Bali outlets, Toko Erlangga Oleh-oleh Khas Bali and The Keranjang Bali. If the innovation in the product is not as expected by consumers, then the competitive advantage is not a determining factor in the sustainability of the business.

J) *Competitive Advantage Plays a Role in Mediating the Effect of Social Media Marketing on Sustainable Business*

Studies have proven that social media marketing has no effect on sustainable business through competitive advantage. In other words, better social media marketing done will be followed by a not-so-strong decline in business sustainability mediated by an increase in competitive advantage. Based on an interview with the owner of Laksmi Devi related to the outcomes of this research, Laksmi Devi does not fully require a competitive advantage for its business to continue because marketing through social media is also an inappropriate way to apply. This is because Laksmi Devi's customers or consumers are not active or do not really participate in using social media platforms, and social media marketing does not provide significant results if applied to companies that sell their products to other companies or B2B (business-to-business). This statement is in line with research by Supplygem in an article written by Andriawan (2019), which states that social media marketing in the B2B sector does not significantly increase sales, but social media marketing can still be useful in several ways.

V. CONCLUSION AND SUGGESTIONS

Based on the outcomes and discussion, the following conclusions can be drawn. Product innovation has a positive and insignificant effect on sustainable business, so that the better Laksmi Devi's product innovation will cause a not-too-strong increase in business sustainability. Social media marketing has a positive and insignificant effect on sustainable business, so the better the social media marketing done by Laksmi Devi will cause a not-too-strong increase in business sustainability. Product innovation has a positive and insignificant effect on competitive advantage, so Laksmi Devi's product innovation will cause a not-too-strong increase in competitive advantage. Social media marketing has a positive and insignificant effect on competitive advantage, so the better social media marketing done by Laksmi Devi will cause a not-too-strong increase in competitive advantage. Competitive advantage has a negative and insignificant effect on sustainable business, so the more superior Laksmi Devi is in competing will cause a decrease in business continuity. Competitive advantage does not play a role in mediating the effect of product innovation on sustainable business, so the effect of product innovation can be reduced through the mediation of competitive advantage in order to increase business sustainability. Competitive advantage does not play a role in mediating the effect of social media marketing on sustainable business, so the influence of social media marketing can be reduced through the mediation of competitive advantage in order to increase business sustainability.

Following the result of this research, we suggest for future research to address the shortage or unavailability of sought-after fried peanut products due to limited raw peanut stock; business owners can incorporate other types of nuts, such as soybeans and various nut varieties, into the processing of fried peanut products. Additionally, owners can diversify their products by introducing different flavors such as chilli balado, seaweed, and other variations. This approach aims to attract a wider consumer base, encouraging them to try the products and generate interest in purchasing. To increase innovation in the product, the owner can make peanut butter products with variants of peanut flavours used, such as Kapri peanut butter or koro peanut butter. In addition, the owner can also make peanut sauce products by using variants of flavours, such as chilli sauce for Kapri beans or koro beans with Balinese spices or special spices. The owner can improve social media marketing regularly by

creating and uploading photos of Laksmi Devi products with an invitation sentence or full explanation of the product being promoted. The owner can also make short videos to support promotions on social media, such as videos of the production process, packaging, and even videos when shipping products to the hands of consumers or resellers. In addition, to convince consumers regarding Laksmi Devi products, the owner can also ask for opinions from consumers who have consumed Laksmi Devi products and then upload them to social media as a form of testimonials from consumers. Laksmi Devi's products are in the decline stage because, at that stage, sales and profits are declining. The owner can choose to keep the brand alive by repositioning or returning to the growth stage of the product life cycle, or the owner can choose to get rid of products that are not doing well financially. Future researchers can develop factors that have a strong influence, including the variables in this research.

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