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Market Orientation, Social Media Marketing, and Competitive Advantage as Determinants of Business Performance: Evidence from Motorcycle Spare Parts MSMEs in Medan City

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ABSTRACT

Business development in the digital era requires companies to improve business performance through the creation of sustainable value. Motorcycle spare parts entrepreneurs in Medan face various challenges, including increasingly intense competition, changing customer needs, and the suboptimal utilization of social media for marketing activities. These conditions highlight the importance of implementing market orientation, social media marketing, and competitive advantage to improve business performance. Therefore, this study aims to analyze the effects of market orientation, social media marketing, and competitive advantage on business performance among motorcycle spare parts entrepreneurs in Medan. This study employs a quantitative approach involving 170 respondents determined based on the guidelines proposed by Hair et al. (2022). Data were collected through questionnaires using instruments that had been tested for validity and reliability. The data were subsequently analyzed using SPSS through classical assumption tests, multiple linear regression analysis, t-tests, F-tests, and the coefficient of determination. The results indicate that market orientation, social media marketing, and competitive advantage have positive and significant effects on business performance, both partially and simultaneously. These findings demonstrate that strengthening market orientation, effectively utilizing social media marketing, and enhancing competitive advantage can contribute to improved business performance among motorcycle spare parts entrepreneurs in Medan.

Keywords: Market Orientation, Social Media Marketing, Competitive Advantage, Business Performance

INTRODUCTION

Amid increasing competition and rapid digitalization, business performance is essential for ensuring the sustainability of micro, small, and medium enterprises (MSMEs). Business success depends not only on product quality but also on market understanding, competitive advantage, and effective digital technology utilization (Asniwati & Latief, 2024). As key contributors to Indonesia's economy and employment, MSMEs must continuously adapt to changing business environments, particularly in the motor vehicle spare parts trading sector, to maintain competitiveness and support automotive industry growth.

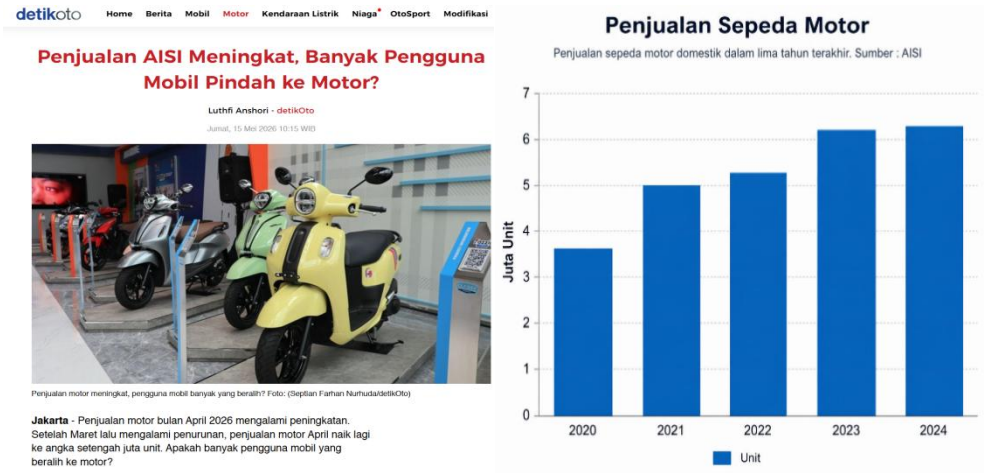


Figure 1. Trends in Motorcycle Usage
Source: Detikoto, 2026

High motorcycle usage has increased spare parts demand and competition in Medan, requiring businesses to deliver greater value to maintain competitiveness and achieve sustainable growth (Kompasiana, 2025); (Lai et al., 2026); (Cary, 2026). Intense competition among motorcycle spare parts businesses in Medan may reduce sales and business performance, which reflects a business's achievements over a specific period (Suprani et al., 2024). To examine this phenomenon, a preliminary survey was conducted among 30 entrepreneurs based on average sales from 2021 to 2025.

Table 1.
Average Business Performance of Spare Parts Entrepreneurs in Medan, 2021–2025

Year	Total Average Sales (IDR)	Growth (%)
2021	1.575.000.000	-
2022	1.498.500.000	-4,86
2023	1.532.000.000	2,24
2024	1.387.500.000	-9,43
2025	1.268.000.000	-8,61

Source: Preliminary survey of 30 motorcycle spare parts MSMEs in Medan, 2026

Average sales among motorcycle spare parts entrepreneurs in Medan declined from IDR 1.575 billion in 2021 to IDR 1.268 billion in 2025. Price competition (76.7%), increased competition (70%), and changing consumer behavior (66.7%) highlight the need to improve business performance through digital technology and competitive advantage (Mim et al., 2026); (Aprillia et al., 2026).

Market orientation is a factor that may influence business performance, as it enables businesses to understand customer needs and respond to competitors (Daniella & Utama, 2023; Zoelyn & Ie 2023). However, some motorcycle spare parts entrepreneurs in Medan have not adequately monitored changing consumer preferences, product trends, competitors' prices, or service offerings, potentially limiting their ability to adapt and retain customers. The study by Sefanya & Ie (2024) demonstrates that market orientation has a significant effect on business performance.

Another factor expected to influence business performance is social media marketing. According to Rahim et al. (2024), social media marketing is a digital marketing strategy that utilizes social media to promote products and establish interactions with consumers. This strategy can strengthen brand awareness, expand market reach, and enhance customer relationships at a relatively lower cost than conventional marketing. Raniya et

al. (2024) social Media Marketing reflects a brand's ability to deliver value, share authentic information, and engage customers. However, some motorcycle spare parts entrepreneurs in Medan underutilize social media for promotion, product information, and customer interaction. Inconsistent content and low engagement may limit online visibility, market reach, electronic word-of-mouth, and business performance. Studies by Deviantri et al. (2023); Shaheen (2025); Zeren et al. (2026); Wang et al. (2026) indicate that social media marketing has a significant effect on business performance.

Competitive advantage is another factor influencing business performance, reflecting a business's ability to deliver greater value than competitors to attract and retain customers. According to Pasaribu et al. (2025), competitive advantage is a company's ability to outperform competitors through superior product quality, variety, service, and pricing. It creates greater customer value, differentiates the business, improves performance, and supports long-term profitability and market position (Yulianto, 2025).

A preliminary survey found that motorcycle spare parts entrepreneurs in Medan faced challenges in pricing (73.3%), product quality and variety (66.7%), product availability (70%), and service responsiveness (63.3%). These issues may weaken competitive advantage and customer retention, highlighting the need to improve customer value and business performance. Studies conducted by Sefanya & Ie (2024); Tsambou & Djoumessi (2025); Tsambou et al. (2025) indicate that competitive advantage has a positive and significant effect on business performance. Despite having regular customers, motorcycle spare parts entrepreneurs in Medan face competitive challenges, including stock shortages (70%), limited product variety (66.7%), slow service (63.3%), and inadequate product information (60%). These issues highlight the need to improve product availability, variety, and service quality to strengthen competitive advantage and business performance (Cakir et al., 2026). These challenges highlight the need to strengthen competitive advantage to retain customers and improve business performance. Therefore, this study examines the effects of market orientation, social media marketing, and competitive advantage on business performance, particularly given the inconsistent findings of previous studies on market orientation. Regarding market orientation, Utama (2023) found that market orientation has a significant effect on business performance. Sefanya & Ie (2024) also found that market orientation had a positive and significant effect on business performance. These empirical findings indicate that the relationship between market orientation and business performance warrants further investigation.

Regarding social media marketing, Aprillia et al. (2026) found that social media marketing had a positive and significant effect on business performance. This finding is supported by Alam et al. (2024), who also found that social media marketing can improve business performance. Regarding competitive advantage, Sefanya & Ie (2024) Previous studies found that competitive advantage positively affects business performance. However, limited research has examined the combined effects of market orientation, social media marketing, and competitive advantage on motorcycle spare parts MSMEs in Medan. This study addresses this gap by analyzing these three factors in relation to business performance.

LITERATURE REVIEW

Business Performance

Business performance refers to the level of success achieved by a company in attaining its predetermined objectives, encompassing both financial and non-financial aspects (Dahmiri, 2023). Business performance is used as a measure to assess the extent to which a company achieves its targets through creativity, innovation, and the ability to

create value for customers (Alamsyah, 2025). In addition, business performance represents the outcomes achieved by a company based on predetermined targets or objectives (Susanto, 2025). Business performance can also be viewed as the outcome of various managerial decisions made to achieve organizational objectives (Taliupan et al., 2025). Meanwhile, performance refers to the results achieved by individuals or groups in accordance with their authority and responsibilities in supporting the achievement of business objectives (Anggusti et al., 2024). Business performance reflects a company's success in achieving its objectives through effective resource utilization, strategy implementation, and target achievement. Its indicators are as follows (Taliupan et al., 2025):

1. Customer growth
2. Sales growth
3. Market share growth
4. Customer retention
5. Business growth compared with competitors

Market Orientation

Market orientation refers to an organizational behavior or culture that contributes to the creation of value and superior performance by fulfilling customer needs and satisfaction (Daniella & Utama, 2023). Market orientation is a process undertaken by business owners to examine and evaluate information concerning current market conditions in order to understand how businesses can establish and maintain favorable relationships with market participants (Maisirata, 2021); (Andari et al., 2025). Market orientation focuses on understanding customer needs, market conditions, and competitors to create customer value, improve satisfaction, identify market opportunities, and enhance business performance. Its indicators are as follows (Hanif et al., 2022):

1. Customer orientation
2. Competitor orientation
3. Interfunctional coordination

Social Media Marketing

Social media marketing is a digital marketing strategy that utilizes various social media platforms, such as Twitter, Facebook, TikTok, and Instagram, to promote products and establish strong interactions with target audiences. This strategy can strengthen brand awareness, facilitate relationships with consumers, and improve brand performance (Rahim et al., 2024). In addition, social media marketing refers to business activities undertaken to market products or services and promote brands through digital media, particularly the internet (Rezeki et al., 2023); (Agustina & Rezeki, 2023). Social media marketing utilizes digital platforms to promote products, engage customers, increase brand awareness, expand market reach, and strengthen customer relationships. It can be measured through several dimensions reflecting the effectiveness of a business's social media marketing activities, namely (Rezeki et al., 2023):

1. Entertainment
2. Interaction
3. Trendiness
4. Customization
5. Word of Mouth

Competitive Advantage

Competitive advantage refers to the uniqueness or superiority possessed by a company that enables it to differentiate itself from competitors and provide greater value to customers (Yulianto, 2025); (Pasaribu et al., 2025). Competitive advantage can also be defined as a condition in which a business is able to generate profits exceeding those of its competitors, thereby enabling it to maintain its existence and competitiveness in

the market (Fatkhurahman, 2023). Competitive advantage is a company's ability to create uniqueness, added value, and superiority over competitors, thereby enhancing competitiveness, delivering greater customer value, and improving business performance. Competitive advantage can be measured using several indicators that reflect a business's ability to compete in the market, as follows (Pasaribu et al., 2025):

1. Product quality
2. Price competitiveness
3. Product availability
4. Service responsiveness

Relationships Among Variables

Digital technology has transformed business activities, including those within the MSME sector. Under these conditions, market orientation plays an important role in helping business owners understand consumer needs, respond to market changes, and improve competitiveness and business performance. The ability to understand consumer needs and preferences, monitor market developments, and consider competitive conditions enables business owners to adjust their business strategies more appropriately. Previous studies have demonstrated that market orientation has a significant effect on business performance (Utama, 2023; Daniella & Utama, 2023; Sefanya & Ie, 2024; Aprillia et al., 2026; Zoelyn & Ie, 2023). Based on this discussion, the first hypothesis of this study is formulated as follows:

H_1: Market Orientation has a positive and significant effect on Business Performance among motorcycle spare parts entrepreneurs in Medan City.

Social media marketing offers MSMEs an affordable means of promoting products, building brand identity, engaging with customers, and facilitating transactions through platforms such as Instagram, Facebook, TikTok, YouTube, and WhatsApp Business. However, its effectiveness depends on strategic market segmentation, consistent messaging, quality content, responsive communication, and integration with business operations. Without effective management, high social media engagement may not translate into increased sales or profitability (Rahim et al., 2024; Raniya et al., 2024). Previous studies have shown that social media marketing has a significant effect on business performance (Deviantri et al., 2023; Shaheen, 2025; Zeren et al., 2026; Wang et al., 2026). These findings indicate that the strategic utilization of social media can serve as one of the factors supporting improvements in business performance. Based on this discussion, the second hypothesis of this study is formulated as follows:

H_2: Social Media Marketing has a positive and significant effect on Business Performance among motorcycle spare parts entrepreneurs in Medan City.

The MSME sector is also relatively adaptable to various market conditions, including periods of economic crisis. Nevertheless, some MSMEs continue to face various challenges and constraints, both external and internal. Several factors can influence the extent to which a business achieves strong performance, including entrepreneurial orientation, market orientation, and competitive advantage (Sefanya & Ie, 2024). Previous studies have demonstrated that competitive advantage has a significant effect on business performance (Sefanya & Ie, 2024; Tsambou & Djoumessi, 2025; Tsambou et al., 2025). Based on this discussion, the third hypothesis of this study is formulated as follows:

H_3: Competitive Advantage has a positive and significant effect on Business Performance among motorcycle spare parts entrepreneurs in Medan City.

Various factors can influence business performance, including market orientation, social media marketing, and competitive advantage. Market orientation helps companies understand customer needs, identify market changes, and formulate appropriate

strategies to improve business performance (Aprillia et al., 2026). In addition, effectively managed social media marketing can expand market reach, establish customer relationships, and improve business performance through the utilization of digital platforms (Rahim et al., 2024). Competitive advantage also enables companies to create differentiated value relative to competitors, thereby strengthening competitiveness and business performance (Sefanya & Ie, 2024). Based on this discussion, the fourth hypothesis of this study is formulated as follows:

H_4: Market Orientation, Social Media Marketing, and Competitive Advantage simultaneously have a positive and significant effect on Business Performance among motorcycle spare parts entrepreneurs in Medan City.

Accordingly, the conceptual framework employed in this study is presented in the following figure:

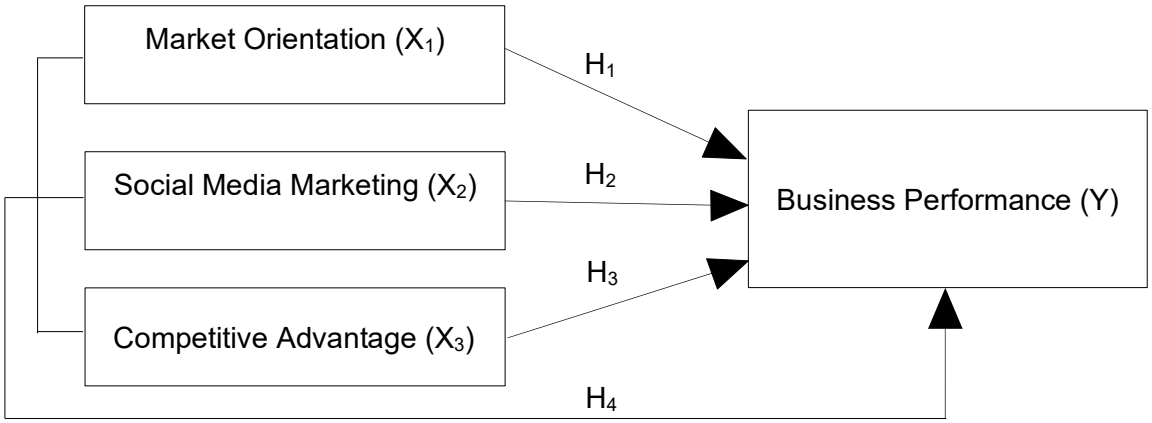


Figure 2. Conceptual Framework

RESEARCH METHOD

This study employs a quantitative approach to examine the effects of Market Orientation, Social Media Marketing, and Competitive Advantage on Business Performance among motorcycle spare parts entrepreneurs in Medan City. The population size is unknown; therefore, the sample size was determined using Hair et al. (2022), who recommend 5 to 10 respondents per indicator for multivariate research. With 17 indicators, comprising 5 for Business Performance, 3 for Market Orientation, 5 for Social Media Marketing, and 4 for Competitive Advantage, the required sample ranges from 85 to 170 respondents. Accordingly, this study uses 170 respondents to ensure adequate data for statistical analysis.

Before data analysis, the research instrument was tested for validity using Corrected Item-Total Correlation against the r-table value and reliability using Cronbach's Alpha, with a threshold of 0.70. Data were analyzed using SPSS through descriptive statistics, instrument testing, and classical assumption tests, including normality, multicollinearity, and heteroscedasticity. Multiple linear regression was then used to examine the effects of market orientation, social media marketing, and competitive advantage on business performance. Hypotheses were tested using t-tests for partial effects and an F-test for simultaneous effects, while the coefficient of determination (R^2) measured the explanatory power of the independent variables on business performance among motorcycle spare parts entrepreneurs in Medan City.

RESULT AND DISCUSSION

Validity and Reliability Tests

The validity test was conducted using a pilot sample consisting of 30 respondents who were not included in the research sample. The results of the validity test are presented:

Table 2.
Results of the Validity Test

Statement	r_{hitung}	r_{tabel}	Criteria	Conclusion
Market Orientation				
1	0.807	0.361	$r_{hitung} > r_{tabel}$	Valid
2	0.761	0.361	$r_{hitung} > r_{tabel}$	Valid
3	0.717	0.361	$r_{hitung} > r_{tabel}$	Valid
4	0.806	0.361	$r_{hitung} > r_{tabel}$	Valid
5	0.805	0.361	$r_{hitung} > r_{tabel}$	Valid
6	0.842	0.361	$r_{hitung} > r_{tabel}$	Valid
Social Media Marketing				
1	0.786	0.361	$r_{hitung} > r_{tabel}$	Valid
2	0.651	0.361	$r_{hitung} > r_{tabel}$	Valid
3	0.672	0.361	$r_{hitung} > r_{tabel}$	Valid
4	0.787	0.361	$r_{hitung} > r_{tabel}$	Valid
5	0.725	0.361	$r_{hitung} > r_{tabel}$	Valid
6	0.686	0.361	$r_{hitung} > r_{tabel}$	Valid
7	0.793	0.361	$r_{hitung} > r_{tabel}$	Valid
8	0.583	0.361	$r_{hitung} > r_{tabel}$	Valid
9	0.813	0.361	$r_{hitung} > r_{tabel}$	Valid
10	0.835	0.361	$r_{hitung} > r_{tabel}$	Valid
Competitive Advantage				
1	0.867	0.361	$r_{hitung} > r_{tabel}$	Valid
2	0.778	0.361	$r_{hitung} > r_{tabel}$	Valid
3	0.847	0.361	$r_{hitung} > r_{tabel}$	Valid
4	0.777	0.361	$r_{hitung} > r_{tabel}$	Valid
5	0.825	0.361	$r_{hitung} > r_{tabel}$	Valid
6	0.797	0.361	$r_{hitung} > r_{tabel}$	Valid
7	0.866	0.361	$r_{hitung} > r_{tabel}$	Valid
8	0.655	0.361	$r_{hitung} > r_{tabel}$	Valid
Business Performance				
1	0.872	0.361	$r_{hitung} > r_{tabel}$	Valid
2	0.809	0.361	$r_{hitung} > r_{tabel}$	Valid
3	0.859	0.361	$r_{hitung} > r_{tabel}$	Valid
4	0.835	0.361	$r_{hitung} > r_{tabel}$	Valid
5	0.524	0.361	$r_{hitung} > r_{tabel}$	Valid
6	0.900	0.361	$r_{hitung} > r_{tabel}$	Valid
7	0.379	0.361	$r_{hitung} > r_{tabel}$	Valid
8	0.571	0.361	$r_{hitung} > r_{tabel}$	Valid
9	0.609	0.361	$r_{hitung} > r_{tabel}$	Valid
10	0.671	0.361	$r_{hitung} > r_{tabel}$	Valid

Source: Processed Research Data, 2026

Based on the table above, the validity test results for all variables indicate that all Corrected Item-Total Correlation values are greater than the r-table value of 0.361. Therefore, all questionnaire items for the variables are considered valid and suitable for use in this study.

Reliability Test

The reliability test was conducted using a pilot sample consisting of 30 respondents who were not included in the research sample. The results of the reliability test are presented:

Table 3.
Results of the Reliability Test

Variable	Cronbach's Alpha	N of Items
Market Orientation	0.879	6
Social Media Marketing	0.902	10
Competitive Advantage	0.920	8
Business Performance	0.889	10

Source: Processed Research Data, 2026

Based on the results, all variables have Cronbach's Alpha values greater than 0.70. Therefore, all research instruments demonstrate acceptable internal consistency and are considered reliable.

Normality Test
The results of the normality test using the Histogram are presented as follows:

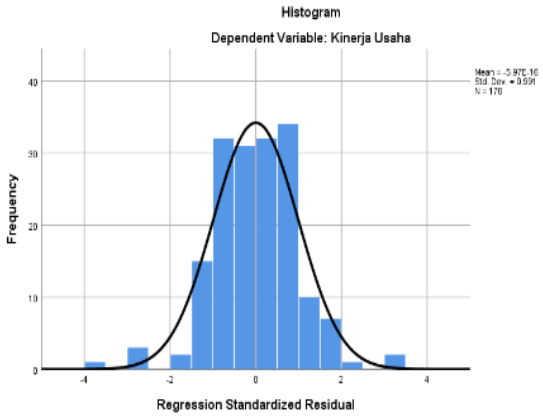


Figure 3. Histogram Graphic
Source: Processed Research Data, 2026

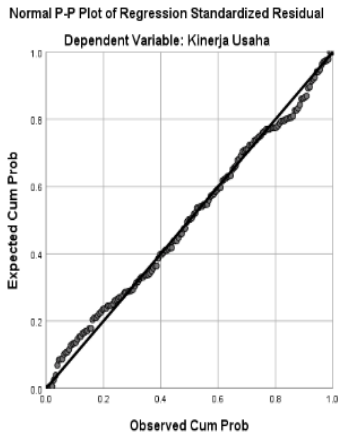


Figure 4. Normal Probability Plot Regression Graphic
Source: Processed Research Data, 2026

The histogram is bell-shaped, and the points follow the diagonal line, indicating that the regression residuals are approximately normally distributed.

The results of the normality test using the One-Sample Kolmogorov-Smirnov test are presented below:

Table 4.
One-Sample Kolmogorov Smirnov Test

	Unstandardized Residual
N	170
Asymp. Sig. (2-tailed)	.200[c,d]

Source: Processed Research Data, 2026

The Kolmogorov-Smirnov test shows a significance value of 0.200 (> 0.05), indicating that the regression residuals are normally distributed.

Heteroscedasticity Test
The test results are presented in the following table:

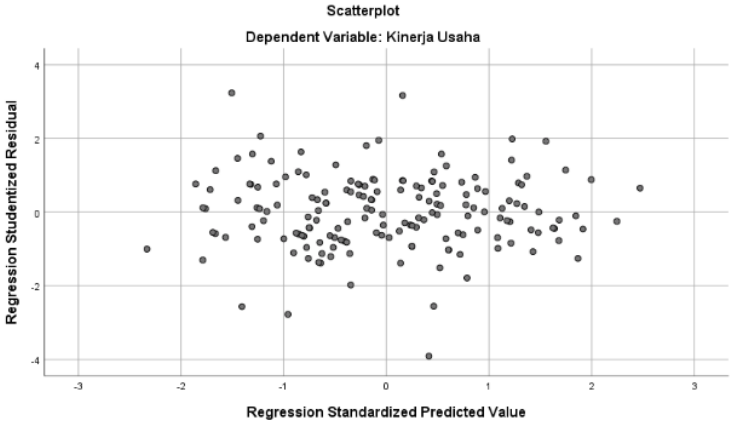


Figure 5. Scatterplot
Source: Processed Research Data, 2026

The scatterplot shows randomly distributed residuals above and below zero with no clear pattern, indicating no evidence of heteroscedasticity. Thus, the homoscedasticity assumption is satisfied.

Multicollinearity Test
The results of the multicollinearity test are presented in the following table:

Table 5.
Results of the Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Market Orientation	.595	1.680
	Social Media Marketing	.986	1.014
	Competitive Advantage	.592	1.689

a. Dependent Variable: Business Performance
Source: Processed Research Data, 2026

Based on the table above, all variables have tolerance values greater than 0.10 and Variance Inflation Factor (VIF) values below 10. Therefore, it can be concluded that the regression model does not exhibit multicollinearity.

Multiple Linear Regression Analysis
The results of the analysis are presented in the following table:

Table 6.
Results of the Multiple Linear Regression Analysis

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta
1	(Constant)	4.576	2.410	
	Market Orientation	.627	.091	.475
	Social Media Marketing	.271	.055	.261
	Competitive Advantage	.278	.071	.270

a. Dependent Variable: Business Performance
Source: Processed Research Data, 2026

Business Performance = 4,576 + 0,627 Market Orientation + 0,271 Social Media Marketing + 0,278 Competitive Advantage + e

The regression equation has a constant of 4.576, representing predicted Business Performance when all independent variables are zero. Market Orientation (0.627), Social Media Marketing (0.271), and Competitive Advantage (0.278) have positive coefficients, indicating that each variable positively influences Business Performance, assuming the other variables remain constant.

Partial Hypothesis Testing (t-Test)
The results of the partial hypothesis testing are presented:
Table 7.
Results of the Partial Hypothesis Testing

Model		t	Sig.
1	(Constant)	1.898	.059
	Market Orientation	6.907	.000
	Social Media Marketing	4.886	.000
	Competitive Advantage	3.918	.000

a. Dependent Variable: Business Performance
Source: Processed Research Data, 2026

The t-test results show that Market Orientation (X_1), Social Media Marketing (X_2), and Competitive Advantage (X_3) have positive and significant effects on Business Performance, with t-values of 6.907, 4.886, and 3.918, respectively, all exceeding the critical t-value of 1.974. Each variable has a significance value of 0.000 (< 0.05), indicating that improvements in these three factors are associated with higher Business Performance.

Simultaneous Hypothesis Testing (F-Test)
The results of the F-test are presented below:
Table 8.
Results of the Simultaneous Hypothesis Testing

Model		F	Sig.
1	Regression	63.264	.000[b]
	Residual		
	Total		

a. Dependent Variable: Business Performance
b. Predictors: (Constant), Competitive Advantage, Social Media Marketing, Market Orientation
Source: Processed Research Data, 2026

The F-test results show that Market Orientation, Social Media Marketing, and Competitive Advantage simultaneously have a significant effect on Business Performance, with an F-value of 63.264, exceeding the critical F-value of 2.66, and a significance value of 0.000 (< 0.05). Therefore, the hypothesis is accepted.

Coefficient of Determination

The results of the coefficient of determination test are presented in the following table:

Table 9.

Results of the Coefficient of Determination Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.730[a]	.533	.525	3.580

a. Predictors: (Constant), Competitive Advantage, Social Media Marketing, Market Orientation
b. Dependent Variable: Business Performance

Source: Processed Research Data, 2026

Based on Table 6, the Adjusted R Square value is 0.525. This indicates that Social Media Marketing, Market Orientation, and Competitive Advantage collectively explain 52.5% of the variation in Business Performance, while the remaining 47.5% is explained by other factors that are not included in the research model.

DISCUSSION

Effect of Market Orientation on Business Performance

Market Orientation positively and significantly affects Business Performance among motorcycle spare parts MSMEs in Medan City by helping entrepreneurs understand customer needs, monitor competitors, and make informed business decisions. This finding is consistent with previous studiesby Utama (2023), Daniella & Utama (2023), Sefanya & Ie (2024), Aprillia et al. (2026) and Zoelyn & Ie (2023), which report a positive relationship between Market Orientation and business performance. The present study extends these findings by providing evidence from the specific context of motorcycle spare parts MSMEs in Medan City. Thus, market orientation represents an important capability for MSMEs operating in a competitive and rapidly changing market.

Effect of Social Media Marketing on Business Performance

Social Media Marketing positively and significantly affects Business Performance among motorcycle spare parts MSMEs by increasing product visibility, engaging customers, expanding market reach, and providing relevant product information. These findings are consistent with the studies conducted by Deviantri et al. (2023), Shaheen (2025), Zeren et al. (2026) and Wang et al. (2026) who identify the relevance of social media marketing to business or firm performance. In the context of this study, effective social media marketing can therefore support business performance by expanding market reach and strengthening customer communication.

Effect of Competitive Advantage on Business Performance

Competitive Advantage positively and significantly affects Business Performance among motorcycle spare parts MSMEs by offering quality products, competitive prices, product availability, variety, and responsive service that enhance customer satisfaction and competitiveness. These findings are consistent with Sefanya & Ie (2024), Tsambou & Djoumessi (2025); Tsambou et al. (2025), which emphasize the relevance of competitive advantage to business performance. The present study reinforces this relationship in the motorcycle spare parts MSME context, where product and service differentiation can become an important basis for competing in the market.

Effect of Market Orientation, Social Media Marketing, and Competitive Advantage on Business Performance

Market Orientation, Social Media Marketing, and Competitive Advantage simultaneously have a significant effect on Business Performance, with an R^2 of 0.533, explaining 53.3% of its variation. This study integrates the three variables into one model, demonstrating their combined relevance in improving business performance among motorcycle spare parts MSMEs in Medan City.

CONCLUSION

The study concludes that Market Orientation, Social Media Marketing, and Competitive Advantage each have a positive and significant effect on Business Performance among motorcycle spare parts entrepreneurs in Medan City, with t-values of 6.907, 4.886, and 3.918, respectively ($p < 0.05$). Simultaneously, the three variables significantly affect Business Performance ($F = 63.264$, $p < 0.05$). The Adjusted R^2 of 0.525 indicates that they explain 52.5% of the variation in Business Performance, while the remaining 47.5% is attributable to other factors. Market Orientation makes the largest contribution (30.40%), followed by Competitive Advantage (16.40%) and Social Media Marketing (7.07%).

RECOMMENDATIONS

Motorcycle spare parts entrepreneurs in Medan should strengthen Market Orientation, optimize Social Media Marketing, and enhance Competitive Advantage through better product quality, service, variety, pricing, and added value. Future researchers should explore additional variables, broader geographical areas, and diverse respondents and business sectors to better understand the factors influencing Business Performance.

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