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**QUALITATIVE STUDY OF ENTREPRENEURIAL MARKETING  
AND PERFORMANCE OF VILLAGE-OWNED ENTERPRISES (VOES)  
IN INDONESIA**

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**ABSTRACT**

**Objective:** The performance of village-owned enterprises is examined in this study along with the key components of the entrepreneurial marketing idea. The degree to which current marketing techniques align with entrepreneurial marketing strategies is also evaluated. **Research Design & Methods:** This study uses a qualitative research design and semi-structured in-depth interviews with 12 directors of chosen village-owned enterprises. The interviews were based on seven components of the entrepreneurial marketing concept: financial performance and non-financial performance. The ATLAS.ti program was used to facilitate the thematic analysis of the gathered data. **Findings:** The research conclusions demonstrate that village-owned enterprises have been successful in incorporating entrepreneurial marketing ideas, which are crucial to their operations. **Contribution & Value Added:** The main contribution behind this study is the lack of empirical research on entrepreneurial marketing from the perspective of village-owned enterprises.

**Keywords:** entrepreneurial marketing; firm performance; qualitative study; village-owned enterprises.

**JEL codes:** L25, M00, M31

**Article type:** research paper

**INTRODUCTION**

Entrepreneurial marketing is another tactic for helping village-owned enterprises expand and succeed. It sits at the nexus of marketing and entrepreneurship and strives to proactively capitalize on possibilities through an innovative perspective. It is said that entrepreneurial marketing is impromptu, nonlinear, and visionary (Kurgun et al., 2011; Morris et al., 2002). In especially for village-owned enterprises, entrepreneurship—which is linked to qualities like creativity, adaptability, opportunity recognition, proactivity, value generation, and risk-taking—is essential. For village-owned enterprises, entrepreneurial marketing—which blurs the lines between marketing and entrepreneurship—is a successful and profitable substitute for conventional marketing techniques. It aims to seize possibilities early by embracing innovative perspectives. In actuality, this kind of entrepreneurial perspective leads to a more entrepreneurial understanding of the marketing mix's content and promotes its improvement as opposed to diversification. The traits of entrepreneurship associated with it in the literature are best illustrated by entrepreneurial marketing techniques, which are derived from an entrepreneurial viewpoint on conventional marketing (Stokes & Lomax, 2002).

Can entrepreneurial marketing be implemented in village-owned enterprises? This research subject has been addressed in numerous publications. Relevant studies show that small-scale enterprises can benefit from entrepreneurial marketing (Hendijani Fard & Seyyed Amiri, 2018; Kocak & Abimbola, 2009;

[Sadiku-Dushi et al., 2019](#); [Stokes, 2000](#)). The majority of studies on entrepreneurial marketing focus on large companies, and small and medium enterprises (SMEs), this study is successful researching entrepreneurial marketing in village-owned enterprises in Indonesia. A study of entrepreneurial marketing and firm performance in village-owned enterprises is the first in district of Rokan Hulu Indonesia, this is an important study. This study aims to determine whether village-owned enterprises benefit from the following seven aspects of entrepreneurial marketing: value creation, resource leveraging, customer intensity, innovation, proactiveness, opportunity focus, and calculated risk taking. This study aimed to determine the resources that village-owned enterprises used to modify their entrepreneurial marketing strategies. In addition, we determined how much contemporary marketing strategies resemble or deviate from entrepreneurial marketing. This study specifically focuses on entrepreneurial marketing in village-owned enterprises, thus broadening our knowledge of the subject. This study is significant because it is the first to use the concept of village-owned businesses to objectively investigate entrepreneurial marketing. The primary driving force behind this study was the dearth of previous studies on entrepreneurial marketing in the context of village-owned firms, especially those in Indonesia. Previous research on the village-owned enterprises focused on various aspects of performance [R. N. Sari et al. \(2019\)](#) have focused on financial performance and social performance. While some studies others focused on financial performance [Y. P. Sari \(2019\)](#) research aims to find the appropriate measurements to measure the financial performance of village owned enterprises ([Hidayati, 2015](#)). The focus of research aims to test manager's performance by using three indicators, input indicators, process and output performance indicators. Research of [Sofyani et al. \(2019\)](#) intends to look into the main aspects that influence the performance of village-owned businesses. Whereas [Akadun et al. \(2019\)](#) based on measurement techniques and criteria such support for the village head, cash flow, managerial professionalism, financial reporting, service quality, personnel development, customer maintenance, profit, and development funds.

Since the idea of entrepreneurial marketing in the village-owned enterprise sector, especially in Indonesia, is still a relatively unexplored topic, this study will answer the research question of whether village-owned enterprises benefit from the seven dimensions of entrepreneurial marketing. Using an exploratory research design and a qualitative research approach. The main method used to collect data is a semi-structured interview approach. The authors of this study seven characteristics of entrepreneurial marketing, which are discussed using open-ended semi-structured interview questions, taking into account relevant literature and previous research findings.

## LITERATURE REVIEW

### Entrepreneurial Marketing

Traditional marketing methods are less effective because of market uncertainty caused by major changes in customer tastes and technology ([Alqahtani & Uslay, 2020](#)). Therefore, it is imperative that marketing academics. Develop marketing theory by incorporating ideas like innovation, risk management, and proactiveness. Value creation is the common thread that unites EM, entrepreneurship, and marketing in this emerging domain ([Mort et al., 2012](#)). Initially, EM was linked to marketing initiatives carried out by SMEs with constrained funding, and it was frequently connected to innovative and impromptu marketing initiatives ([Hills et al., 2010](#); [Mort et al., 2012](#)). However, this restrictive definition of EM has subsequently developed into a more comprehensive and encompassing understanding. Marketing and entrepreneurship are typically seen as two distinct academic fields. Currently, an entrepreneur can practice entrepreneurial marketing as a separate discipline and the greatest business solution for small businesses. Companies seeking a competitive edge have acknowledged and adopted entrepreneurial marketing in addition to marketing and entrepreneurship disciplines ([Eggers et al., 2020](#)). Contrary to traditional marketing theory, an entrepreneur can use marketing activities in a variety of ways ([Nijssen, 2017](#)). [Morrish & Deacon \(2009\)](#) define entrepreneurial marketing as the process of routinely analyzing the environment to identify or create new chances and skillfully seizing the moment to regain a competitive advantage. Instead of reacting to consumer demands, companies that use entrepreneurial marketing are proactive and inventive in seizing the initiative or drawing clients ([Morris et al., 2002](#)). As a result, rather than concentrating on serving their existing clientele, businesses may now pay greater

attention to emerging markets thanks to entrepreneurial marketing. According to certain research on entrepreneurial marketing, small- and medium-sized businesses who don't have a traditional marketing plan are said to be lacking in marketing practices overall (Kraus et al., 2010). The new marketing structure of small and medium-sized enterprises and the conventional marketing concept used by large organizations vary fundamentally (Nijssen, 2017). Seven components make up the entrepreneurial marketing structure, as noted in the research of Morrish & Deacon (2009) the seven components are listed in summary as follows: opportunity-driven mindset, customer intensity elements, behavior centered on innovation, risk management exercises, and resource-leveraging behaviors and elements that provide value (Morris et al., 2002). According to Eggers et al. (2013), an entrepreneur's readiness to make audacious decisions throughout the development and implementation of their business plans to impact their competitive business environment is referred to as their proactive orientation. According to Morrish & Deacon (2009), the opportunity-driven component of entrepreneurial marketing focuses on how business owners search their cutthroat industry for fresh approaches to gaining a competitive edge. According to Miles & Jenny Darroch (2006), customer intensity is the degree to which business owners establish and maintain connections with their clients, for example, by gathering and addressing information about their requirements and desires. A crucial component of the market orientation concept is comparable to client orientation (Narver et al., 2004).

Entrepreneurs who exhibit innovation-focused behaviors plan and execute technological and creative processes in their businesses, such as creating new items to satisfy the demands and desires of their clientele (Morrish & Deacon, 2009). Entrepreneurs must be aware of the likelihood that their business strategies will succeed or fail. They must also take steps to reduce risk, such as managing their resources and capabilities to minimize financial losses (O'Donnell et al., 2002). Furthermore, according to Kraus et al. (2010), resource-leveraging activities are those that business owners employ to make the most of their non-financial and financial assets to perform their competitive strategy. Small business owners frequently have a restricted range of resources (financial included) at their disposal (O'Dwyer et al., 2009; Rauch et al., 2009). By managing the right resources with the right competitive strategies, resource-leveraging activities help entrepreneurs maximize the performance of their organizations (Bjerke & Hultman, 2002).

The value creation dimension of entrepreneurial marketing focuses on how businesses can generate value for their clients and is one of the most important subjects in marketing literature (Crick, 2019). Since there are various ways to create customer value, including through market-oriented behaviors (generating, disseminating, and responding to market intelligence), entrepreneurs must engage in customer value-oriented activities that align with their available resources and capabilities (Hills et al., 2008; Jaworski & Kohli, 1993). These seven traits of entrepreneurial marketing summarize the relationship between marketing and entrepreneurship as a set of behaviors that combine the dynamics of market and entrepreneurial orientation (Morris et al., 2002; Whalen & Akaka, 2016). The idea of marketing/entrepreneurship interaction is connected to some understudied problems related to the competition literature in the current study.

### **Firm Performance**

Firm performance, as defined by Radipere & Dhliwayo (2014) is the degree to which an organization achieves its goals. Another way to describe a company's success is as its ability to meet the needs of its primary stakeholders and the organization (Smith & Reece, 1999). The excellent performance of small- and medium-sized businesses in their day-to-day operations ensures their sustainability and facilitates the exploitation of opportunities in the global market (Aminu & Shariff, 2015). Because only measurable items are managed, performance measures are crucial to an organization's efficient administration and process improvement. Therefore, to improve organizational performance, certain metrics must be used to ascertain how organizational effectiveness affects corporate success (Al-Matari et al., 2014). Among the metrics that are commonly employed are Market Value Added (MVA). The study highlights several key performance indicators, including Return on Equity (ROE), Return on Sales (ROS), Profit Margin (PM), Earnings per Share (EPS), Tobin-Q, and Market-to-Book Value (MTBV). Therefore, for village-owned enterprises, the performance measures in this research include financial performance and non-financial performance (Makmur et al., 2023).

### Village-Owned Enterprises and Entrepreneurial Marketing

Village-owned enterprises (also known as BUMDes in Indonesian) are legally recognized organizations founded by or in collaboration with villages with the intention of managing businesses, allocating resources, promoting investment and productivity, offering services, and/or engaging in other commercial activities that maximize the well-being of villages. It was also noted that the type of business village-owned enterprise is one that conducts operations in the economic sector or provides general services under independent management. Establishing a village-owned enterprise will allow for the following objectives. a). Conducting economic business activities through investment development, business management, economic productivity, and village potential enhancement. Offering products and services, attending to the village community's general needs, and conducting public duties by overseeing the food barns in the village. c) Raise profits or net profits to optimize the village community's economic resources and raise the village's starting income. d) Utilize village assets to increase the value of village assets. (e). Creation of a Village digital economy ecosystem (Jenar, 2022).

The above-mentioned literature offers various definitions of village-owned enterprises, some of which include innovative, customer-focused, and value-oriented organizations. However, some research suggests that entrepreneurial marketing is still relevant and useful for small businesses (Hendijani Fard & Seyyed Amiri, 2018; Kocak & Abimbola, 2009; Sadiku-Dushi et al., 2019; Stokes, 2000). Due to their modest size and distinctive characteristics, village-owned enterprises might be regarded as relevant marketing under the parameters of entrepreneurial marketing, often known as SMEs marketing (Makmur & Mohamad, 2023).

### METHODS

This study evaluates the efficacy of Indonesian village-owned businesses and examine entrepreneurial marketing. This study used a qualitative approach and semi-structured in-depth interviews with the directors of certain village-owned businesses. As previously mentioned, the study's informant will comprise village-owned businesses in the Indonesian province of Riau's Rokan Hulu area. The Rokan Hulu district in the province of Riau, Indonesia, was selected for this research because Indonesian districts and cities employ village-owned enterprises in the area as national-level or experimental initiatives. Furthermore, the district has the highest concentration of VOEs within Riau's province (Media Centre Riau, 2015). We concentrated on the directors of village-owned enterprises that had been in operation for at least five years. Setting these standards is crucial because the company in operation is probably going to shut down before this time (Shinnar & Young, 2008). The following are the informant requirements: i) a village-owned enterprise director; ii) an operational village-owned enterprise registered with the Rokan Hulu, Indonesia, district administration; and iii) the current business must have been operating for a minimum of five years. The 12 participant profiles are presented in Table 1.

Table 1. Informant Profile

Respondents	Range of Age	Gender	Years of VOE establishment
R.1	Late of age 30s	Men	12
R.2	Mid of age 40	Men	8
R.3	Early of age 30s	Women	12
R.4	Late of the age-40s	Men	9
R.5	Mid of age 40	Men	12
R.6	Late of age 30s	Men	8
R.7	Early of age 30s	Women	8
R.8	Mid of age 40	Men	12
R.9	Late of age 30s	Men	9
R.10	Early of age 30s	Women	8
R.11	Mid of age 40	Men	8
R.12	Late of the age-40s	Men	9

Source: Field Survey, 2023

Twelve directors participated in semi-structured in-depth interviews that took place at the participant's village-owned enterprises. Every interview session is guided by a set of interview protocols (Patton, 2004). This protocol consists of three sections: (1) background questions on the owner; (2) company description; and (3) questions concerning the directors' management of the village-owned businesses they oversee. After 45 minutes to 2 hours or data saturation was reached, the 12 directors interviewed stopped conducting interviews and data collection (Jamaludin et al., 2023).

The text transcriptions from this study were put into ATLAS.ti, a program for analyzing qualitative data with operator assistance or assistance. Analytical techniques and the steps taken to arrive at analytical conclusions can be more clearly demonstrated when using CAQDAS (Crowley et al., 2002). Specific codes were assigned to selected texts (sometimes referred to as quotations) that were believed to be potential discoveries using ATLAS.ti's data management features. The 12th interview's verbatim transcription required a great deal of time, resources, and work (Bryman & Bell, 2011).

### Data Analysis

Qualitative methods were employed in this study to give a thorough explanation of the phenomenon under investigation. This research employs a "highly inductive methodology; the most common applications are open codes, categories, and thematic analysis", technique that incorporates qualitative methods including in-depth interviews (Hoon Lim, 2012). In the constant comparative technique, questions are asked repeatedly, the data is analyzed, and the resultant themes from the data are iteratively compared with the literature (Merriam & Tisdell, 2016). The common themes, patterns, and categories of the study were identified using the open, axial, and selective coding technique (Corbin & Strauss, 2015). Figure 1 depicts the data analysis procedure used in this study. The ATLAS.ti program was used to first enter the data, and then open, axial, and selective coding were carried out in accordance with the pertinent emerging themes for the study.

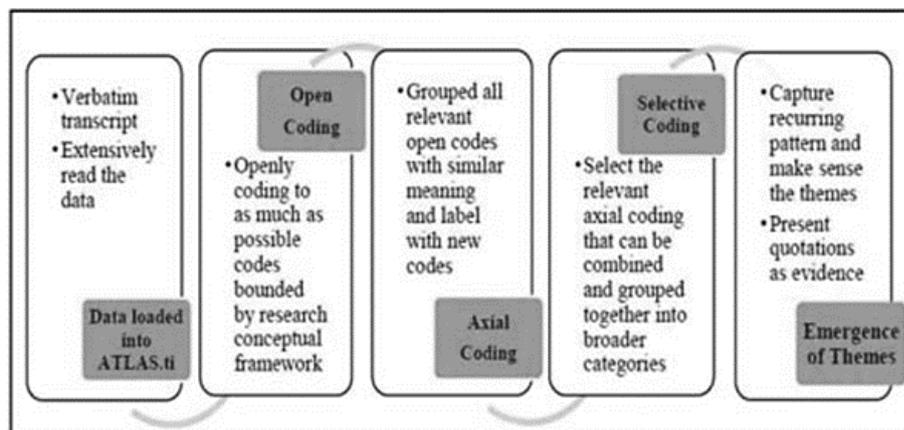


Figure 1. Process of Analysis Data

Source: Jamaludin et al. (2023)

Qualitative research requires data triangulation, which is the use of many methodologies or data sources to evaluate a study's validity (Patton, 2004). In order to completely understand a given phenomenon, we use a technique called researcher triangulation in this study, which entails working with multiple researchers on the same issue. When the opinions of several experts are combined, consensus conclusions are produced, and other researchers tend to view these findings as more reliable. Compared to having a single researcher, it helps to improve data dependability and eliminate biases and limits. The researchers that coded the same transcripts for this paper compared their level of precision in applying the codes and came to the same conclusions.

## FINDINGS

### Entrepreneurial Marketing (Innovativeness) and Performance of Village-Owned Enterprises

In terms of innovation's dimensions, research indicates that entrepreneurial marketing is essential for the creation of new products and services as well as for the identification of fresh opportunities, the

creation of cutting-edge technologies, resource-efficient use of resources, and other activities (Miles et al., 2015; Morris et al., 2002; O'Dwyer et al., 2009). Unlike traditional marketing, which is characterized by a client-centered approach, entrepreneurial marketing places greater emphasis on innovation (Morris et al., 2002).

Respondents in this survey shared concepts about innovation with those found in previous research. Every village-owned business in this survey has innovated, according to the participants. As stated in the quotation that follows: *“Village-owned businesses on providing excellent customer service. They consistently uphold their customers' trust while carrying out their mandate and have the necessary technological know-how. Others innovate, stay current with industry trends, and keep positive client relations”* (R.2, R.4, R.5, R.6, R.7, R.11, and R.12).

Regarding the idea of literature, the majority of interviewees said the same thing. Many people think that creating a new good or service is crucial, but creating novel marketing strategies and customer support techniques is even more significant. As stated in the quotation that follows: *“To respond to market developments, village-owned businesses must first adjust to the particular conditions of their local communities. This involves identifying the core demands of the target market. After that, they collaborate with stakeholders to create marketing plans, addressing these problems either directly or by holding talks in groups”* (R10, R1, R3, R8, R9).

Entrepreneurial marketing theory states that innovation encompasses all aspects of a business's marketing operations, including adding value to existing products and services, offering customers a special discount, and differentiating the product or service from competitors. It is not limited to the creation of entirely new products or services (Hisrich & Ramadani, 2017; Miles et al., 2015; Morris et al., 2002; O'Dwyer et al., 2009).

The directors who responded to questions regarding the impact of innovation on the success of village-owned businesses usually identified innovation as a major contributing factor. The majority of interviewees concurred that the primary EM dimension component influencing the overall success of Indonesian village-owned businesses is innovation.

### **Entrepreneurial Marketing (Proactiveness) and Performance of Village-Owned Enterprises**

According to the respondents, entrepreneurial marketing actively supports EM since it helps village-owned businesses to thrive, adapt to changing market conditions, and stay abreast of industry advancements. This is how the proactive components of the study are measured. The respondents' evaluations of proactiveness matched the given definition of proactiveness (Heger & Rohrbeck, 2012). They characterize proactiveness as long-term planning for upcoming business needs and strategic involvement in business divisions.

Participants in village-owned businesses actively carry out activities in this environment. As stated in the quotation that follows: *“The businesses in our town are working hard to create new opportunities for the community. Village-owned businesses (VOEs) were the first to introduce several business units that were not previously available in our village. These included micro automated teller machines (ATMs) that could facilitate online financial transactions, save loans, apply sharia, promote village tourism, and oversee village marketplaces. Another instance in the agricultural business unit is the community's ability to use cellphones to submit online orders”*.

Proactiveness was deemed by the participants to be another appropriate EM indicator. The respondents stated that village-owned businesses need to be prepared to monitor opportunities and market developments. As stated in the quotation that follows: *“Our village's business organization needs to be able to spot market opportunities fast enough to prevent rivals from seizing them. What the customer needs is what we at VOEs see from their earlier needs. There are no rival businesses in the village since we opened for business. There is a chance for a farm shop business because many of our clients are farmers. Farmers are also sold coconut oil by VOEs”*.

According to the respondents, proactiveness is a crucial aspect of EM that influences the financial and non-financial success of village-owned businesses in Indonesia.

### **Entrepreneurial Marketing (Opportunity Focus) and Performance of Village-Owned Enterprises**

The majority of interviewees in this survey stated that opportunity focus is a crucial component of EM. Additionally, the majority of respondents said they made an effort to find market openings. Many of them think that talking with clients directly is the greatest approach to find new prospects. As stated in the quotation that follows: *“Our village-owned business organization regularly conducts monthly village meetings in this venue in addition to visiting consumers and asking them questions about what suits them and their most common demands, several conversations regarding the business prospects of VOEs”*. (R2, R3, R4, R9, R11 and R12).

Moreover, based on what the participants said. As stated in the quotation that follows: *“In order to build VOEs as both a commercial and social institution, we shall cater to the general and economic needs of customers in villages that are unmet by other organizations. Our VOEs, which resemble convenience stores and stock a variety of everyday necessities for the village's residents, were created to close this gap”*.

All things considered, the participants agreed that opportunity focus is a crucial aspect of EM that influences the success of their village-owned businesses.

### **Entrepreneurial Marketing (Resource Leveraging) and Performance of Village-Owned Enterprises**

The majority of the village-owned enterprises that were interviewed acknowledged having few resources and having trouble obtaining resources, which is consistent with the literature. All of them, nevertheless, seem to have creative answers for their problems and make an effort to utilize their limited resources more effectively. Numerous ways that resource-conscious marketers might make money. They are able to recognize and utilize resources, for example, that others cannot (Morris et al., 2002). Some respondents stated that they had limited financial resources when they created a new company unit, but they seemed to be aware of the potential resources to deal with this issue, based on these literary allusions. As encapsulated in the quotes that follow: *“Naturally, the biggest challenge facing the village-owned business entity is a shortage of funding, particularly when it comes to starting a new business unit as the fasting month and holidays draw near. We obtain VOEs from outside parties, specifically the VOE association, in order to get around this issue. Through a profit-sharing scheme, we also take savings from consumers to bolster the capital of village-owned businesses”*. (R.1, R.4, R.5, R.6, R.7, R.10, and R.12).

*“Our village-owned business is currently restricted by capable workers who possess the necessary abilities. It is really challenging. Along with training other competent VOEs with strong governance, competent management, and a marketing strategy that we have gained a great deal of knowledge about, we are also conducting comparison research”*. (R.2, R.3, and R.11).

Numerous interviewees stated that they could use resources in a variety of ways. For instance, through a profit-sharing arrangement, VOEs were able to draw savings from clients in order to meet their limited financial resources. When questioned about how critical resource leveraging was to the overall EM, most of the participating village-owned businesses concurred. Every participant VOE showed a preference for using resources more effectively.

### **Entrepreneurial Marketing (Risk-Taking) and Performance of Village-Owned Enterprises**

Regarding risk-taking by village-owned businesses, all of the respondents to this survey stated that they rarely take it on alone and instead discuss it in the village discussion forum. They need to get the village government's approval and undertake discussions beforehand. as encapsulated in the quotes that follow: *“Because we must get permission from the village government in order to open a new business unit, all activities and decisions made by this village-owned business entity are first discussed and decided upon in concert with the village government”*.

Clearly state the methods needed to take risks because taking risks with village-owned businesses needs to be discussed in village meetings. However, they claim that they carefully consider and assess their options in regard to each threat they are presented with before deciding whether or not to take the risk.

The participants concurred that taking calculated risks is an essential dimension of EM, but they also admitted that the effect on village-owned enterprise performance is mainly subjective.

### **Entrepreneurial Marketing (Customer Intensity) and Performance of Village-Owned Enterprises**

All of the respondents in this study agreed that customer satisfaction usually had an impact on their company objectives and that using a customer intensity perspective helped them focus more intently on their customers. An element of EM is customer intensity. The participating village-owned businesses try to meet the demands of their customers by offering a variety of products and services. They believe that they can adjust to meet and satisfy the needs of their customers due to the diversity and depth of their offerings. as encapsulated in the quotes that follow: *“Our village-owned business determines what the needs of its clients are most urgent. Naturally, once we open the business unit, there won't be any other establishments like it in the village. For instance, we opened an agriculture store because a large portion of our clientele are oil palm farmers in need of fertilizer. We're still doing our best to meet the demands of our customers, but we haven't been able to fulfill all of their requests due to our restricted funds for new endeavors”*.

By establishing business units based on client needs, the majority of respondents who were interviewed showed that they were competent in striving to meet those needs. However, due to resource constraints, every village-owned business that took part in the interview stated that they were unable to satisfy every demand from their clients.

When the participating village-owned businesses were questioned about how their contributions affected and contributed to the performance of their respective village-owned businesses, the participants concurred that the number of customers had a favorable and noteworthy impact on the financial and non-financial outcomes of their village-owned businesses. It's interesting to notice that, out of all the EM dimensions, all participants cited the customer intensity dimension as being crucial for their village-owned businesses. But when pressed to elaborate on the various aspects of customer intensity, such as meeting specific needs, gauging customer satisfaction, completing orders, and so forth, they say that they are unable to satisfy every single one of their clients because of their limited financial resources and that they never use questionnaires to gauge client satisfaction.

### **Entrepreneurial Marketing (Value Creation) and Performance of Village-Owned Enterprises**

Based on the findings of the interviews, every participant expressed the opinion that the businesses they owned in their village added value for their clients. Numerous participants made explicit reference to the value they provide to their clients. as encapsulated in the quotes that follow: *“Our village-owned business shows its appreciation for its patrons by giving door prizes and gifts to each and every one of them at the end of each year. Additionally, we provide prizes and bonuses to clients that demonstrate the finest credit repayment practices”*.

Some respondents believed that the participating village-owned businesses functioned as information gatherers for their customers in addition to directly supplying them with goods or services, regardless of the direct values of the businesses. This suggests that they will make every effort to meet any wants that a customer might have. For example, they work together with other village-owned enterprises to address the requirements of their clients when their own businesses are unable to respond. as encapsulated in the quotes that follow: *“Every month, we have forum meetings with the directors of VOE. We speak with one another, constantly exchanging information and firsthand accounts of how things are going. colleagues at VOEs with regard to progress. In addition, we use social media—a WhatsApp group, for example—to cooperate and work together to satisfy the demands of our clients. For instance, we intend to start a small-scale palm oil mill. The VOEs need to work together and communicate, especially when it comes to providing clients with low-cost fertilizer”*.

The value generation dimension is one of the key components of every participating Village-Owned Enterprises' marketing strategy.

### **Financial Performance of Village-Owned Enterprises**

The majority of respondents provided responses that were consistent with the research's findings.

"Financial performance is perceived business achievements for a certain period, including collection and allocation finances are measured by profitability," says respondents (i.e. R1, R4, R5, R6, R11) as an example of profitability. The second comment, from respondents (i.e. R2, R4, R8, R10, and R12), is classified as follows: "It was either an overstatement of the revenue relative to the business expenses or just the surplus that remained after selling the purchases." speaks of the perceived return on assets (ROA).

In addition, respondents (i.e. R5, R7, R8, and R11) stated, "Healthy VOEs will be visible from financial performance when we can get a return on the amount invested in the business" regarding return on invested capital (RIC). we feel an increase in capital when we are able to save more money than when our business was small. "We know how big we started this business, so when this business grows I have to know, and what it reduces I have to know too." answered respondents (i.e. R1, R3, R4, and R6). Perception of return on investment (ROI) is something that is included in this assessment.

Based on interview quotes respondents (i.e. R3, R5, R6, R11, and R12) related to return on equity (ROE). "The financial performance of village-owned enterprises shows how capable our VOEs are of managing capital from their investors, our VOEs are proven to be able to utilize the capital provided, we can stand the test of time, or to continue operating for a long period of time".

### Nonfinancial Performance of Village-Owned Enterprises

The following is the respondent's statement regarding the operational performance of the village-owned enterprises of the interview participants (i.e. R2, R3, R5, and R11) "Non-financial performance is directly related to the feedback we receive from customers regarding the businesses we control, for example, a village-owned enterprise can determine who has more customers and employees than other village-owned enterprises in the area". Further stated participants (i.e. R2, R3, R5, and R11) "We can measure how well our business is performing by looking at the level of customer loyalty in enjoying the products and services we provide."

The results of interviews with respondents regarding aspects of the administration performance of village-owned enterprises, especially respondents (i.e. R2, R3, R4, R5, R6, R7, R11 and R12), revealed that: "So village-owned enterprises are obliged to comply with regulations from the Ministry of Villages of the Republic of Indonesia, reporting their bookkeeping every year to the village government and community representatives in order we both know the progress of our VOEs, then if there is a regular monthly management meeting."

Meanwhile, respondents (i.e. R1, R8, R9, and R10) stated that: "Village-owned businesses hold an annual accountability village meeting at the conclusion of each year. During this work meeting, all information is reported so that later on, the management of the VOEs, the village, and the public will all be aware of everything. "We make reports on the real condition of village-owned enterprises, including financial matters or non-financial matters, including planning reports work," stated another respondent".

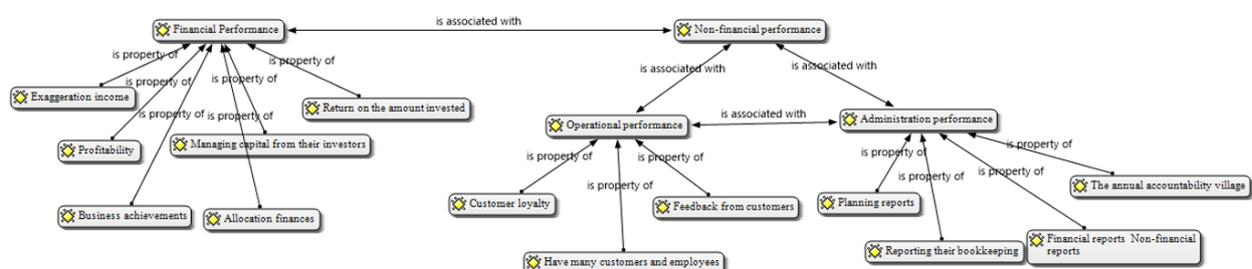


Figure 2. Diagram of Network Findings generated by ATLAS.ti

Source: ATLAS.ti Output, 2023

Last but not least, Figure 2 displays the findings of the research done with the ATLAS.ti program, demonstrating that the financial and non-financial performance of village-owned businesses have been effectively internalized and applied in the marketing initiatives of village-owned businesses. The

following describes the network output that was produced. In-depth interviews that were semi-structured were used for this validation.

## DISCUSSION

This study examines the performance of Indonesian village-owned businesses using the seven dimensions of entrepreneurial marketing—opportunity focus, proactiveness, innovation, risk-taking, resource utilization, customer intensity, and value creation—through semi-structured in-depth interviews. The study's concept is that entrepreneurial marketing can be advantageous for small enterprises (Hendijani Fard & Seyyed Amiri, 2018; Kocak & Abimbola, 2009; Sadiku-Dushi et al., 2019; Stokes, 2000). Village-owned businesses have emerged as a fascinating area of study in marketing studies due to the entrepreneurial traits that impact marketing (by entrepreneurial marketing) and are beginning to be significant in small- and medium-sized businesses. According to the findings of the interviews, Indonesian village-owned businesses have successfully internalized and used the seven elements of entrepreneurial marketing, with promising outcomes.

## CONCLUSION

Though a great deal of research has been done on the topic of entrepreneurial marketing, particularly for small and medium-sized businesses, there is little to no empirical study that examines the concept from the viewpoint of businesses operated by communities. Consequently, this work will pave the way for future research on scale development in entrepreneurial marketing that is tailored for village-owned businesses, which is a potential area of inquiry deserving of both theoretical and empirical examination. However, a mixed approach or a quantitative analysis of the issue can be helpful for future research in the field of entrepreneurial marketing

This study has the potential to be a trailblazer for future research using a larger sample size and an established interview database. It looks at the perspective and application of entrepreneurial marketing in village-owned businesses in the Rokan Hulu district of Indonesia. Please take note that this study's findings only pertain to village-owned companies that do business in Indonesia's Rokan Hulu area. It is necessary to carry out comparable investigations in other nations or geographical areas in order to confirm, dispute, and generalize the results of this investigation. Gaps by sector must also be taken into account. Due to the variety of each profession or industry, applying entrepreneurial marketing techniques to other industries can provide different outcomes than village-owned businesses. One could consider the study described in this article to be a pilot project for more in-depth investigations into entrepreneurial marketing. The following suggestions should be taken into account by researchers who want to examine entrepreneurial marketing concepts from both quantitative and qualitative angles.

## CONFLICT OF INTEREST STATEMENT

There are no known conflicts of interest related to this article.

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