Business Network, Competitive Advantage and Business Performance: Empirical evaluation in the Makassar hotel sector

[1]Karma, [2]Seniorita

[1]*Politani Pangkep*
[2]*Politani Pangkep*

DOI: 10.29322/IJSRP.10.03.2020.p9987
http://dx.doi.org/10.29322/IJSRP.10.03.2020.p9987

Abstract
Objective: This study aims to prove empirically the improvement in business performance driven by business networks through the competitive advantage in the Makassar city hotel sector.
Design / Methodology / approach: Questionnaires and statistical analysis were applied in this study
Findings: The results of the study indicate that business networks have a positive and significant effect on competitive advantage and business performance. Business networks have a significant effect on business performance through competitive advantage, and competitive advantage has a positive and significant effect on business performance.
Originality: Previous research studies still lack research about business networks as the ability of corporate resources in resource-based theory. Therefore this study fills these gaps by conducting an empirical evaluation of business networks in the perspective of hospitality managers.

Keywords: Business network, Competitive Advantage, Business performance, Hotel sector

Introduction

In 2016 the number of hotels in South Sulawesi Province were as many as 641 hotels in 24 regencies and cities in South Sulawesi Province. For the city of Makassar itself there are 135 hotels and the remaining 506 spread in 23 districts and other cities in the province of South Sulawesi. This shows that the majority of hotels in the province of South Sulawesi are in the city of Makassar as the provincial capital. From 2012 to 2015 the development of the number of hotels in the province of South Sulawesi continued to increase, only in 2016 the number of hotels decreased but there were only 2 hotel units reduced. Along with the development of the number of hotels, hotel room occupancy rates experienced a downward trend. Although in 2013 there was an increase in the occupancy rate of rooms, but afterwards until 2016 continued to decline. This study takes objects in Makassar City based on the consideration that most of the hotels in the South Sulawesi Province are located or located in Makassar City.

Some empirical research on business networks has been carried out by several researchers such as Muhammad Anwar, Atiq Ur Rehman (2017) who investigated the influence of business networks on new business performance and the extent to which competitive advantage affected the process. Networks help businesses to access new ideas and capture new opportunities in the market which in turn allows businesses to position in the market and gain competitive advantage. Therefore, the effect of the network on business performance can be maximized if managers and owners use the network as a means of creating competitive advantage. Anwar's research results (2018) revealed that the network positively influences competitive advantage and new business performance.

The business relations of the leaders of the company provide important information to the company, foster trust, and promote shared goals among the parties who exchange. First, business relationships enable companies to acquire advanced technology developed by business partners and integrate it with existing technology. Thus companies can launch products that are newer and perform better than their competitors (Chen & Wu, 2011). Yassine Sefiani's study, Barry J Davies, Robin Bown (2016) found that networking is a significant factor influencing the success of SMEs. However, a study conducted by Byoungho Jin Sojin Jung (2016) found no significant effect between business networks and business performance

Based on the phenomenon of hospitality and previous research, this study wants to prove empirically about improving business performance driven by business networks through competitive advantage as follows: 1) Does business network have a positive and significant effect on business performance? 2) Does the business network have a positive and significant effect on competitive advantage? 3) Does the business network have a positive and significant effect on business performance through competitive advantage? 4) Does competitive advantage have a positive and significant effect on business performance?

Literature review

Resource-based theory

Barney in his article in his 1991 resource-based view argues that sustainable competitive advantage comes from the company's valuable and scarce resources and control capabilities, which cannot be replicated, and cannot be substituted. These resources and capabilities can be seen as a collection of tangible and intangible assets, including company management skills, processes and organizational routines, as well as information and knowledge that they control (Barney, Wright, & Ketchen, 2001). The history of corporate resource-based views as cited by Debadutta Panda Sriharsha Reddy (2016) can be traced from Robinson's theoretical work in 1933 from his book on the economy of imperfect competition and Chamberlin's 1933 from his book on monopolistic competition theory and Penrose's 1959 from the theory of company growth. Clulow et al. (2007) cited by Debadutta Panda Sriharsha Reddy (2016) explained that resource-based views are also discussed in relation to customers where customer value greatly contributes to real and unreal company resources and competencies.
The resource-based view (RBV) has evolved into a resource-based theory (RBT), and vice versa that the use of the term resource-based view has diminished, reflecting the view of the research community. The use of the term resource-based theory shows a picture of a contemporary theoretical framework. Resources and capabilities are the main constructs in resource-based theory. Resources refer to tangible and intangible assets that companies use to understand and implement their strategies Barney and Arikan, 2001 in Kozlenkova, Samaha, & Palmatier (2013). The word resource refers to something that an organization can pull to achieve its goals. Barney and Hesterly (2012) cited by Kozlenkova et al. (2013) suggest four main resource categories: physical, financial, human, and organizational. Capability is a part of a company's resources, representing the company's specific resources that are not transferable in an organization whose purpose is to increase the productivity of other resources owned by the company that are generally based on information, tangible or intangible processes that enable the company to deploy resources others more efficiently thereby increasing the productivity of these resources. Thus, capability is a special type of resource whose purpose is to increase the productivity of other resources owned by Makadok (2001) in Kozlenkova et al. (2013).

Business network

Wu, (2011) explains that business networks refer to the bonds between organizations built by companies and key business actors that aim to access broad areas of knowledge, resources, and complementary capabilities of partners to carry out innovation activities. His studies focus on four specific types of business relationships, namely ties with competitors, relationships with university institutions, relationships with suppliers and relationships with users. Wu's study, (2011) recognizes that companies are embedded in complex and diverse business networks / ties and empirically shows that different types of business ties have relatively different impacts on product innovation. Jasmine Tata Sameer Prasad, (2015) explains that businesses that have built high levels of trust and obligation in their relationships with network contacts can gain greater access to information and resources needed for business success.
Törnroos & Holmlund, (2006) describe three forms of network layers that reveal content and structure in business networks, namely the production network layer, the resource network layer, and the social network layer. These layers affect each other in complicated ways. Three network layers are embedded in business networks and reflect various types of actors in business networks. First, the company actors refer to the actors who are companies that carry out production activities in the business network. Corporate actors connected in business networks involved in production activities constitute the business network production network layer. This network layer is limited by the value chain and is closely related to the products / services and systems produced. Second, resource actors provide important resources needed to carry out production activities that are not owned by company actors. Resources can be in the form of financial resources, technological knowledge, marketing and others. These actors for example consultants, banks, insurance companies, or forwarding agents. Together with corporate actors, these actors constitute a network layer of resources within a particular business network. The resource network layer consists of more actors than the production network layer and is more difficult to limit, because of the many types of resource actors involved. The network layer of resources in a business network consists of a network of interrelated corporate actors and resource actors who use and combine web competencies. The third network layer refers to a network of human actors who are interconnected in business networks. This layer consists of networks of actors at the individual level, and reflects how people and groups of people in various companies in business networks interact. Individuals and groups are important carriers and providers of knowledge, they act as representatives of the company and they make important decisions. Brownhilder Ngek Neneh, (2017) examines the relationship between customer orientation, network relations and

company performance in the context of developing countries. The research shows that the relationship between customer orientation and company performance is more positive when business relationships and social networks are high, this suggests the need for businesses to use their network relationships to improve their performance and also the implications of network bond performance on the internal strategic orientation of the business. Therefore, when business relationships and social networks are developed properly and utilized effectively, it can improve business competitiveness and performance.

Victor Zengyu Huang Anup Nandialath Abdulkareem Kassim Alsayaghi Emine Esra Karadeniz, (2013) conducted a study that focused on networks and relationships and explained the emergence of entrepreneurial-based networks, developing and changing over time. Social relationships play an important role in building a company. Entrepreneurs use their social capital to access resources in each phase of the establishment process. By emphasizing the social attachment of economic activities, and departing from the nature, culture, and personality perspective, each phase of building a business requires a different emphasis and nature of the advisory network, depending on socio-demographic factors. The use of social networks by entrepreneurs really influences demographic differences. By using the perspective of social networking will be able to generalize between countries. Sources of advice used by new company founders and their social networks as a whole are essential for providing resources and knowledge for businesses. This strengthens the company's absorption capacity which in turn is associated with improved performance.

Klerk & Saayman, (2012) investigated the network behavior of festival entrepreneurs, who considered that relationships (networks) were very important for entrepreneurs and relied heavily on event suppliers and coordinators to support their business and adapt to changing needs and their environment. This implies that festival management and the tourism industry recognize the value of networking opportunities for entrepreneurs. Networks should also be facilitated between organizational management and entrepreneurs involved to build managerial skills and their networks, which implies that a more structured approach must be followed when organizers want to attract or even foster relationship problems to support the formation of trust between the parties involved. A better sense of community among entrepreneurs to share ideas and improve their business through networking initiatives. The tourism industry is considered a community industry, therefore factors such as trust and relationships are identified as important issues and key factors in entrepreneurial success.

Sheng, Zhou, & Li, (2011) in their study investigated the role of social relations in the developing economy in China. The influence of social ties depends on the institutional and market environment. Relational governance is divided into two types of social ties, namely business and politics. This distinction is important because business and political relations capture two different aspects of relational governance and provide access to different resources. The reason is that with market resources and long-term orientation, business relationships must have a stronger performance impact than political relations, which provide regulatory resources and are short-term in nature. The results confirm that business ties have a stronger effect on performance than political relations. The role of political relations decreases as institutional infrastructure increases, while business relations remain prominent. Because institutions (formal and informal) tend to change gradually which reveals the dynamic role of social ties in changing the institutional environment.

Ritter, Wilkinson, & Johnston, (2002) provide the view that business network relationships are not limited to one type of partner, relationships are important ways of interaction in many or even all areas of economic exchange, including: Relationships with customers; to be truly customer-oriented, a company needs to develop a good working relationship with its customers because it is this relationship that allows companies to understand customer needs and to serve them according to their needs. Relations with suppliers; no company produces its own products and services, but it is embedded in a complex value creation system that only functions competitively if good business relationships are developed. Innovation Network; is a locus of innovation because strong relationships with suppliers, customers, consultants, research institutions and governments are essential for knowledge creation and technology transfer.

Competitive advantage

Ma (1999) explains that competitive advantage arises from differences among companies along the dimensions of company attributes and characteristics that allow one company to create customer value better than another. A company's competitive advantage often arises from one or more than three sources: ownership-based; skills-based; and access based. That is, companies can gain an advantage by owning or owning assets or certain valuable factors, for example strong market positions, unique endowment of resources, or reputation with opportunities or rights to gain superior access to inputs and markets, for example exclusive relationships with suppliers or channels distribution; by superior knowledge, competence, or ability to conduct and manage business processes. Ma (1999) further explained that competitive advantage consists of three sources, namely: 1) Ownership-based sources of advantage refer to any asset or factor under company ownership where the company can benefit from competitors in better serving customers. Namely, by having certain characteristics or with certain statuses, the company enjoys advantages over the others. The source of ownership-based excellence lies within the company. 2) Access-based source of excellence refers to the possibility that the company enjoys a competitive advantage over competitors because it has superior access to factor markets, namely resource inputs or product markets, that is customers or have access that is totally unavailable to competitors. This access depends on the ability of the company to utilize its resources and skills, knowledge and expertise, market reach, and the strength and authority of other business or non-business entities. That is, the source of excellence based on access lies in the company's external relations with other related parties in its operating environment. Examples include company relationships with suppliers, partners, distributors, licensing authorities, government agencies responsible for sales or import / export quotas, or agencies that oversee approvals for the introduction of certain products or services. 3) Skill-based sources of excellence refer to the knowledge, competencies, and abilities of a company that enable it to carry out its business processes more effectively and efficiently than competitors. Different from access-based sources that are outside the company, these sources are located primarily within the company. Different from ownership-based sources that lie in the status or ownership of a company, skill-based sources depend on the company's ability to actually do something to do business in manufacturing, selling products and providing services. Sources of this advantage include, for example, strength in the R&D process, technical knowledge, in-depth customer knowledge, the ability to identify market opportunities. Simply put, to achieve any profit in business, companies must look deeply and systematically into what they have, what they know and do, and what they can get. Because profits come from differences in the attributes of any company, be it ownership, access, or knowledge-based, which allows one company to provide customer value better than another, any factor that contributes to the existence or differential enlargement can function as a source of profit company.

Ma (2000) made three observations about competitive advantage and conceptually explored various patterns of relationships between competitive advantage and firm performance. First, competitive advantage is not the same as superior performance. Second, competitive advantage is a relational term. Third, the context is specific. Also explained are the three patterns of the relationship between competitive advantage and company performance: 1) competitive advantage that leads to superior performance; 2) competitive advantage without superior performance, and 3) superior performance without competitive advantage. Its main aim is to help generate a healthy debate among strategists about the usefulness of the construct of competitive advantage for theory making and testing. In presenting these three observations, Ma (2000) suggests improving and operationalizing "competitive advantage." Then conceptually explore the relationship between competitive advantage and performance. It also said that there was no need to determine cost advantages, differentiation advantages, or other types of competitive advantages. If a company has valuable, scarce and incomparable resources, superior performance will occur. That is, the definition of these resources (as the essence of sustainable competitive advantage) already has inherent performance implications. Finally, for competitive advantage to be a theoretically useful construct, it must be better defined and operated.

Porter & Canada (1985) say that the competitive strategy is the relative position of the company in its industry, which determines whether the company's profitability is above or below the industry average. A company that can position itself well can obtain high rates of return even though the industrial structure is not profitable and the average profitability of the industry is simple. The fundamental factor of above-average performance in the long run is sustainable competitive advantage even though the company has a myriad of strengths and weaknesses from its competitors. There are two basic types of competitive advantage proposed by Porter & Canada (1985) that a company can have; low cost or differentiation. The importance of whatever strength or weakness a company has ultimately is a function of its impact on costs or relative differentiation. Furthermore Porter & Canada (1985) put forward three general strategies namely; 1) Cost Leadership; Cost leadership is perhaps the clearest of the three general strategies. In it, the company is determined to be a low-cost producer in its industry. If a company can achieve and maintain overall cost leadership, it will be a player above the average in its industry as long as it can manage prices at or near the industry average. At prices that are equal or lower than their rivals, the low cost position of the cost leader translates into higher returns. 2) Differentiation; in the differentiation strategy, the company strives to be unique in its industry along several dimensions that are widely valued by buyers. It selects one or more attributes that many buyers in the industry consider important, and uniquely positions itself to meet those needs. Means of differentiation are typical for each industry. Differentiation can be based on the product itself, the shipping system sold, the marketing approach, and various other factors. A company that can achieve and maintain differentiation will be an above-average player in the industry if the premium price exceeds the extra costs incurred as something unique. Therefore, a differentiator must always look for ways to differentiate from a price premium greater than the cost of differentiation. A differentiator cannot ignore the cost position, because the premium price will be canceled by a very low cost position. A differentiator thus aims at cost parity or closeness to competitors, by reducing costs in all areas that do not affect differentiation. The logic of the differentiation strategy requires that companies choose attributes to distinguish themselves that are different from their competitors. Companies must be truly unique in something or be considered unique if they expect premium prices. In contrast to cost leadership, however, there is more than one successful differentiation strategy in an industry if there are a number of attributes that are widely valued by buyers. 3) Focus; The third generic strategy is focus. This strategy is very different from the others because it relies on the choice of a narrow competitive scope in an industry. Focusers choose segments or groups of segments in the industry and adjust strategies to serve them by setting aside others. By optimizing its strategy for the target segment, the focuser strives to achieve competitive advantage in its target segment even though it does not have a competitive advantage. The focus strategy has two variants. In a cost focus, a company seeks cost advantages in its target segment, while in the focus of differentiation, a company seeks differentiation in its target segment. Both focus strategy variants depend on the difference between the focusing target segment and other segments in the industry. The target segment must have buyers with unusual needs or the production and shipping system that serves the target segment must be different from other industry segments. The cost focus exploits differences in cost behavior across segments, while the differentiation focus utilizes the specific needs of buyers in certain segments. Such differences imply that the segment is poorly served by broadly targeted competitors who serve them at the same time as they serve others. Thus, the focuser can achieve competitive advantage by dedicating himself exclusively to segments. The extent of targets is clearly a matter of level, but the essence of focus is the exploitation of narrow target differences from the industry balance.

D. Passemard Brian H. Kleiner (2000) examines competitive advantage in the global industry, he explains that to create competitive advantage, companies are required to advance, innovate, and find the best competitive opportunities and exploit them. The company should not stop improving the quality of its products and methods. Its main role is to take risks and invest. A country succeeds in a sector when the national framework creates a favorable environment for this ongoing effort, and when capacity is given to companies to be strategically aggressive and react quickly. Sustainable competitive advantage in the long run requires these benefits to be continuously improved because of sustainable investment policies. To maintain this advantage, companies must adopt continuous evolution, which is not easy from an organizational point of view. Internationally, success is needed to be able to change domestic positions into global ones.

Devlin, Ennew, Devlin, & Ennew (2006) conducted research to understand competitive advantage in retail financial services. It was explained that For services that are very intangible and also mentally complex, there is a greater dependence on factors throughout the organization, such as reputation, image and service quality, in an effort to add value and gain competitive advantage. Such an approach helps in accommodating customer dependence on experience and in particular the quality of trust in service evaluation. It was also explained that a wider and more sophisticated target market would further enhance the ability of service providers to develop sources of competitive advantage based on more specific factors such as price and service features.

Kamukama (2013) examines intellectual capital as an unseen source of corporate competitive advantage, the aim of which is to examine the individual contribution of the intellectual capital element to competitive advantage by exploring the extent to which the element of intellectual capital can explain competitive advantage in the microfinance industry. The study further determined that the dimensions of intellectual capital operate synergistically to influence competitive advantage in microfinance institutions. More importantly, the study provides more explanation for the relative contribution of intellectual capital elements in influencing competitive advantage and establishes the main elements of intellectual capital in influencing the level of competition of microfinance institutions. Its relative contribution to competitive advantage in descending order is structural capital, human capital and relational capital.

Caldwell, Floyd, Taylor, Woodard, & Woodard (2014) explain virtue as a source of competitive advantage, goodness is explained as a management concept which is an action related to intention. This explains how kindness is an important element for leaders in building trust. The importance of kindness is seen as an act or intention to do what is beneficial to others. The implications of applying goodness as a source of competitive advantage can contribute to increasing profits and enhancing relationships in every industry, and in all aspects of life. Jorge Pereira-Moliner Eva M. Pertusa-Ortega Juan José Tarí Maria D. Lopez-Gamero Jose F. Molina-Azorin, (2016) describes the relationship between a proactive environment with a cost competitive advantage and competitive advantage of differentiation. It was explained that hotels that are environmentally proactive can achieve better competitive advantages, they are able to save costs in environmental practices and are able to increase their differentiation and are able to gain a stronger reputation among customers.

Jorge Pereira-Moliner Eva M. Pertusa-Ortega Juan José Tarí Maria D. Lopez-Gamero Jose F. Molina-Azorin (2016) sees that quality management practices and organizational design characteristics are able to drive cost competitive advantage and differentiation. operational systems that are in terms of quality standards in services, and collaboration with intermediaries and suppliers (quality management operational systems) enable people to know how to develop their tasks better (this can increase efficiency, produce fewer errors) and develop more efficient processes through collaboration with other suppliers and intermediaries. When a hotel implements a system When a hotel develops its information system it uses quality information / data to analyze and improve processes and services and maybe even introduce innovations, it will have an impact on service quality. When hotels develop strategic systems, they focus on tourist satisfaction and continuous improvement. All this leads to an increase in competitive advantage in differentiation. Thus, hotels that implement and develop practices that are oriented to cost efficiency and practices that are oriented towards differentiation.

Kamila Borsekova Anna Vanova and Katarina Petrikova (2015) propose a conceptual approach to the creation, exploitation and development of competitive advantages that make it possible to create a unique place of tourism space. His research presents a theoretical background for problems at the place level, types, factors and approaches to creating, building and exploiting competitive advantage. The first part of empirical research is aimed at identifying competitive advantage. All respondents asked were able to identify competitive advantages and each person from the expert group determined what was considered a competitive advantage or advantage. Among the competitive advantages of the Slovak region that most often emerge are competitive advantages based on resources, competitive advantages from low costs and competitive advantages of differentiation. An innovative and marketing-oriented approach to tourism development based on the exploitation of unique regional competitive advantages offers new possibilities for increasing employment, creating new jobs, attracting tourists and residents, developing tourism-oriented entrepreneurs and overall socioeconomic development.

Bobirca & Cristureanu (2015) citing the explanations of several authors identified five broad categories of investment: human resources, physical resources, knowledge resources, capital resources, and infrastructure. It is said that a country's natural resources are an important source of comparative advantage in tourism. Competitive factors refer to secondary tourism supply. They can be produced and improved by tourism companies or government policies. A destination that is endowed with a wealth of resources may not be as competitive as a destination that is lacking in resources, because the latter may make use of the least much more effectively. A destination that has a tourism vision, sharing this vision among all stakeholders recognizing and understanding both its strengths and weaknesses, developing a positioning strategy and implementing it successfully may be more competitive because of its effective strategic approach.

Hokey Min Hyesung Min (2006) defines the competitive advantage of the hotel industry as the quality of existing services. The survival of a hotel is very dependent on its ability to provide superior service, hotel employees generally believe that the service attributes that contribute the most to their customers' impression of service quality are the cleanliness of guest rooms and the politeness of employees. Atmosphere such as cleanliness, comfort, and decoration are the standard for hotel hospitality. Employee courtesy is also the most important service attribute, because hotel services often require interactions with personnel such as hotel staff. In addition, because previous service quality has a large impact on the patronage behavior of fixed hotel customers, the hotel must not only maintain minimum service failures, but also effectively monitor customer complaints in the event of service failures.

Rapert & Wren (1998) views quality as a viable competitive strategy. A successful company carries out its strategy which is centered on the pursuit of quality. It was found that this single pursuit had a positive impact on operating income and revenue growth. Strategies built on quality can be sustainable because quality is something that not all companies are able to do well. Providing quality services requires commitment in terms of planning, leadership and implementation. This commitment leads to the development of a corporate culture that internalizes a quality orientation in all activities. Thus, companies that have the required skills and resources are better able to pursue quality-based strategies that cannot be carried out by less skilled companies. The advantage that companies get from pursuing a quality-based strategy is that it cannot be copied by other companies. Unique unique competencies must be fostered to support quality orientation so that it serves as a barrier for competitors to adopt similar strategies. Thus this will make excellence based on quality will be relatively more durable.

Kandampully & Duddy (2001) also view that the competitive advantage of the hotel industry is interpreted as the uniqueness of existing services. It is said that when an organization in the hotel and tourism sector makes customers and employees the most important thing, then it is a big change in the way the organization looks at managing and achieving competitive advantage. The service system will maintain positive integrated values that impact customers, employees, managers, organizations and enable an organization to maintain competitive advantage. Service is a reflection of competitive advantage in the hospitality sector because of the uniqueness of its services.

Business performance

Sloma 1980 cited by Tseng & Lee (2014) says that performance is the level of targets achieved by organizations or as an evaluation of the effectiveness of individuals, groups, or organizations. At the individual level, this refers to job satisfaction, goal achievement, and personal adjustment; at the group level, this refers to enthusiasm, cohesion, efficiency, and productivity; and at the organizational level, this is about profit, efficiency, productivity, absenteeism, turnover, and adaptability Ivancevich, (1977) in Tseng & Lee (2014). Lin (2005) quoted by Tseng & Lee (2014) shows that performance is not only about previous achievements, but also includes potential abilities to successfully achieve future goals. Robbins and Coulter (1996) written by Tseng & Lee (2014) further show that performance is an objective fact that exists that provides objective and subjective evaluations. Organizational performance is all behavior related to organizational goals depending on the level of individual contributions to the organization (Borman and Motowidlo, 1993) in Tseng & Lee (2014). The ultimate goal of a company is to improve performance; Therefore, improving organizational performance is at the core of the company's strategic management, which in itself affects the company's prospects (Venkatraman and Ramanujam, 1986) in Tseng & Lee (2014). At present, the performance measurement index is largely based on multivariate effectiveness measures, which itself can be divided into financial and non-financial measurement indices. Venkatraman and Ramanujam (1986) cited by Tseng & Lee, (2014) also assume that performance can not only be measured based on financial measurement indexes, but also by organizational performance, which can be measured based on financial performance, business performance, and organizational effectiveness. Financial performance is measured by standards: return on investment, sales growth rate, and income; while business performance includes not only financial measurement indices, but also includes operational performance that includes market share, product quality, new product introductions, marketing effectiveness, value added production, and other non-financial matters.

N. Gladson Nwokah (2009) quotes from several authors that the goal of measuring final performance is an increase in financial results in a commercial organization. However, this type of measurement of financial results alone does not provide enough information to help direct decision making that will achieve improved performance. Explained further that financial metrics are usually the first type used to evaluate marketing performance. Financial measurements include turnover, contribution margins, and profits. Market share is also used as an indicator of business performance in assessing the extent of customer focus on business performance. They argue that market share is often used to describe the position of an organization in its industrial sector. The implication is usually that the greater the market share, the more successful the organization.

Conceição et al. (2018) which cites the opinion of Slater et al. (2006) explains that performance is defined as the achievement of set goals, which implies that if someone achieves or exceeds the set goals, the person has achieved positive performance. There are two broad groups of indicators that are most commonly used as evidence of performance in organizations, namely financial or non-financial.

Anil Menon, Sundar G. Bharadwaj (1999) uses perceptual measures of marketing performance that are estimated or valued through market share, and sales growth rate to measure marketing performance. Anil Menon, Sundar G. Bharadwaj, (1999) explains that marketing performance or market performance is a common construct (factor) to measure the impact of a company's strategy. The company's strategy is always directed to produce company performance, both in marketing and in finance. Study conducted by Anil Menon, Sundar G. Bharadwaj, (1999) as a measurement of output using marketing performance as measured by three scale items, where the level of achievement or strategy performance is met with expectations for overall sales achievement or performance, and profit.

Relationship of business networks to competitive advantage and business performance.

Haahti (2006) empirically tested a model that described the relationship between perceived uncertainty, networks and export performance. Public officials must encourage SMEs to strengthen their existing foreign networks and facilitate formation through trade missions in other countries. Companies use network strategies to overcome the uncertainties they feel in their environment in order to improve their export performance. The results of the study (Haahti, 2006) found that foreign networks had a significant positive effect on export performance. In other words, SMEs that have relations with foreign entities show better export performance. Smaller SMEs must find alternative sources and / or develop core competencies (eg managerial / technical expertise. Public officials must encourage SMEs to form and / or strengthen existing relationships with members of foreign networks and facilitate the formation of these entities through trade missions.

Mu (2013) emphasizes the importance of network capabilities in new business performance. The performance advantage of the company arises not only from the network structure, but also from the network capabilities. Such a reconfiguration of social network structures can mobilize and collect complementary network resources needed for value creation. Companies must maintain the ability of the network to gain access to network resources for successful innovation in an increasingly open market environment. The idea is that sources of discovery and innovation are distributed in a variety of geographies and organizations, and various inventions must be combined to achieve market success. The benefits derived from networking capabilities give a company the advantage of specialization, cost advantage, complementary resources, flexibility, variety of knowledge and ultimately the benefits associated with innovation. Networking capabilities can help new businesses to take advantage of opportunities that are discovered and serve markets that are not exploited. Networks are essential for finding opportunities and testing ideas and gathering resources for new organizations. The company must have the ability to build, manage and utilize the network for its benefits. By building network capabilities, companies can find new resources that are not known to them so that it helps change the system of obstacles and dependencies faced by the organization. By leveraging network capabilities, companies can change their resource base by intentionally acquiring, releasing, integrating and reconstructing resources at various stages of development to develop new products and services to achieve their goals. Network capabilities can be a powerful weapon for companies to implement open innovation strategies to build a solid business and to gain a sustainable competitive advantage. The company needs to develop the ability of the network from the start to make up for its lack of resources and territory with larger and more established competitors. The company can advance its own business model by utilizing the intellectual property of its network partners.

Peng and Yadong Luo (2000) found interpersonal relations of managers with top executives in other companies and government officials to help improve organizational performance. Relationships with officials are more important than relationships with managers at other companies, this shows that companies may have greater resource dependence on officials than at other companies. Given the enormous power officials have in transition economies, good relations with them have a stronger impact on the company, even after the substantial costs to build and maintain these relationships (including gifts, meals, etc.) are taken into account. Companies need to identify in what situations managerial relationships are beneficial, in particular, the impact of personal relationships with managers in other companies. The impact on ROA from company relationships with other managers is stronger for companies in the small service sector, in low growth industries, the relationship has little effect on ROA. Similarly, companies that benefit more from relationships with government officials in terms of market share and ROA are those in the service sector, and small. Although managerial relationships are important, companies also need to have capabilities in areas such as quality and advertising in order to perform well.

Yassine Sefiani, Barry J Davies, Robin Bown (2016) investigates the impact of networks on business performance. Using connections through social networks is important because it allows access to the latest information that is very important for the success of the Business. Connections are intrinsic to the operation of many valuable social processes, centers of transmission of knowledge, and the creation of opportunities. Social networks in the form of strong and weak social ties can act as sources of information and new ideas and provide access to new resources. Strong relationships with suppliers allow companies to obtain financial resources in the form of trade credit, this shows that business networks using connections have a large impact on financial performance. Networking relationships will provide a powerful impetus for successful companies to truly become proficient in partnership work. Every business needs partnerships with others to succeed. Yassine Sefiani's study, Barry J Davies, Robin Bown, (2016) found that networking is a significant factor influencing the success of SMEs.

Parashar (2007) explains that the competitiveness of small and medium businesses in the international market increases with the industrial network group approach. The network cluster provides an ideal setting for SMEs to access support systems. The effort to form a network group from scratch is the first step in a cluster development program. Geographic concentrations of companies that are similar or complementary, and the similarity of needs and support requirements accelerate the spread of best practices through the demonstration effect. Successful groups are those who are able to respond to changing global market demands in terms of quality, reliability, fast delivery and price awareness. Approaches such as quality up-grade programs, marketing promotions through exhibitions and overseas missions and the creation of export consortia can be applied to improve the competitiveness of network clusters. All of these approaches are based on group approaches that lead to stronger networks between companies.

Eisingerich, Bell, Eisingerich, & Bell (2008) in their study explained that social networks can help in understanding why some service companies have managed to reinvent themselves and continue to succeed in the business-to-business environment, while others are slow to change and decline. Marketing concepts and practices recognize that exchanges between buyers and sellers are often embedded in social relationships, so it is necessary to include the role of the larger social network in which business-to-business service companies operate. The strength of the network between companies and openness to new actors as supporters of competitive advantage in business-to-business services. Successful service providers tend to be characterized by the capacity to maintain the right balance between network strength, openness, and the ability to adjust changing conditions over time. Network characteristics, such as connectivity, stability and relationship intensity when combined with diversity of membership and openness to new exchange partners, can help explain why certain service providers fail while others dynamically adapt to changing environments. The characteristics of network relationships, such as intensity and openness, act as challenges and opportunities. Strong and open network relationships are very important in maintaining the performance of service companies. (Eisingerich et al., 2008) explained that the strength of the network between companies and openness to new actors as supporters of competitive advantage in business-to-business services.

Wu & Chen (2012) conducted a study of the social ties of corporate leaders, namely the ties of business networks affecting a company's competitive advantage. Networks between organizations in terms of reach and boundary alliances can predict the effectiveness of leaders. The social relations of corporate leaders are as important as human capital such as the nature, behavior, attitudes, and other individual attributes. In Asian markets with underdeveloped institutions and inefficient strategic factor markets, social ties play an important role in obtaining important assets, identifying valuable information, and gaining legitimacy. Networking is a means needed to get resources that might not be available through the right market channels. The results of the survey show that business leaders' business relationships contribute positively to the company's competitive advantage.

Anwar (2018) revealed that business networks positively influence competitive advantage and business performance. Competitive advantage fully mediates the relationship between business networks and new business performance. Businesses must utilize business networks to gain competitive advantage and improve performance. The mediating role of competitive advantage reveals that competitive advantage is a significant mediator between business networks and business performance. The establishment of networks rooted between companies and suppliers allows the creation of new information mechanisms, solutions to shared problems, trust and commitment which in turn provide innovative reflective capabilities that enable companies to improve performance.

The relationship of competitive advantage and business performance

Vinh Nhat Lu (2007) examines variables that have an impact on export marketing performance. It was explained that the two uses of the internet in export marketing contributed significantly to variations in the export marketing performance of the Australian export market business namely cost reduction and competitive advantage. This means that how an export market business considers the use of the internet in relation to cost reduction and competitive advantage can be used to significantly predict its marketing performance. With regard to the internet providing a company's competitive advantage, study findings show that if the internet is used to provide a company's competitive advantage over competitors, this will have a positive impact on export marketing performance. Therefore, the internet gives companies a competitive advantage over competitors and reduces the intensity of competition in foreign markets. The management of export market businesses also needs to be aware of this and must use the internet as a competitive weapon for the success of export marketing.

Kamukama, Ahiauzu, & Ntayi (2011) investigated and tested the mediating effects of competitive advantage on the relationship between intellectual capital and financial performance in the microfinance industry. The findings show that the mediating effect of competitive advantage on the relationship between intellectual capital and firm performance satisfies mediation conditions. This is true because the unique intellectual assets within the organization can put the organization in a better competitive position. This finding links well with the resource-based view (RBV) of companies which postulates that the existence of assets that is difficult to replicate is related to the company's competitive position. Other scientists also determined that intellectual capital is a group of invisible assets that are ascribed to the organization and that most significantly influences the company's competitive position and performance. The discussion above confirms that the presence of competitive advantage acts as a channel between intellectual capital and financial performance in microfinance institutions. Thus, competitive advantage is a true mediator of the relationship between intellectual capital and financial performance.

Qun Tan Carlos M.P. Sousa (1983) revealed the important mediating role of competitive advantage in the relationship between marketing capabilities and export performance. Specifically, it was found that two types of competitive advantage (ie low cost advantage and differentiation advantage) positively mediated the effect of capabilities on financial export performance and / or non-financial export performance. These results indicate that exporting companies need to develop professional skills and knowledge in designing and developing new products, responding to market changes with pricing tactics, managing good relations with distributors and customers, and delivering communication messages effectively. This determines the level of marketing ability to meet customer needs, and therefore, establishes the basis for high exporters' financial and non-financial export performance. In addition, when developing marketing capabilities, managers must always pay attention to competition. That is, they need to develop marketing capacity that can bring a position of competitive advantage. In this way, the potential of marketing capabilities to achieve superior financial and non-financial export performance can be fully realized. Therefore, the development of competitive profit-oriented marketing capabilities, which depend only on marketing capabilities, is very important. The decision on what type of competitive advantage the company will focus on depends on the resources and skills available at the company. Similarly, one can build the ability to produce certain types of competitive advantage. Mzoughi, Bahri, & Ghachem, (2008) investigated the effect of competitive advantage on organizational performance. The results show that competitive advantage has an important influence on performance.

Every company strives to pursue competitive achievements in efficiency, effectiveness, creation of value-added services, customer satisfaction levels for superior performance. Competitive advantage was found to have a significant effect on market performance and financial performance (Mentzer, Min, & Zacharia, 2000). Li, Ragu-nathan, Ragu-nathan, & Rao (2006) prove that product innovation, quality from time to time as a competitive advantage can lead to organizational performance. Rua, França, & Fernández Ortiz (2018) stated that the strategy to increase competitiveness will be able to improve business performance. Potjanajaruwit (2018) found that competitive advantage has a direct positive effect on company performance, where differentiating business products and services as competitive advantages will be able to improve company performance. Md, Shamimul Azim (2017) The competitive strategy approach ensures companies to adapt in a competitive environment will improve company performance.

Daniel I. Prajogo Adegoke Okay (2016) understands competitive advantage as excellence in service innovation. Service innovation excellence is the result and service process that consists of new features, new processes and new ways of providing services. Innovations in features, processes, activities and methods to provide core services are seen as competitive weapons for companies. Companies with competitive advantages in innovation can improve business performance by providing superior value. The ability to offer superior services leads to the creation of new market niches that can be utilized by companies, thus enabling companies to attract more customers which leads to an increase in market share and increased performance.

Campo et al. (2014) Competitiveness excellence in service innovation has a direct and positive influence on marketing performance. The perception of competitive advantage in service innovation and performance confirms the importance of investing in innovation to improve services offered in the medium and long term. Excellence in service innovation as a mechanism to differentiate and improve performance for customers so that the company is in a position to obtain greater business profits. Increasing the ability of a hotel to innovate compared to its competitors is a major investment in human resources and capital as well as improvements in the internal administration process allowing an increase in service quality.
Haim Hilman Narentheren Kaliappen (2015) examines the relationship between innovation strategies as competitiveness (process innovation and service innovation) and organizational performance in the context of the hospitality industry. The results show that hotels use process innovation and service innovation as functional level strategies. Process innovation and service innovation strategies are positively related to performance. The application of process innovation and service innovation as a functional strategy can help to achieve better performance in the hospitality industry. Innovation for the hospitality industry as an important strategic issue in today's highly competitive environment because it is believed will improve their overall performance. Hoteliers want to reduce costs, gain greater market share, increase internal efficiency, reach economies of scale and monitor potential competitors. Hoteliers are pursuing service innovation to create unique service creation, change business designs and quickly respond to customer requirements and achieve better performance. Service innovation as a competitiveness for hoteliers to struggle in today's turbulent business environment.
Ahmed Agyapong, Henry Kofi Mensah (2016) found the importance of innovative capabilities in developing the right strategy for hotels. The hotel's dependence on innovative capabilities enables managers to develop appropriate responses to intense competition in the hospitality industry, thereby improving performance. This helps managers develop appropriate responses to meet the increasing needs of customers. This shows that innovative capabilities as competitiveness capabilities affect hotel performance. Nair & Ph (2016) service quality is seen as hospitality competitiveness because it involves the comfort of hotel guests. Very useful hotel managers to improve service quality because it has a significant effect on business performance. Ph, Crina, & Cohuţ (2017) view quality in the hospitality industry as a competitive advantage in an increasingly competitive market, guaranteeing quality of service is very important and increasingly influenced by a number of factors such as expanding consumer rights and the allegation of the emergence of more quality-conscious tourists. Companies that offer services that do not meet these expectations will gradually lose their customers, with their market share shrinking, while companies that provide quality services with standards will succeed in terms of customer loyalty, increasing market share and profitability.
Based on the conceptual framework that has been proposed, the conceptual framework can be described as follows:

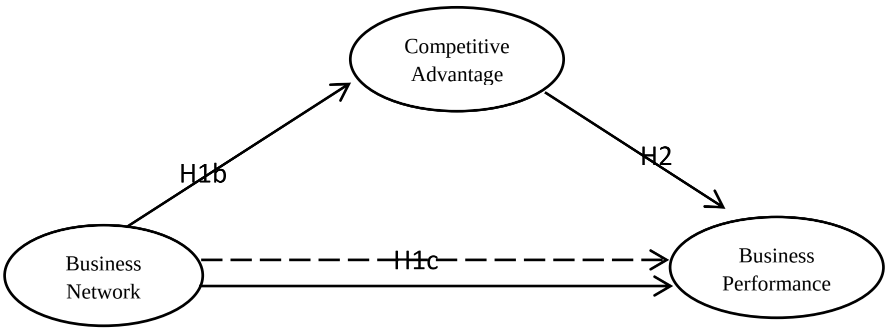

Figure 1: Conceptual framework

Based on the conceptual framework of this study, the following hypotheses are proposed:
Hypothesis 1: Business networks have a positive and significant effect on competitive advantage and business performance
- Hypothesis 1a: Business networks have a significant positive effect on business performance.
- Hypothesis 1b: Business networks have a significant positive effect on competitive advantage.
- Hypothesis 1c: Business networks have a significant positive effect on business performance through competitive advantage

Hypothesis 2: Competitiveness advantages have a significant positive effect on business Performance

Methodology
This research was designed using the Hypothetical-descriptive approach, which is a research process approach that enables the development and testing of the null hypothesis with complete empirical descriptions and facts to illustrate

the accompanying theoretical conceptions (Ferdinand, 2014). To test the hypothesis in this study, the instrument for data collection in this study began with the determination of the variables to be investigated and then determined the indicators, then then made a list of questions in tabular form to be submitted to respondents. The population of this study is all hotels in Makassar, which are 135 hotels. The sample used in the study was 97 taken based on the number of questionnaires returned. A total of 97 samples met the criteria for testing using the Partial Least Square (PLS) analysis tool. Based on the objectives of this study, the organization of the unit of analysis in this study is the organization or the hotel manager. Respondents representing the unit of analysis were taken as sources of information at the hotel manager level. The analytical method used in this research is Structural Equation Modeling (SEM) with the variance approach or commonly called Partial least square path modeling (PLS-PM) using the Smart PLS 3 application program. SEM is a statistical technique that has the ability to analyze patterns of relationships between latent constructs with each other, as well as direct measurement errors. The reason for using SEM is because of SEM's ability to estimate relationships between variables that are multiple relationships. This relationship is formed by the structural model, in addition, SEM also has the ability to describe the pattern of relationships between latent (unobserved) and manifest variables (manifest variables).

Results

The first evaluation is a measurement model that is evaluating the relationship between constructs and indicators through two stages of evaluation, namely convergent validity and discriminant validity. The results of the evaluation of the convergent validity look like in table 1 below:

Table 1: Convergent validity

Contruct reliability and validity

	Crombach's alfa	rho_A	Composite Reliability	Average Varian Extracted (AVE)
BUSINESS NETWORK	0,777	0,787	0,848	0,530
BUSINESS PERFORMANCE	0,843	0,848	0,881	0,515
COMPETITIVE ADVANTAGE	0,860	0,867	0,900	0,643

From table 1 it can be seen that the Crombach's alpha value is above 0.7. Likewise, the rho_A value is above 0.7 and the composite reliability value is above 0.7 while the AVE value for all constructs is above 0.5 so it can be said that the business network construct, competitive advantage and business performance are reliable. For the evaluation of discriminant validity as shown in table 2 below:

Table 2: Discriminant validity

Discriminant validity

	Businesss Network	Business Performance	Competitive advantage
BN1	**0,698**	0,306	0,515
BN2	**0,700**	0,459	0,336
BN3	**0,657**	0,348	0,452
BN4	**0,769**	0,435	0,401
BN5	**0,805**	0,543	0,503
BP1	0,394	**0,717**	0,378
BP2	0,357	**0,712**	0,434
BP3	0,307	**0,707**	0,383
BP4	0,432	**0,653**	0,478
BP5	0,379	**0,739**	0,397
BP6	0,499	**0,792**	0,545
BP7	0,492	**0,696**	0,504
CA1	0,488	0,508	**0,756**
CA2	0,579	0,534	**0,820**
CA3	0,442	0,578	**0,877**
CA4	0,493	0,510	**0,831**
CA5	0,427	0,383	**0,716**

From table 2 it can be seen that each indicator correlates higher with each construct compared to other constructs so it is said to have good discriminant validity. The R square values are shown in table 3 below:
Table 3: R Square

R Square		
	R Square	R Square Adjusted
Business performance	0,461	0,449
Competitive Advantage	0,372	0,365

Based on table 3 above, the R square value of the business performance contract is 0.461, which means that the business network construct and competitiveness excellence can simultaneously explain the variability of business performance constructs of 46.1%, the rest is determined by other factors outside this research model. Furthermore, the value of R square for a competitive advantage construct of 0.372 means that the business network construct is able to explain the competitive advantage construct of 37.2%, the rest is determined by other factors outside this research model. The structural model, as shown in Figure 2 below:

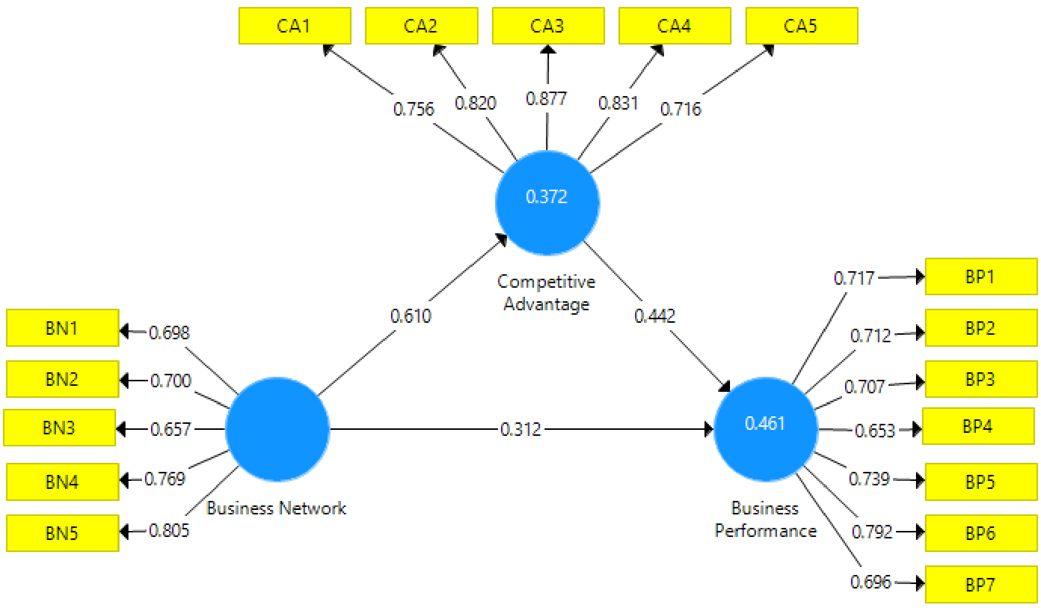

Figure 2: Structural model

The next evaluation is testing the research hypothesis as shown in the table below:
Table 4: Path coefficients

Path coefisien	Original sample (O)	Sample Mean	Standard Deviation	T statistics (|O/STDEV|)	P value
Business Network → Business performance	0,312	0,324	0,094	3,325	0,001
Business Network → Competitive Advantage	0,610	0,622	0,062	9,846	0,000
Competitive Advantage → Business performance	0,442	0,439	0,113	3,927	0,000
Business Network → Competitive Advantage → Business performance	0,269	0,272	0,072	3,722	0,000

From table 4 shows the results of testing of 4 hypotheses namely H1a, H1b, H1c and H2. direct and indirect influence. For testing the influence of business networks on business performance shows a path coefficient of 0.312 and a statistical T value of 3.325 which is above 2.0 and P value <0.05. This result means that the business network has a significant positive effect on business performance. Thus H1a is accepted. For business networks, the competitive advantage shows a path coefficient of 0.610 and a statistical T value of 9.846 which is above 2.0 and a P value <0.05. This result means that the business network has a significant positive effect on competitive advantage. Thus H1b is accepted. For the influence of business networks on business performance through competitive advantage shows a path coefficient of 0.269 and a statistical T value of 3.722 which is above 2.0 and P value <0.05. This result means that the business network has a significant positive effect on business performance through competitive advantage. Thus H1c is accepted. And for the influence of competitive advantage on business performance shows a path coefficient of 0.442 and a statistical T value of 3.927 which is above 2.0 and P value <0.05. This result means that competitive advantage has a significant positive effect on business performance. Thus H2 is received.

Discussion

This finding is in line with the view of the company's business relationships providing important information to the company, fostering trust, and promoting shared goals among the parties that have mutual interests. Business relationships enable companies to obtain technology development developed by business partners and integrate it with existing technology. Thus the company can launch products / services that are newer and perform better than its competitors (Chen & Wu, 2011). This study is also in line with the study conducted by Wu & Chen (2012) network relations are the means required to obtain resources that may not be available through market channels. Business ties that occur with suppliers, customers and distributors will be able to create products that have unique benefits compared to competitors, have superior quality than competitors, products that are more advanced than products in the same market and different products from competing products. The results of this study are also not in line with the views of Yassine Sefiani, Barry J Davies, Robin Bown (2016) that the business network is also related to the strength of the network where the business network has a network of supporting government, financial institutions, business partners (suppliers, customers, contractors) and trade association. This is in the study of Yassine Sefiani, Barry J Davies, Robin Bown (2016) as a reflection of business success. This research is in line with research conducted by Anwar (2018) that the company's efforts in developing relationships with customers, suppliers and competitors will create customer value through services, create products / services with certain brands, and be able to adjust products / services to changing customer needs, so that this will be able to increase customer satisfaction, sales growth and increase the quality of products / services. Huang, Lai, & Lo (2012) put forward their view that business networks relate to interactions with suppliers, customers and competitors. Where companies often communicate and build partnerships with suppliers, customers and competitors, interact with suppliers, customers and competitors to stimulate new product ideas, developing new products and working with suppliers, customers and competitors to test new products. Interaction in the business network will reflect innovation in improving quality, competitiveness, brand awareness, new service processes, and product / service designs that are faster than competitors. Thus, it will be able to increase profits, market share and sales growth. Mukhamad Najib Akira Kiminami (2011) considers that innovation in a business is an effort to maintain competitiveness in an ever-changing environment. Changes in the business environment, such as shifting consumer demand, technology, and others, can encourage companies to be more innovative. Nadjib (2011) states that cooperation with customers, suppliers and cooperation with other companies in the same business and service development providers will be able to create novelty or modification in product, process or marketing aspects so as to increase sales volume, profitability and market share.

Conclusion

Efforts to establish connections with buyers, spend a lot of effort to develop connections with competitors, maintain good communication with customers, suppliers and competitors, commitment and responsibility in relationships with customers, suppliers and competitors can increase competitive advantage. Efforts to establish connections with customers, efforts to develop connections with competitors, maintain good communication with customers, suppliers and competitors, and commit and take responsibility in relationships with customers, suppliers and competitors can improve business performance

Implications of theory

The variable of competitive advantage in this study is proven as a mediation between business network variables on the performance of the hotel business in Makassar City and proves a resource-based theory that sustainable competitive advantage comes from valuable and rare resources and control capabilities of companies. can be substituted.

Managerial Implications

Hospitality managers need to consider business networks in an effort to achieve competitive advantage and business performance. The ability of company resources such as business networks can improve competitive advantage so as to improve the performance of the hospitality business.

Referensi

[1] Ahmed Agyapong, Henry Kofi Mensah, A. M. A. (2016). The moderating role of social network on the relationship between innovative capability and performance in the hotel industry. *International Journal of*

Emerging Markets. Retrieved from https://doi.org/10.1108/IJoEM-11-2016-0293

[2] Anil Menon, Sundar G. Bharadwaj, P. T. A. and S. W. E. (1999). Antecedents and Consequences of Marketing Strategy Making: A Model and a Test. *Journal of Marketing*, *63*(2), 18–40.

[3] Anwar, M. (2018). Networking and new venture ' s performance : mediating role of competitive advantage. *International Journal of Emerging Markets*, *13*(5), 998–1025. https://doi.org/10.1108/IJoEM-07-2017-0263

[4] Barney, J., Wright, M., & Ketchen, D. J. (2001). The resource-based view of the firm: Ten years after 1991. *Journal of Management*, *27*(6), 625–641. https://doi.org/10.1016/S0149-2063(01)00114-3

[5] Bobirca, A., & Cristureanu, C. (2015). Advances in Hospitality and Leisure Article information : *Advances in Hospitality and Leisure*, *4*, 75–99.

[6] Brownhilder Ngek Neneh. (2017). Article information : Customer orientation and SME performance : the role of networking ties. *African Journal of Economic and Management Studies*.

[7] Byoungho Jin Sojin Jung. (2016). Journal of Small Business and Enterprise Development. *Journal of Small Business and Enterprise Development*, *23*(3).

[8] Caldwell, C., Floyd, L., Taylor, J., Woodard, B., & Woodard, B. (2014). Beneficence as a source of competitive advantage. *Journal of Management Development*, *33*(10), 1057–1079. https://doi.org/10.1108/JMD-01-2013-0007

[9] Campo, S., Díaz, A. M., Yagüe, M. J., Campo, S., Díaz, A. M., & Yagüe, M. J. (2014). Hotel innovation and performance in times of crisis. *International Journal of Contemporary Hospitality Management*, *26*(8), 1292–1311. https://doi.org/10.1108/IJCHM-08-2013-0373

[10] Chen, X., & Wu, J. (2011). Industrial Marketing Management Do different guanxi types affect capability building differently ? A contingency view. *Industrial Marketing Management*, *40*(4), 581–592. https://doi.org/10.1016/j.indmarman.2010.12.014

[11] Conceição, J., Camargo, S. M., Maria, A., Toaldo, M., Didonet, S. R., Conceição, J., … Didonet, S. R. (2018). The role of marketing capabilities , absorptive capacity , and innovation performance. *Marketing Intelligence & Planning*. https://doi.org/10.1108/MIP-11-2017-0312

[12] D. Passemard Brian H. Kleiner. (2000). Competitive Advantage in Global Industries. *Management Research News*, *23*(7/8), 111–117.

[13] Daniel I. Prajogo Adegoke Oke. (2016). Human capital, service innovation advantage, and business performance: the moderating roles of dynamic and competitive environments. *International Journal of Operations & Production Management*, *36*(9).

[14] Debadutta Panda Sriharsha Reddy. (2016). Resource based view of internationalization : evidence from Indian commercial banks. *Journal of Asia Business Studies*, *10*(1), 41–60. https://doi.org/10.1108/JABS-10-2014-0082

[15] Devlin, J., Ennew, C. T., Devlin, J., & Ennew, C. T. (2006). Understanding competitive advantage in retail financial services Understanding competitive advantage in retail financial services. *International Journal of Banking Marketing*, *15*(3), 73–82.

[16] Eisingerich, A. B., Bell, S. J., Eisingerich, A. B., & Bell, S. J. (2008). Managing networks of interorganizational linkages and sustainable firm performance in business-to-business service contexts. *Journal of Services Marketing*, *22*(7), 494–504. https://doi.org/10.1108/08876040810909631

[17] Haahti, E. B. U. Y. A. (2006). Perceived uncertainty, networking and export performance: A study of Nordic SMEs Emin Babakus Ugur Yavas Antti Haahti Article. *European Business Review*, *18*(1), 4–13.

[18] Haim Hilman Narentheren Kaliappen. (2015). Innovation strategies and performance : are they truly linked ? *World Journal of Entrepreneurship, Management and Sustainable Development*, *11*(1), 48–63. https://doi.org/10.1108/WJEMSD-04-2014-0010

[19] Hokey Min Hyesung Min. (2006). Benchmarking the quality of hotel services : managerial. *International Journal of Quality & Reliability Management*, *14*(6), 582–597.

[20] Huang, H., Lai, M., & Lo, K. (2012). Technovation Do founders ' own resources matter ? The influence of business networks on start-up innovation and performance. *Technovation*, *32*(5), 316–327. https://doi.org/10.1016/j.technovation.2011.12.004

[21] Jasmine Tata Sameer Prasad. (2015). Immigrant family businesses: social capital, network benefits and business performance. *International Journal of Entrepreneurial Behavior & Research*, *21*(6), 842–866.

[22] Jorge Pereira-Moliner Eva M. Pertusa-Ortega Juan José Tarí Maria D. Lopez-Gamero Jose F. Molina-Azorin. (2016). Organizational design, quality management and competitive advantage in hotels. *International Journal of Contemporary Hospitality Management*, *28*(4).

[23] Kamila Borsekova Anna Vanova and Katarina Petrikova. (2015). From Tourism Space to a Unique Tourism Place through a Conceptual Approach to Building a Competitive Advantage. *Marketing Places and Spaces*, *10*, 155–172. https://doi.org/10.1108/S1871-317320150000010012

[24] Kamukama, N. (2013). Intellectual capital : company ' s invisible source of competitive advantage. *Competitiveness Review: An International Business Journal*, *23*(3), 260–283.

https://doi.org/10.1108/10595421311319834
[25] Kamukama, N., Ahiauzu, A., & Ntayi, J. M. (2011). Competitive advantage : mediator of intellectual capital and performance. *Journal of Intellectual Capital*, *12*(1), 152–164. https://doi.org/10.1108/14691931111097953
[26] Kandampully, J., & Duddy, R. (2001). Service System : A Strategic Approach to Gain a Competitive Advantage in the Hospitality and Tourism Industry. *International Journal of Hospitality & Tourism Administration*, *2*(1), 27–47.
[27] Klerk, S. De, & Saayman, M. (2012). Emerald Article : Networking as key factor in Artpreneurial success Networking as key factor in Artpreneurial success. *European Business Review*, *24*(5), 382–399. https://doi.org/10.1108/09555341211254490
[28] Kozlenkova, I. V, Samaha, S. A., & Palmatier, R. W. (2013). Resource-based theory in marketing. *Journal of the Academic. Marketing Science*. https://doi.org/10.1007/s11747-013-0336-7
[29] Li, S., Ragu-nathan, B., Ragu-nathan, T. S., & Rao, S. S. (2006). The impact of supply chain management practices on competitive advantage and organizational performance. *The International Journal of Management Science*, *34*, 107–124. https://doi.org/10.1016/j.omega.2004.08.002
[30] Ma, H. (1999). Creation and preemption for competitive advantage. *Management Decision*, *37*(3), 259–267.
[31] Ma, H. (2000). Competitive Advantage and Firm Performnace. *Competitiveness Review: An International Business Journal*, *10*(102), 15–32. Retrieved from http://dx.doi.org/10.1108/eb046396%0Ahttp://dx.doi.org/10.1108/00251749610145889%0Ahttp://dx.doi.org/10.1108/00251749910264497%0Ahttp://dx.doi.org/10.1108/08858629810226654
[32] Md, Shamimul Azim, H. H. A. and A. H. G. (2017). Competitive Strategy and Firm Performance: A Review of Literature. *International Journal of Business and Technopreneurship*, *7*(1), 87–92.
[33] Mentzer, J. T., Min, S., & Zacharia, Z. G. (2000). The Nature of Interfirm Partnering in Supply Chain Management. *Journal of Retailing*, *76*(4), 549–568.
[34] Michael E. Porter. (1985). *Competitive Advantage; Creating and Sustaining*. New York: The Free Press A Division of Macmillan, Inc. 866 Third Avenue, New York, N.Y. 10022 Maxwell.
[35] Mu, J. (2013). Networking capability , new venture performance and entrepreneurial rent. *Journal of Research in Marketing and Entrepreneurship*, *15*(2), 101–123. https://doi.org/10.1108/JRME-06-2012-0011
[36] Muhammad Anwar, Atiq Ur Rehman, S. Z. A. S. (2017). Article information : Networking and New Venture ' s Performance : Mediating Role of Competitive Advantage * Corresponding Author. *International Journal of Emerging Markets*.
[37] Mukhamad Najib Akira Kiminami. (2011). Innovation , cooperation and business performance Some evidence from Indonesian small food. *Journal of Agribusiness in Developing and Emerging Economies*, *1*(1), 75–96. https://doi.org/10.1108/20440831111131523
[38] Mzoughi, N., Bahri, N., & Ghachem, M. S. (2008). Impact of Supply Chain Management and ERP on Organizational Performance and Competitive Advantage: Case of Tunisian Companies. *Journal of Global Information Technology Management*, *13*(3), 24–46. https://doi.org/10.1080/1097198X.2008.10856472
[39] N. Gladson Nwokah. (2009). Measuring Business Excellence. *Measuring Business Excellence*, *13*(3), 20–28. https://doi.org/10.1108/13683040910984293
[40] Nair, G., & Ph, D. (2016). Impact of Service Quality on Business Performance in Hospitality Industries : An empirical study. *Journal of Tourism, Hospitality and Sports*, *17*.
[41] Parashar, S. V. S. P. (2007). Enhancing the competitiveness of SMEs through industrial clusters : *International Journal of Technology Management and Sustainable Developmen*, *6*(3), 227–243. https://doi.org/10.1386/ijtm6.3.227/1
[42] Peng and Yadong Luo. (2000). Managerial Ties and Firm Performance in a Transition Economy: The Nature of a Micro-Macro. *The Academy of Management Journal*, *43*(3), 486–501. Retrieved from http://www.jstor.org/stable/1556406 .
[43] Ph, A., Crina, D. I., & Cohuţ, P. O. P. (2017). Competitiveness through in the hospitality industry-theoretical aspect and measurement methods in the international practice. *The Journal Contemporary Economy Revista Economia Contemporană*, *2*(4), 147–155.
[44] Potjanajaruwit, P. (2018). Competitive advantage effects on firm performance: A Case study of startups in Thailand. *Journal of International Studies*, *10,* 104–111.
[45] Qun Tan Carlos M.P. Sousa. (1983). Leveraging marketing capabilities into competitive advantage and export performance. *International Marketing Review*, *32*(1), 78–102. Retrieved from http://dx.doi.org/10.1108/IMR-12-2013-0279
[46] Rapert, M. I., & Wren, B. M. (1998). Service quality as a competitive opportunity. *The Journal of Marketing Service*, *12*(3), 223–235.
[47] Ritter, T., Wilkinson, I. F., & Johnston, W. J. (2002). Firms ' ability to manage in business networks : a review of concepts. *Inaugural Meeting of the IMP Group in Asia, Curtin Univercity of Technology*.

[48] Rua, O., França, A., & Fernández Ortiz, R. (2018). Key drivers of SMEs export performance: the mediating effect of competitive advantage. *Journal of Knowledge Management*, *22*(2), 257–279. https://doi.org/10.1108/JKM-07-2017-0267

[49] Sheng, S., Zhou, K. Z., & Li, J. J. (2011). The Effects of Business and Political Ties on Firm Performance : Evidence from China. *Journal of Marketing*, *75*(January), 1–15.

[50] Tornroos, M. H. J.-åke, & Holmlund, M. (2006). What are relationships in business networks ? *Management Decision*, *35*(4), 304–309.

[51] Tseng, S., & Lee, P. (2014). The effect of knowledge management capability and dynamic capability on organizational performance. *Journal of Enterprise Information Management*, *27*(2), 158–179. https://doi.org/10.1108/JEIM-05-2012-0025

[52] Victor Zengyu Huang Anup Nandialath Abdulkareem Kassim Alsayaghi Emine Esra Karadeniz. (2013). Socio-demographic factors and network configuration among MENA entrepreneurs Victor Zengyu Huang Anup Nandialath Abdulkareem Kassim Alsayaghi Emine Esra Karadeniz Article. *International Journal of Emerging Markets*, *8*(3), 258–281.

[53] Vinh Nhat Lu, C. C. J. (2007). The internet and export marketing performance: The empirical link in export market ventures. *Asia Pacific Journal of Marketing and Logistics*, *19*(2), 127–144. Retrieved from http://dx.doi.org/10.1108/13555850710738480

[54] Wu, J. (2011). Asymmetric roles of business ties and political ties in product innovation ☆. *Journal of Business Research*, *64*(11), 1151–1156. https://doi.org/10.1016/j.jbusres.2011.06.014

[55] Wu, J., & Chen, X. (2012). Leaders ' social ties , knowledge acquisition capability and firm competitive advantage. *Asia Pacific Journal Management*, *29*, 331–350. https://doi.org/10.1007/s10490-011-9278-0

[56] Yassine Sefiani, Barry J Davies, Robin Bown, N. K. (2016). Performance of SMEs in Tangier: the interface of networking and "wasta." *EuroMed Journal of Business*. Retrieved from https://doi.org/10.1108/EMJB-06-2016-0016