



The Role of Intellectual Agility and Marketing Agility on Marketing Performance: A Study on Small and Medium Industries (SMEs)

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Abstract

Objectives – This study aims to analyze the influence of Intellectual Agility and Marketing Agility on Marketing Performance in the context of Batik Small and Medium Industries (SMEs). In addition, this study also evaluates the interaction between the two variables in increasing the competitiveness of batik businesses. **Methods** – A quantitative approach is used with the Partial Least Squares-Structural Equation Modeling (PLS-SEM) method. Data was collected from Batik SMEs and analyzed using bootstrapping techniques to test the relationship between variables. **Results** – The results of the study showed that Intellectual Agility had a significant effect on Marketing Performance, with a coefficient of 0.680 and a P-Value of 0.000. In contrast, Marketing Agility did not have a significant influence on Marketing Performance (P-Value 0.054). In addition, the interaction between Marketing Agility and Intellectual Agility did not have a significant impact on Marketing Performance (P-Value 0.697). **Implications** – These findings indicate that increasing Intellectual Agility is the main factor in increasing the competitiveness and marketing performance of Batik SMEs. Therefore, batik business actors need to increase creativity, innovation, and the use of technology in their marketing strategies. Moreover, even though Marketing Agility has not proven to have a significant impact, digital transformation is still necessary to deal with market changes. **Contribution** – This research provides new insights into the importance of intellectual capacity in supporting the marketing strategy of Batik SMEs. Strategic recommendations are also given for industry players to increase competitiveness through innovation and the use of digital technology.

Keywords: *Intellectual Agility; Marketing Agility; Marketing Performance; Batik IKM*

Introduction

Small and Medium Industries (SMEs) play a crucial role in Indonesia's economy, contributing to **64.5% of total GDP** and absorb **97% workforce** (Ministry of Cooperatives and SMEs, 2022). However, the marketing performance of SMEs is still a big challenge. Study by Gilmore et al., (2001) shows that SMEs in developing countries often fail to adopt modern marketing strategies due to limited resources, knowledge, and access to technology. This phenomenon also occurs in Indonesia, where **72% of SMEs rely on traditional marketing methods** such as customer recommendations or direct sales (BPS, 2021), thus hindering growth and competitiveness.

One of the main problems is the low capacity of marketing digitalization. Research Rahayu & Day, (2015) revealed that SMEs in Southeast Asia, including Indonesia, are lagging behind in the use of digital platforms such as social media and e-commerce because **limitations of digital literacy and infrastructure**. In fact, a study by Tiago & Veríssimo, (2014) emphasized that the adoption of digital technology is positively correlated with improved marketing performance, including market expansion and customer loyalty. In Indonesia, only **34% of SMEs who use social media for marketing** (ASEAN SME Academy, 2020), indicating a significant gap.

In addition, financial constraints hinder investment in market research and brand development. O'Cass & Sok, (2014) emphasizing that SMEs often allocate marketing budgets strategically, focusing more on short-term operational costs than building long-term brand equity. This is exacerbated by a lack of understanding of market segmentation. According to Coviello & Joseph, (2012) SMEs tend to adopt an informal and reactive "entrepreneurial marketing" approach, rather than data-driven, making it difficult to compete with large companies. Cultural and regulatory factors also affect the marketing performance of SMEs. Research Suwandana (2023) shows that Indonesia's diverse consumer preferences and the complexity of regional regulations are obstacles to market expansion. Study Irawan, (2020) added that **43% of SMEs have difficulty meeting product certification standards** to compete in the global market, which is reinforced by the findings of Jayawarna et al., (2014) about the low export orientation of SMEs in developing countries.

To overcome the marketing performance challenges faced by SMEs in Indonesia, one of the solutions that can be adopted is to strengthen **agility marketing**. Agility marketing refers to a company's ability to respond quickly to market changes, leverage data in real-time, and flexibly adjust marketing strategies (Gligor et al., 2015). This concept is especially relevant for SMEs operating in a dynamic and competitive business environment. Study by Lu, (2017) It shows that companies with high agility capabilities tend to be more adaptive to market changes, so that they are able to improve marketing performance. In the context of SMEs, agility marketing can be implemented through the use of digital technology, such as data analytics and social media, to monitor consumer preferences and adjust marketing campaigns in real-time. Research by Trainor et al., (2014) emphasized that the integration of digital technology in marketing strategies can improve marketing efficiency and effectiveness, especially for companies with limited resources. In addition, agility marketing also emphasizes the importance of internal and external collaboration. According to Overby et al., (2006), companies that are able to build collaborative networks with suppliers, distributors, and even competitors, can respond more quickly to market changes. For SMEs in Indonesia, this kind of collaboration can be facilitated through digital platforms or business communities, which allows for a more efficient exchange of information and resources.

The implementation of agility marketing also requires a change in mindset and an increase in the capacity of human resources. Research by Tallon & Pinsonneault, (2011) shows that companies with an organizational culture that supports innovation and continuous learning tend to be more successful in adopting agility marketing. Therefore, training and mentoring for SMEs in terms of digital literacy and modern marketing management are crucial. By strengthening marketing agility, SMEs in Indonesia can not only improve marketing performance, but also build long-term competitiveness. This is in line with the findings Chen et al., (2015) which states that agility marketing contributes significantly to increasing customer satisfaction, brand loyalty, and revenue growth. However, agility marketing has not been able to improve marketing performance, so Intellectual agility is needed to strengthen the relationship between agility marketing in improving marketing performance. In the context of SMEs in Indonesia, intellectual agility can be the key to overcoming resource limitations and increasing competitiveness. For example, by adopting intellectual agility, SMEs can develop the ability to analyze market trends in depth, identify unmet consumer needs, and create relevant innovative solutions. Research by Tidd, Pavitt, (2018) It shows that companies that are able to combine market knowledge with innovation capabilities tend to be more successful in creating products or services that meet consumer expectations.

Intellectual agility also encourages SMEs to build an organizational culture that focuses on continuous learning. According to Edmondson, (2012) Organizations that encourage experimentation, reflection, and learning from failure tend to be more adaptive and innovative. For SMEs, this can be realized through employee training programs, knowledge exchange with business partners, or participation in industry workshops and seminars. Study by Calantone et al., (2002) emphasized that organizational learning orientation is positively correlated with innovation ability and marketing performance. Furthermore, intellectual agility also includes the ability to build strategic networks and utilize business ecosystems. According to Powell et al., (1996) Collaboration with other players in the ecosystem, such as suppliers, distributors, or even competitors, can accelerate the innovation process and increase competitiveness. For SMEs in Indonesia, this kind of collaboration can be facilitated through participation in industry associations, partnership programs with large companies, or digital platforms that connect business actors.

By combining agility marketing and intellectual agility, SMEs in Indonesia can build marketing capabilities that are not only responsive to short-term changes, but also able to anticipate and lead long-term changes. This approach is in line with the findings by Weerawardena et al., (2015) which states that a combination of operational speed and strategic depth is key to achieving competitive advantage in a complex business environment. This study aims to analyze the role of intellectual agility moderation in the relationship between agility marketing and marketing performance.

2. Theory Review

2.1 Dynamic Capabilities Theory

The Dynamic Capabilities theory states that an organization's ability to integrate, build, and reconfigure internal and external resources is key to achieving competitive advantage in a dynamic business environment (D. J. Teece et al., 2009). In this context, agility marketing can be seen as the operational ability to respond to market changes quickly, while intellectual agility is the strategic ability to learn, innovate, and anticipate long-term changes. According to Teece et al., (2009), dynamic capabilities consist of three main elements, first, Sensing is the ability to identify opportunities and threats in the market. Second, Seizing is the ability to capitalize on these opportunities through innovation and the right strategy. Third, Reconfiguring is the ability to adapt internal resources and processes to remain relevant.

Marketing performance and agility marketing play a role in sensing and seizing while intellectual agility strengthens the ability to reconfigure by ensuring that learning and innovation continue to occur. Thus, intellectual agility moderates the relationship between marketing agility and marketing performance by ensuring that a quick response to the market is supported by a deep and sustainable strategy.

2.2 Knowledge-Based View (KBV)

The Knowledge-Based View theory emphasizes that knowledge is the most valuable strategic resource for an organization (Grant, 1996). The Knowledge-Based View (KBV) theory argues that knowledge is the most valuable strategic resource for organizations. Knowledge, both tacit (hidden) and explicit (recorded), is the basis for creating a sustainable competitive advantage. KBV emphasizes that an organization's ability to effectively create, integrate, and apply knowledge is key to achieving superior performance. According to Grant, (1996) There are four critical processes in primary knowledge management, Individual Knowledge is the knowledge possessed by individuals in an organization. Second, Knowledge Integration is the ability to combine knowledge from different sources. Third, Knowledge Application is the use of knowledge to create value. Fourth, Organizational Learning is a continuous process of updating and improving knowledge.

Intellectual agility can be seen as an organization's ability to quickly and effectively create, integrate, and apply new knowledge. This concept is in line with KBV because intellectual agility allows

organizations to create new knowledge through experimentation, research, and collaboration by connecting knowledge from various sources, both internal and external and applying that knowledge to develop innovative strategies and respond to market changes.

The study of the SECI Model (Socialization, Externalization, Combination, Internalization) explains how tacit and explicit knowledge can be converted and integrated in an organization (Abdillah et al., 2024). Intellectual agility facilitates this process by encouraging collaboration, experimentation, and reflection. According to Nonaka & Takeuchi (1995), the process of knowledge creation involves the conversion between tacit (hidden) and explicit (recorded) knowledge. Intellectual agility facilitates this process by encouraging collaboration, experimentation, and reflection within the organization. In the context of marketing, this means that agility marketing powered by intellectual agility will be more effective in identifying market trends, developing relevant campaigns, and creating value for customers.

2.3 Marketing Performance

According to Morgan et al., (2002) Marketing performance refers to the extent to which an organization achieves its marketing goals, both from financial (such as sales and profitability) and non-financial (such as customer satisfaction and brand loyalty). Morgan et al., (2002) emphasized that marketing performance should be measured holistically, not just focus on short-term financial results. While Ambler et al., (2004) (2004) defines marketing performance as the result of marketing activities that can be measured through outcomes, such as increased sales, market share, and customer satisfaction. Ambler et al., (2004) also emphasized the importance of measuring marketing performance from a customer perspective, such as brand awareness and the quality of relationships with **customer**.

Narver & Slater, (2012) found that market orientation was positively correlated with marketing performance. Market orientation includes three components: customer orientation, competitor orientation, and coordination between functions. Hult et al., (2004) shows that the ability to innovate organizations is positively correlated with marketing performance. Product, process, and marketing innovations can help companies meet customer needs and differentiate themselves from competitors. Palmatier et al., (2006) emphasizes that the quality of relationships with customers, such as trust and commitment, correlates positively with marketing performance. Strong relationships with customers can increase customer loyalty and retention.

When linked to Small and Medium Industries (SMEs) that often SMEs have limited marketing budgets, making it difficult to adopt effective marketing strategies. **Gilmore** shows that SMEs in developing countries tend to allocate marketing budgets to short-term tactics, such as discounts or promotions, rather than building long-term brand equity. SMEs also experience obstacles in terms of the use of digital technology, this is due to the lack of digital literacy by SMEs. Although digital technology offers great opportunities for marketing, many SMEs in Indonesia are still lagging behind in the adoption of digital platforms. **BPS (2021)** reports that **only 34% of SMEs who use social media for marketing**, and most still rely on traditional methods such as customer recommendations or direct sales.

In addition, SMEs often lack data and insight into consumer preferences, market trends, and competitor behavior. O'Cass & Sok, (2014) shows that SMEs that invest time and resources in market research tend to be more successful in improving marketing performance. Complicated regulations and inadequate infrastructure, especially in rural areas, are obstacles for SMEs in expanding their markets (Irawan, 2020). For example, difficulties in meeting product certification standards or access to an efficient distribution network can limit sales growth.

2.4. Marketing Agility and Marketing Performance

Marketing agility is particularly appropriate in a context where the environment is characterized by rapid changes and unpredictable market responses; many emerging markets are currently undergoing a

process of change that may seem sudden (Hughes, & Chandy, 2021:59). Many studies have provided different explanations for the agility that emerges from different business disciplines such as management, manufacturing, and marketing where common characteristics emerge from these concepts. First, agility is the ability of an organization with strong agility to adapt to market changes better than competitors. Second, the concept of agility shows that proactive Responsiveness, agility, and flexibility are the key features of marketing agility. Third, agility is sensing and responding quickly, and this involves proactive change, sensing and responding to opportunities and threats (Zhou et al., 2019). Dan Homburg, et al, 2020: 10) define marketing agility as a key dimension of marketing excellence and define it as "a strategic means for organizations to implement growth activities by marketing departments and through simplified structures and processes, rapid decision-making, trial and error, based on this concept, classified Agility at the organizational level and functional in related disciplines (Kalaigianam et al., 2021). Marketing agility is the ability to be proactive in responding in a timely, effective, and sustainable manner to dynamic market conditions and customer needs (Rekha, 2019). Marketing agility is defined as a company's ability to respond quickly to market changes, take advantage of new opportunities, and adapt to the changing dynamics of the business environment (Chen et al., 2014). These capabilities include **flexibility, speed, and precision** in making marketing decisions. Marketing agility allows. an enterprise to identify market trends, respond quickly to customer needs, and adjust marketing strategies effectively. This ultimately improves marketing effectiveness and overall business performance (D. Teece et al., 2016). **If connected to Marketing Performance.** refers to the results achieved by the company through its marketing activities, such as increased market share, customer satisfaction, brand loyalty, and profitability (Morgan, 2012). Good marketing performance is often affected by a company's ability to adapt to market changes.

Marketing Agility refers to an organization's ability to respond quickly to market changes, take advantage of new opportunities, and adjust marketing strategies effectively. These capabilities include speed in decision-making, flexibility in implementation, and responsiveness to customer needs. The results of Robert's (2011) study show that Marketing Agility positively affects Marketing Performance, because agile organizations can be better at meeting the demands of a dynamic market. The results of the study show that an organization's ability to respond to customers (as part of Marketing Agility) significantly improves marketing performance. Results Sukardi et al., (2021) found that marketing agility significantly increases the success of new product launches, which is an important indicator of marketing performance. Companies that are able to adapt quickly to market changes and customer needs tend to achieve better marketing performance. Research Tallon & Pinsonneault, (2011) shows that agility, including marketing agility, has a positive impact on organizational performance, including marketing performance. The ability to respond quickly to market changes increases the effectiveness of marketing strategies. Research Sambamurthy et al., (2003) It shows that companies that develop agility through the use of digital technology tend to have better marketing performance. The ability to respond quickly to market changes increases the effectiveness of marketing strategies.

Based on the above theoretical relationships, the hypotheses that can be put forward are:

H1: Marketing agility has a positive and significant effect on marketing performance.

2.5 Intellectual agility moderates marketing agility and marketing performance

In a dynamic and uncertain business environment, companies must have the ability to adapt and innovate to achieve success. Marketing agility is the ability of a company to respond quickly and effectively to changes in the market and customers (Sutherland & Jarrahi, 2018). However, marketing agility alone is not enough to achieve success. Companies also need intellectual agility to moderate the relationship between marketing agility and marketing performance. Intellectual agility is the ability of individuals or teams to think creatively, analytically, and strategically in the face of change and uncertainty (Hansen & Birkinshaw, 2007). According to Overby et al., (2006) Intellectual Agility is the

ability of individuals or organizations to think flexibly, adaptively, and quickly in dealing with changes in the business environment. This capability allows organizations to integrate new knowledge, adjust strategies, and make the right decisions in a short period of time. Intellectual Agility acts as a moderator because it affects how effectively an organization can implement Marketing Agility to achieve optimal Marketing Performance. Intellectual Agility strengthens the relationship between Marketing Agility and Marketing Performance through several mechanisms, namely: first, **Faster Information Processing** Where Organizations with high Intellectual Agility can identify and utilize market information more effectively, thereby increasing the speed and accuracy of marketing decision-making. Second **Better strategy adaptation where** Agile thinking skills allow organizations to adjust marketing strategies more quickly and effectively in the face of market changes. Third **Faster innovation where** Intellectual Agility drives innovation by enabling organizations to incorporate new knowledge into their marketing strategies. Based on this mechanism, it can be concluded that the intellectual and strategic capabilities of the organization can affect how effective the company is to implement intellectual agility so that it can improve performance (Tallon & Pinsonneault, 2011).

Intellectual agility plays an important role in moderating the relationship between marketing agility and marketing performance. When companies have high intellectual agility, they can be more effective in identifying opportunities and threats in the market, developing effective marketing strategies, and implementing. Without adequate Intellectual Agility, even if an organization has Marketing Agility, companies will find it difficult to translate that flexibility and speed into concrete marketing results (Sambamurthy et al., 2003). This happens due to a lack of ability to think strategically and integrate new knowledge into marketing strategies.

Based on the theoretical relationship and concept above, the hypothesis can be formulated as follows:

H2: Intellectual Agility has a positive effect on Marketing Performance

H3: MA*IA Interaction affects Marketing Performance

Based on the formulation of hypotheses, the research model proposed by the authors is as shown in Figure 1

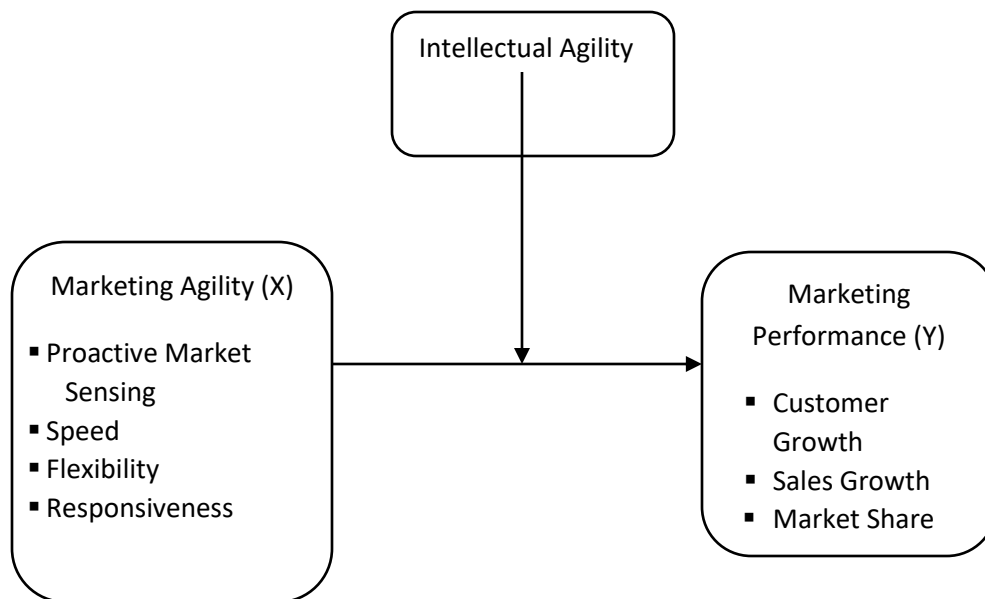


Figure 1: Relationship Between Intellectual sebagai moderating antara Marketing Agility dan Marketing performance

3. Research Methods

Based on the information and observation results, the author is interested in conducting scientific research in the form of an article titled: "The Effect of Marketing Agility on Marketing Performance in the Moderation of Intellectual Agility in Coal Mining Heavy Equipment Spare Parts Retail Companies in East Kalimantan". The sample was taken from 100 coal mining heavy equipment parts retail companies in the East Kalimantan region. The respondents in this study are one of the representatives of a Batik company in Semarang who works as a marketing person, marketing manager, marketing director, and decision-maker in the company. The relationship between variables in this study was analyzed using the Partial Least Square Structural Equation Modelling (PLS-SEM) method. PLS-SEM is more suitable for identifying fewer problems, can use much smaller and much larger samples, and is easier to construct formative and reflective constructs (Hair et al., 2014).

4. Discussion

Data Analysis

The first phase of model evaluation is focused on the measurement model. Examination of PLS-SEM estimates for measurement models allows researchers to evaluate the reliability and validity of constructs (Hair et al., 2011). Specifically, multivariate measurement involves the use of several variables to measure a concept indirectly. The evaluation of the measurement model includes internal consistency reliability tests, indicator reliability, convergent validity, and discriminatory validity as shown in Table 1. Hair et al (Hair et al., 2014) explained that to measure the reliability of a construct, two methods can be used, namely Cronbach alpha or composite reliability. However, the use of alpha Cronbach tends to provide lower estimation values so PLS-SEM is recommended to use composite reliability. The reliability of the indicator in PLS-SEM is measured from the outer loading value which shows the correlation between the indicator and its construction. The validity of convergence in a construct can be measured using AVE. The validity of discrimination can be measured from cross-loading or the loading value of another construct is a comparison to the value of the outer loading indicator associated with a construct where the value of the required loading indicator must be greater than the value of the cross loading.

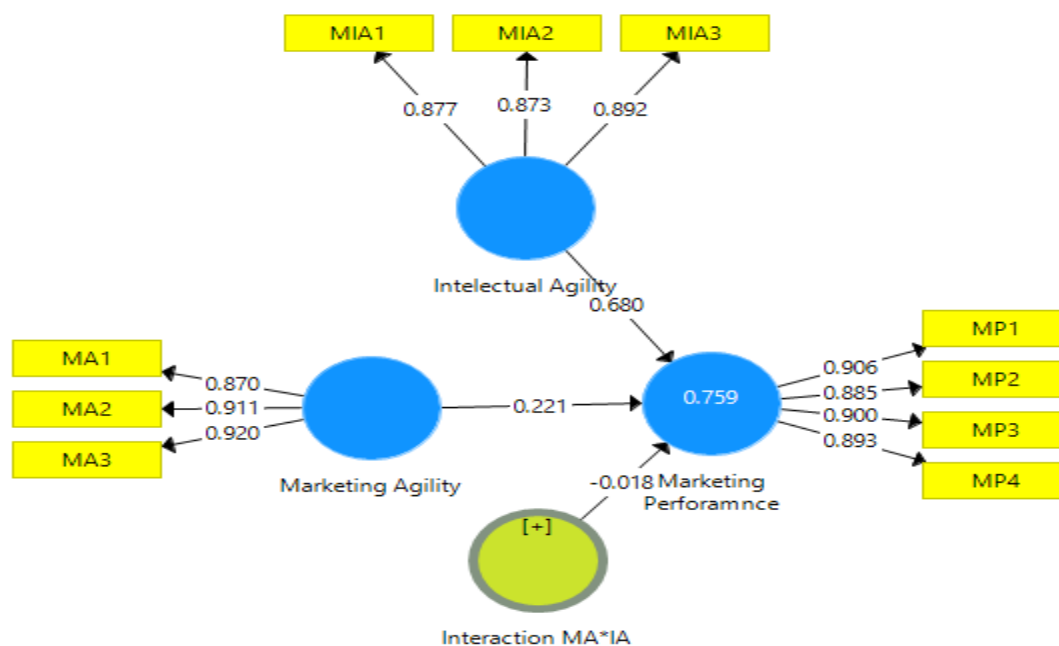


Figure 3. PLS Algorithm
Source: Calculated using SmartPLS, 2021

Table 1. Evaluation of Measurement Model

	Loading	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Intellectual Agility		0,856	0,858	0,912	0,776
IA1	0,877				
IA2	0,873				
IA3	0,892				
Interaction MA*IA	1,561	1,000	1,000	1,000	1,000
Marketing Agility		0,884	0,899	0,928	0,811
MA1	0,870				
MA2	0,911				
MA3	0,920				
Marketing Performance		0,918	0,919	0,942	0,803
	0,906				
	0,885				
	0,900				
	0,893				

Source: Calculated using SmartPLS, 2021

Based on the data in the document you uploaded, here is an evaluation analysis of the measurement model:

Based on the results of the analysis by looking at figure 3 and Table 1, the model reliability evaluation was carried out with several main indicators where Cronbach's Alpha, which is all values above 0.7, shows good internal consistency., rho_A: Close to or slightly above Cronbach's Alpha, which confirms reliability. Composite Reliability (CR): All values above 0.7 (even close to 0.9), indicate that the indicators are able to represent the construct well. Average Variance Extracted (AVE): All values above 0.5, which means that more than 50% of the variance of the construct can be explained by its respective indicator. Secondly, the evaluation of individual constructs, it can be seen **that Intellectual Agility (IA)** where Cronbach's Alpha = 0.856, AVE = 0.776. Meanwhile, the IA1, IA2, and IA3 indicators have a loading factor above 0.87, which indicates the high validity of the indicator. For **Marketing Agility (MA)**, Cronbach's Alpha = 0.884, AVE = 0.811. The MA1, MA2, and MA3 indicators have a loading factor above 0.87, indicating good measurement consistency. While **Marketing Performance (MP)** has Cronbach's Alpha = 0.918, with AVE = 0.803 and its indicators have a high loading factor (>0.88), which strengthens the validity of the construct. Third, the evaluation of Interaction, namely by looking at the Interaction MA*IA which has a loading value of 1.561, which indicates significant interaction in the model. Overall, the model shows excellent reliability and validity based on Cronbach's Alpha, CR, and AVE, all indicators have a loading factor above 0.7, which indicates good convergent validity. The interaction between Marketing Agility and Intellectual Agility seems to have a significant effect on the model.

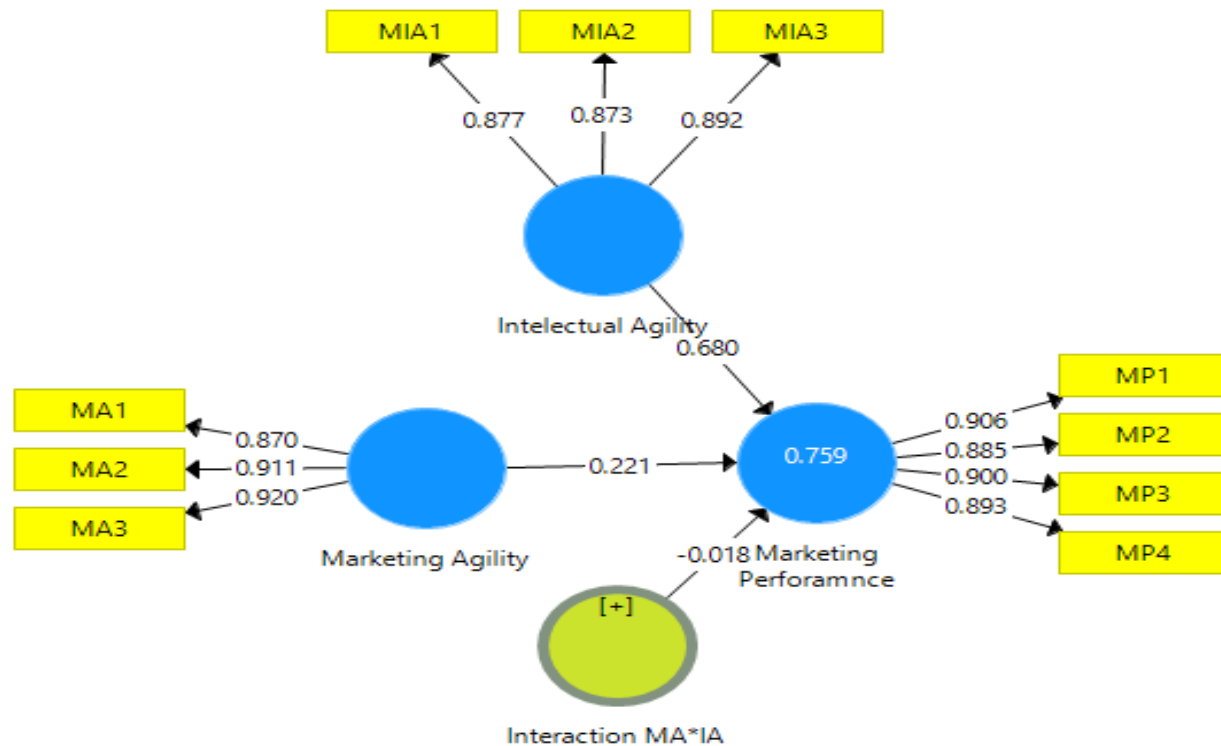


Figure 4. Bootstrapping Results
Source: Calculated using SmartPLS, 2021

Table 2. Bootstrapping Results

Mean, STDEV, T-Values, P-Values					
	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values
Intellectual Agility -> Marketing Performance	0,680	0,667	0,103	6,591	0,000
Interaction MA*IA -> Marketing Performance	-0,018	-0,032	0,046	0,390	0,697
Marketing Agility -> Marketing Performance	0,221	0,239	0,114	1,930	0,054

Source: Calculated using SmartPLS, 2021

5. Hypothesis

After confirming that the construction measurement model is reliable and valid, hypothesis testing is carried out. Hypothesis testing in this study was carried out on a structural model or inner model that showed a direct or indirect relationship between exogenous latent variables and endogenous latent variables. The hypothesis test is based on the significance value of the path coefficient after being resampled or bootstrapped 5,000 times (Hair et al., 2014). The statistical test used is a t-test with a confidence level of 95% or a significance level of 5%. The hypothesis is accepted if the t-value is greater than the t-value of the table for the two-sided test, which is 1.96. The results of the bootstrapping procedure are as shown in Table 2.

Based on Table 2, the results of hypothesis testing can be interpreted as follows:

H1: Marketing Agility has a positive effect on Marketing Performance, considering that the Original Sample (0.221) shows a positive but weak influence. T-Statistics (1.930) is close to 1.96, but still below the significance limit. P-Values (0.054) are slightly greater than 0.05, so the REJECTED hypothesis means that it is not significant because it is statistically at the level of 5%, but it is close to significant. This suggests that Marketing Agility may have an influence on Marketing Performance, but the statistical evidence is still weak.

H2: Intellectual Agility has a positive effect on Marketing Performance

Considering the value of the Original Sample (0.680), it shows a strong positive influence. The T-Statistics value (6.591) > 1.96 → significant at a 95% confidence level. The P-Values (0.000) level < 0.05 → so the hypothesis is **ACCEPTED**.

Conclusion: Intellectual Agility contributes positively and significantly to Marketing Performance.

H3: MA*IA Interaction affects Marketing Performance

Taking into account the Original Sample (-0.018) showed a very small and negative influence. The T-Statistics value (0.390) < 1.96 → insignificant. Where P-Values (0.697) > 0.05 → hypothesis REJECTED. It can be concluded that the interaction between Marketing Agility and Intellectual Agility does not have a significant effect on Marketing Performance.

Conclusion

Based on the results of the evaluation of the measurement model and the analysis of bootstrapping results, it was found that Intellectual Agility (IA) had a significant influence on Marketing Performance (MP) with a coefficient of 0.680 and a P-Value of 0.000. This shows that the higher the intellectual agility of business actors, the better the marketing performance achieved. Marketing Agility (MA) had no significant influence on Marketing Performance, although the results were close to significant (P-Value 0.054). This indicates that the ability to adapt to market changes is still not strong enough to drive optimal marketing performance. The interaction between Marketing Agility and Intellectual Agility did not have a significant impact on Marketing Performance (P-Value 0.697). This indicates that the synergy between the two variables has not been the main factor in improving marketing performance.

Implication

1. Increasing Intellectual Agility as a Key Success Factor

Batik SMEs must develop more creativity and innovation in design, production techniques, and marketing strategies. Continuous training and learning are needed to improve critical thinking skills and adapt to batik industry trends.

2. Marketing Agility Needs to Be Strengthened with a More Adaptive Strategy

Although not statistically significant, marketing agility still plays a role in increasing the competitiveness of batik businesses. The implementation of digital marketing strategies, such as social media and e-commerce, can help increase agility in responding to changing market demands.

3. The Synergy Between Intellectual Agility and Marketing Agility Is Not Optimal

Batik SMEs need to integrate intellectual innovation with a more flexible marketing strategy. Collaboration with creative communities, fashion designers, and marketplaces can be a solution to connect innovation with market needs.

Suggestion

1. Increasing Human Resource Capacity in Intellectual Agility

Design training based on global trends to increase the attractiveness of batik products. Improving digital skills, such as branding, product storytelling, and digital marketing. **Accelerating Digital Transformation in Marketing** Optimizing e-commerce and social media as the main sales platform. Utilization of market data analysis to understand consumer preferences in real-time.

2. Encouraging Market-Based Collaboration and Innovation

Partner with creative communities and designers to produce products that suit the tastes of modern consumers. Develop experience-based marketing strategies, such as batik workshops and cultural storytelling to increase the attractiveness of batik products in the global market. With the implementation of this strategy, Batik SMEs can improve their marketing performance and compete more effectively in the creative industry

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