Analysing the performance of MSMEs from a marketing perspective

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Abstract	Covid-19 exacerbates various problems previously faced by MSMEs, including a lack of market knowledge. This study aims to determine the relationship between market knowledge, marketing innovation, and marketing performance of MSMEs in the culinary sector in Pekanbaru City. The results of the analysis of 200 MSME actors in the culinary sector in Pekanbaru City using structural equation modeling techniques (SEM-PLS) show that market knowledge influences marketing innovation and marketing performance. Marketing innovation has no direct effect on marketing performance but can mediate the influence of market knowledge on marketing performance.
Keywords	market knowledge, marketing innovation, market performance, MSME, culinary sector

INTRODUCTION

COVID-19 has weakened the growth of several economic sectors in Indonesia, including the culinary sector. The Central Statistics Agency of Indonesia found that the growth of the culinary sector declined drastically in 2020, reaching -23.23%, with micro, small, and medium enterprises (MSMEs) being more affected (Saturwa et al., 2021). According to a survey conducted by Bank Indonesia, 72.6% of MSMEs were under pressure during the global pandemic. This is confirmed by the LIPI Economic Research Center (P2E-LIPI), which found that the COVID-19 pandemic affected small businesses in the food and beverage sector by 1.77% and medium-sized enterprises by 0.07%. Specifically, in Pekanbaru, the same source states that around 80% of MSMEs have lost sales. This condition exacerbates pre-existing marketing problems, particularly the lack of access to market information and knowledge, which limits entrepreneurs' ability to innovate. This study focuses on this issue, namely the market knowledge of MSMEs.

Market knowledge is a combination of knowledge about the company, competitors, and customers, including knowledge about customer behavior (Rossiter, 2001). This knowledge is increasingly crucial after the COVID-19 outbreak, considering that consumer attitudes, behavior, and buying habits have changed significantly (Gu et al., 2021; Kamel, 2021). If a company understands the changes occurring in the market, it can adapt to them and improve its marketing performance. Numerous studies show that market knowledge significantly influences marketing performance (Dehkordi et al., 2012; Kamya et al., 2010; Meihami & Meihami, 2013; Riswanto et al., 2020; Ulfa & Murwatiningsih, 2020). However, most of these studies were conducted before the COVID-19 pandemic, with the only study during the outbreak being conducted by Saqour & Mohammed Al-Sharif (2020), which also found a significant effect of market knowledge on marketing performance. Yet, no study to date has investigated this relationship in the post-pandemic period, despite evidence that market conditions have shifted drastically.

Apart from influencing marketing performance, many studies found that market knowledge helps companies innovate, both in general innovation (Meylananda et al., 2021), as well as in product (Chen et al., 2022; De Luca & Atuahene-Gima, 2007; Gligah et al., 2021; Petrovici et al., 2019) and process innovation (Bastič & Leskovar-Špacapan, 2006; Chen et al., 2022). However, studies examining the influence of market knowledge specifically on marketing innovation remain scarce. Considering increasingly dynamic market conditions after COVID-19 (Bouchon & Toumi, 2020), MSMEs require innovative

marketing strategies to remain competitive. The only relevant study found is by Ozkaya et al. (2015), which examined competitor knowledge and market-based innovation. Thus, the relationship between market knowledge and marketing innovation remains theoretically underexplored.

Based on the explanation above, two research gaps become evident. First, previous studies have not examined how market knowledge shapes marketing innovation. Second, the effect of market knowledge on marketing performance remains unexplored in the post-COVID-19 environment. This study addresses both gaps by simultaneously analysing these relationships and by testing the mediating role of marketing innovation – an aspect that has received limited scholarly attention. Moreover, the culinary MSMEs in Pekanbaru offer theoretical value beyond contextual specificity, as they operate in an environment characterised by high market turbulence, accelerated digital adoption, and rapidly shifting consumer behaviour. These conditions provide a natural setting for advancing theoretical understanding of marketing and innovation dynamics in post-crisis economies.

Thus, this study aims to fill the gap in the literature regarding the influence of market knowledge on marketing innovation and marketing performance, which are the novelties in this study. Another aim of this study is to investigate the mediating role of marketing innovation in this relationship, as several studies have found that innovation can mediate performance outcomes (Fidel et al., 2018; Rahman et al., 2021b), although they do not focus specifically on marketing innovation.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Market knowledge is an organizational asset that encompasses the processes of acquiring, disseminating, and utilizing knowledge about customer needs and competitors' strategies (Slater et al., 2012; Lorenzon et al., 2005). Therefore, market knowledge can trigger innovation by enabling firms to adapt to evolving customer needs, respond to market conditions, and anticipate competitors' actions. In other words, innovation that is aligned with market realities must be rooted in accurate and relevant market knowledge. Prior studies indicate that market-related knowledge enhances an organization's ability

to implement innovation practices (Cristina et al., 2018; Mulyana & Wasitowati, 2017; Price et al., 2013). However, the literature also reveals inconsistencies, as some research suggests that knowledge does not always translate into innovation when firms lack absorptive capacity, organizational support, or strategic clarity (Cohen & Levinthal, 1990; Jansen & Volberda, 2005; Zahra & George, 2002; Teece, 2007). These contradictory findings highlight ongoing theoretical tensions regarding the actual mechanisms through which market knowledge stimulates innovation. Despite its importance, few studies explicitly investigate the direct influence of market knowledge on marketing innovation specifically. Drawing on general assumptions regarding knowledge-driven innovation and the findings of Ozkaya et al. (2015), which show that competitor-oriented knowledge enhances market-based innovation activities, the following hypothesis is proposed:

H1: Market knowledge has a significant positive effect on marketing innovation

Marketing performance has long attracted scholarly attention, but its conceptualization remains contested. The multidimensional nature of marketing performance—reflecting effectiveness, efficiency, and productivity (Gao, 2010)—contributes to this lack of consensus. Homburg et al. (2007) define marketing performance as the effectiveness and efficiency of marketing activities relative to market-based objectives such as revenue growth and market share. Similarly, Zulfikar (2018) views marketing performance as an indicator of a firm's success in creating value within the marketplace. Marketing performance is thus the outcome of mobilizing marketing resources and capabilities (Gao, 2010), one of which is market knowledge.

Market knowledge provides firms with insights needed to craft effective strategies, optimize resource allocation, and enhance competitive positioning. Nevertheless, prior research presents mixed conclusions. Some studies find robust positive effects of market knowledge on firm performance, while others suggest that knowledge alone is insufficient without complementary capabilities such as strategic flexibility or dynamic capabilities. These variations indicate theoretical uncertainty regarding when market knowledge translates into higher marketing performance and when it does not.
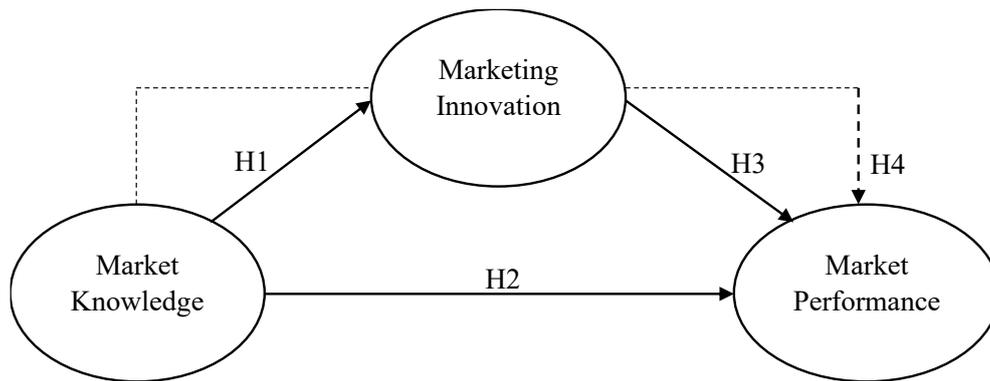
Figure 1.
Research framework

While several studies examine the impact of market knowledge on overall firm performance (Bhatti et al., 2021; Hou & Chien, 2010; Sarkum et al., 2022), competitive advantage (Alghamdi, 2016; Dalal et al., 2021), innovation (Li & Cavusgil, 2000; Ozkaya et al., 2015; Petrovici et al., 2019), and international strategy (Basle et al., 2018), research specifically addressing its effect on marketing performance is still limited. To address this gap, this study proposes:

H2: Market knowledge has a significant positive effect on marketing performance

Marketing innovation—an important subdimension of innovation—has been defined in various ways. Fuentes-Blasco et al. (2017) describe marketing innovation as efforts to increase sales using new marketing techniques and tools. O'Dwyer et al. (2009) conceptualize innovation as a firm's ability to develop new solutions to meet current and future customer needs. Gupta et al. (2016) define it as the development of new services, pricing strategies, promotional methods, distribution channels, or marketing information systems. A widely referenced definition is from the Oslo Manual, which views marketing innovation as the adoption of new marketing practices involving significant changes in product design, packaging, distribution, promotion, or pricing (OECD & Eurostat, 2005).

Research generally supports the role of marketing innovation in enhancing competitive advantage (Habboush, 2022; Handoyo, 2015; Hussain et al., 2020; Javanmard & Hasani, 2017; Lestari et al., 2023; Naidoo, 2010; Ungerman et al., 2018) and firm performance

(Cuevas-Vargas et al., 2020; Maier et al., 2018; Peng et al., 2021; Shergill & Nargundkar, 2005; Yelmi et al., 2021). However, few studies examine its direct effect on marketing performance. Existing studies (Aksoy, 2017; Handoyo, 2015; Hussain et al., 2020; Ngamsutti & Ussahawanitchakit, 2016) generally find a positive effect, though Silva et al. (2017) report a negative relationship. These contrasting results suggest that the effectiveness of marketing innovation may depend on contextual factors such as market turbulence, resource availability, or strategic alignment.

To further clarify this relationship, the following hypothesis is developed:

H3: Marketing innovation has a significant positive effect on marketing performance

Gruber-Muecke and Hofer (2015) argue that the impact of market knowledge on firm performance can be mediated by strategic variables such as innovation, supplier relationships, and environmental volatility. This aligns with the concept of market intelligence, which emphasizes the firm's ability to interpret market signals and respond with appropriate strategies. One such strategic response is innovation—including marketing innovation—which enables firms to adapt to changing market conditions.

Many studies highlight the mediating role of innovation in the relationship between knowledge and performance (Astuti et al., 2021; Doucouré et al., 2018; Lartey et al., 2020; Leal-Rodríguez et al., 2023; Rianto et al., 2022; Wahyono & Hutahayan, 2021). Product innovation also demonstrates significant mediating effects (Dabrowski,

Table 1.
Measurement indicators for each construct

Construcs	Indicator	Item
Market Knowledge (MK)	Competitors	We regularly monitor changes in competitors' strategies, such as pricing or promotions.
	Customers	We understand the core needs and desires of our customers.
	Suppliers	We understand the operating procedures and policies of our suppliers that may impact our business.
Marketing Innovation (MI)	Product packaging	We innovate our packaging to differentiate our products from competitors.
	Sales/marketing techniques	We use social media and digital platforms to expand our marketing reach.
	Product/service delivery	We use more efficient ordering and delivery systems, such as delivery apps and courier services.
Market Performance (MP)	Sales growth	Our business sales have increased in recent periods.
	Profit growth	Our profit margins are improving.
	Customer growth	We are seeing an expansion of our market reach due to our growing customer base.

2019; De Luca & Atuahene-Gima, 2007; Rahman et al., 2021a; Setiyono et al., 2022). However, little is known about whether marketing innovation specifically mediates the influence of market knowledge on marketing performance, a notable theoretical gap considering the strategic importance of marketing activities. Addressing this gap strengthens the theoretical linkage between knowledge-based view, market orientation theory, and innovation-driven performance frameworks. Thus, the following hypothesis is proposed:

> *H4: Market knowledge influences marketing performance, which is mediated by marketing innovation.*

METHODS

Research design

This research uses a quantitative approach, i.e. a research approach that uses data in numerical form and processes it using certain mathematical or statistical methods to explain a problem or phenomenon (Aliaga & Gunderson, 2002). The statistical method used in this study is structural equation modeling (SEM), in particular partial least squares structural equation modeling (PLS-SEM). PLS-SEM is part of variance-based SEM (VB-SEM), which is intended for research with predictive goals, including testing the relationship or influence between

constructs (Hair et al., 2010), especially for the relationship or influence between constructs that are not yet supported by a strong theory (Hidayat & Wulandari, 2022). These two things are the reasons for using PLS SEM as a data analysis technique in this research, namely to test the relationship or influence between the constructs of market knowledge, marketing innovation and marketing performance, some of which have not been strongly supported in previous research.

Study sample

The population of this study is all MSMEs in the culinary sector in Pekanbaru City that already have a business license, the exact number of which we do not know due to their limitations. Therefore, in determining the sample size, the opinion of (Roscoe, 1975) was used who said that for research with an unknown population, a sample size between 30 and 500 is the right choice for a study. Apart from this, (Siddiqui, 2013) also stated in his study that a sample size between 200 and 400 samples is usually used in studies using SEM techniques. Therefore, the number of samples in this study was set at 200 MSMEs in the culinary sector in Pekanbaru City, which were selected using the convenience sampling method. The convenience sampling approach inherently limits the extent to which the findings can be generalized (Raifman et al., 2022; Adeoye, 2023). To mitigate these limitations, several methodological enhancements were incorporated in line with

Table 2.
Demographic profile of respondents

Category	N	%	Category	N	%
Gender			**Business Age (Year)**		
Male	121	60,5%	< 3	46	23,0%
Female	79	39,5%	3 – 5	44	22,0%
Age (Year)			6 – 10	59	29,5%
20 – 30	60	30,0%	11 – 15	32	16,0%
31 – 40	61	30,5%	> 15	19	9,5%
41 – 50	69	34,5%	**Number of employees**		
> 50	10	2,5%	< 5	178	89,0%
Educational background			5 – 10	89	24,0%
Elementary School	10	5,00%	11 – 25	2	1,0%
Junior High School	6	3,00%	> 25	1	0,5%
Senior High School	29	14,50%	**Business income per year (IDR)**		
Diploma/Associate Degree	36	18,00%	< 300 million	129	64,5%
Bachelor Degree	70	35,00%	300 million – 2.5 billion	56	28,0 %
Master Degree	49	24,05%	2.5 billion – 50 billion	15	7,5%

recommendations by Skowronek and Duerr (2009) and Golzar et al. (2022). Specifically, efforts were made to broaden sample heterogeneity by administering the survey across multiple time periods and locations, thereby enabling a more balanced representation of the target population. In addition, the study increased the volume of collected data by engaging a larger number of respondents to strengthen the robustness of the convenience sampling procedure.

Measurement

The research instrument used in this study was a questionnaire with a 5-point Likert scale. The questionnaire contains questions relevant to the indicators used to measure the research variables. The market knowledge variable is measured using three indicators: knowledge about competitors and customers (Narver & Slater, 1990) and knowledge about suppliers (Endres et al., 2020). The marketing innovation variable is measured by three indicators, namely innovation in product packaging (Grimpe et al., 2017), innovation in sales or marketing techniques (Aksoy, 2017), and innovation in product or service delivery (Gupta et al., 2016). Meanwhile, marketing performance variables are measured using indicators of sales and profit growth (Al-Zyadaat et al., 2012) and customer growth (Gök & Peker, 2017).

Model fit analysis

The research model using the PLS-SEM technique consists of two models: a measurement model (outer model), which shows the relationship between constructs and their indicators, and a structural model (inner model), which connects the constructs. The assessment of the measurement model's fit in this study includes evaluating measurement reliability at the indicator level by examining loading factor values, and at the construct level by assessing internal consistency reliability using Cronbach's Alpha and Composite Reliability. Validity assessment focuses on the convergent validity of each measurement using the average variance extracted (AVE). Discriminant validity is assessed using cross-loading values. The fit of the structural model (inner model) is tested using R-square, f-square, Q-square, and the variance inflation factor (VIF).

RESULTS AND DISCUSSION

As already explained, the population of this study consists of MSME actors in the culinary sector who already have a business license, where an MSME is represented by one person, namely the owner or manager. The profile of respondents shown in Table 2.

Looking at the individual characteristics, young entrepreneurs or managers aged up to

Table 3.
Measurement model test results

	Loading Factor	Discriminant Validity			Convergent Validity	Construct Reability	
		MK	MI	MP	AVE	Cronbach's Alpha	Composite Reliability
Market Knowledge (MK)					0,734	0,815	0,886
Competitors	0,976	**0,976**	0,912	0,646			
Customers	0,955	**0,955**	0,921	0,633			
Suppliers	0,912	**0,912**	0,834	0,723			
Marketing Innovation (MI)					0,916	0,803	0,865
Product packaging	0,808	0,732	**0,808**	0,618			
Sales/marketing techniques	0,847	0,704	**0,847**	0,551			
Product/service delivery	0,921	0,977	**0,921**	0,625			
Market Performance (MP)					0,734	0,716	0,913
Sales growth	0,721	0,455	0,463	**0,721**			
Profit growth	0,868	0,560	0,561	**0,868**			
Customer growth	0,915	0,713	0,707	**0,915**			

40 (60.5%) with a diploma (associate degree) educational qualification or more (77.05%) dominate among the respondents in this study. Looking at the characteristics of the business, respondents were dominated by micro-enterprises aged 10 years and under (74.5%).

Measurement model analysis

The fit of the measurement model by reliability tests (composite reliability & Cronbach's alpha), and validity tests (external loadings, cross-loading, and AVE). The results of the tests in question can be seen in Table 3.

Table 2 shows that the test for convergent validity met the criteria for which the factor loading must be greater than 0.7 (Hair et al., 2014). The same applies to the test of discriminant validity, which also meets the criteria, as evidenced by the cross-loading value of all indicators on the latent variable, which is greater than the value of the other latent variables (Gefen et al., 2003), as well as the AVE greater than 0.5 required by (Hair et

al., 2014). The final test conducted for the measurement model was the test of construct reliability, which also met the criteria, with Cronbach's alpha and composite reliability greater than 0.6 (Garson, 2016).

Structural model analysis

The fit of the structural model, multicollinearity, R-squared, Q-squared, and f-squared tests were performed. The results of the relevant tests are shown in Table 4.

Table 3 shows that the result of the multicollinearity test with VIF < 10 (Hair et al., 2014) met the requirements. The R-squared value for the marketing innovation variable is 0.887, which means that the percentage influence of market knowledge on product innovation is 88.7%. The R-squared value for the marketing performance variable is 0.523. This explains that 52.3% of the percentage of marketing performance can be explained by marketing knowledge and product innovation variables. It can be concluded that the research model falls into the strong category or has a significant impact on explaining the

Table 4.
Structural model test results

	R-Square	Q-Square	f-Square	VIF
Marketing Innovation	0.887	0.645		
Market Performance	0.523	0.334		
Market Knowledge → Marketing Innovation			8.532	1.000
Market Knowledge → Market Performance			0.016	9.582
Marketing Innovation → Market Performance			0.039	9.582

Table 5.
Result of hypotheses test

Hypotheses	Path	Coef.	T-Statistic	P-Value	Hypotheses support
H_1	Market Knowledge → Marketing Innovation	0.935	97.654	0.001	Yes
H_2	Market Knowledge → Market Performance	0.512	6.341	0.000	Yes
H_3	Marketing Innovation → Market Performance	0.421	1.183	0.235	No
H_4	Market Knowledge → Marketing Innovation → Market Performance	0.414	5.413	0.002	Yes

behavior of the endogenous variables (Chin, 1998). Table 3 also shows that all Q-square > 0, which means that the structural model is good at predicting the endogenous variable (Garson, 2016). For the effect size (f-squared) of the individual variables, it is known that market knowledge has a strong influence on marketing innovation with an f-squared value of 8.532, market knowledge has a weak influence on marketing performance with an f-squared value of 0.016 and the marketing innovation variable also has a weak influence on marketing performance with an f-squared value of 0.039 (Cohen, 1988).

Hypotheses testing

The test results support H1 and H2 with path coefficients of 0.946 and 0.511 respectively and a p-value < 0.01. This shows that market knowledge has a significantly positive effect on product innovation and marketing performance, as seen in Table 5.

In the meantime, the results of this study do not support H3. The calculated path coefficient is 0.421 with a p-value of 0.235, which is greater than 0.01. This shows that marketing innovation has no significant influence on marketing performance. For H4, which tests whether there is a mediating role of marketing innovation on the influence of market knowledge on marketing performance, the test results proved the existence of this mediating role with a coefficient value of 0.414 and a p-value < 0.01, so H4 is supported.

The findings of this study underscore the central role of market knowledge as a strategic resource for MSMEs in the post-pandemic period. The strong and significant effect of market knowledge on marketing innovation (H1) aligns with the Knowledge-Based View (KBV), which posits that firms develop competitive advantage by transforming market information into valuable capabilities (Grant,

1996). In this study, MSMEs that were more knowledgeable about customer needs, competitor moves, and supplier dynamics demonstrated a greater ability to introduce changes in packaging, delivery methods, and sales techniques. This empirical evidence strengthens the notion that market knowledge serves as a catalyst for innovative behavior, consistent with prior findings by Li & Cavusgil (2000), Ozkaya et al. (2015), and Petrovici et al. (2019). In the context of Pekanbaru's culinary MSMEs characterized by intense competition and rapidly shifting consumer preferences, this relationship becomes even more pronounced as firms rely heavily on real time information for short term adaptation and survival.

The significant effect of market knowledge on marketing performance (H2) further reinforces the argument that information based capabilities enhance firms' ability to align their offerings with market expectations. The findings are in line with previous studies (Devece et al., 2017; Farooq & Vij, 2019; Migdadi et al., 2017), which show that market knowledge enables firms to improve product market fit, anticipate customer needs, and respond more quickly to environmental shifts. In the post-COVID landscape where customer behavior has changed substantially in terms of spending habits, value perceptions, and digital adoption, market knowledge appears to serve as an essential basis for recalibrating marketing decisions. For culinary MSMEs, this translates into improved customer acquisition, better sales performance, and enhanced profitability. Thus, the results directly answer RQ1: market knowledge is a key driver of marketing performance in post pandemic MSME environments.

One of the most noteworthy findings is the non significant effect of marketing innovation on marketing performance (H3). Although

marketing innovation is often theorized to boost firm performance, its impact may not always materialize immediately or directly, particularly in resource constrained environments such as MSMEs. Silva et al. (2017) argue that marketing innovations often require complementary capabilities such as brand equity, technological infrastructure, or consistent promotional investment to translate into improved performance. The relatively modest forms of innovation observed among MSMEs in this study such as basic packaging improvements or incremental delivery modifications may not be sufficient to yield measurable performance gains in the short term. These results also align with studies showing that innovation outcomes depend heavily on implementation quality, customer acceptance, and competitive positioning, factors that may be limited within MSMEs. Accordingly, this finding answers RQ2 by showing that while MSMEs may innovate, such innovations do not automatically enhance marketing performance.

Despite H3 being unsupported, the significant indirect effect identified in H4 indicates that marketing innovation plays a partial mediating role in the relationship between market knowledge and marketing performance. This suggests that innovation functions as a complementary mechanism through which knowledge is leveraged into performance improvement, although it is not the sole pathway. The partial mediation pattern is consistent with Baron and Kenny's (1986) conceptualization of mediation and implies that market knowledge contributes to performance both directly (through better decisions) and indirectly (through innovation-driven differentiation). This finding addresses RQ3 and provides theoretical clarity in a relationship that has been underexplored in post-pandemic contexts.

From a contextual perspective, the results also emphasize the importance of human capital and organizational agility. The majority of respondents holding diplomas or higher degrees likely facilitated the translation of knowledge into action, while the simple and flexible structures of MSMEs may have enabled rapid adaptation. This underscores the relevance of managerial capabilities and organizational responsiveness as boundary conditions that shape how market knowledge and innovation interact to influence marketing outcomes.

CONCLUSION

This research aims to address the gap in the literature concerning studies that empirically examine the influence of market knowledge on marketing innovation and marketing performance. The results provide empirical evidence of the importance of market knowledge in enhancing marketing innovation capability and improving the marketing performance of MSMEs after the COVID-19 pandemic. However, the strength of these relationships varies, indicating that market knowledge contributes more strongly to marketing innovation than to marketing performance.

Theoretical implications

This study offers several contributions to the theoretical development of market knowledge, innovation capability, and MSME performance frameworks. First, the findings reinforce the view that market knowledge constitutes a strategic asset that strengthens firms' capability to innovate in dynamic environments, particularly in post-crisis contexts such as the COVID-19 period. This supports the argument within knowledge-based and resource-based theory that intangible knowledge resources play a central role in shaping innovation behavior.

Second, the study empirically demonstrates that market knowledge not only resides within the boundary of internal firm resources but also bridges the gap between internal capabilities and external market dynamics. By doing so, this research addresses long-standing criticism that resource-based theory is overly inward-looking and insufficiently responsive to environmental changes. The findings show that market knowledge can serve as the missing link that aligns RBV with market driven perspectives, thereby extending its theoretical relevance in MSME contexts.

Third, the study advances the literature on MSME performance by showing that variations in post pandemic recovery among culinary MSMEs can be theoretically explained through differences in market knowledge accumulation and utilization. This positions market knowledge as a pivotal construct for understanding resilience, adaptability, and innovation among small firms operating in turbulent environments.

Practical implications

From a managerial standpoint, the findings highlight the importance for MSME owners and managers to strengthen market sensing capabilities, customer intelligence, and competitive analysis. Enhanced market knowledge enables firms to design more relevant marketing innovations both in product delivery and digital marketing especially in a marketplace that has shifted significantly toward digital behaviors after the pandemic. Managers are encouraged to invest in mechanisms for continuous market learning, such as monitoring customer feedback, observing competitor strategies, and adopting digital tools for data-driven decision making. By doing so, marketing innovation becomes not merely reactive but strategically aligned with evolving consumer expectations. Overall, the study emphasizes that developing robust market knowledge is essential for sustaining marketing innovation and improving long-term performance.

Societal / policy implications

At the societal and policy level, the findings indicate the need for government institutions and support agencies to prioritize programs that strengthen MSMEs' capacity to acquire and utilize market knowledge. This includes training on digitalization, analytics, and online marketing—areas that have become increasingly critical post-COVID. Policies that provide easier access to digital platforms, affordable technology adoption, and structured market information systems can significantly enhance MSME competitiveness. Strengthening these support mechanisms contributes not only to individual firm performance but also to broader economic recovery and resilience in the MSME sector.

Limitations and directions for future research

This study has several limitations that can be refined in further research. First, the sample size may not be proportional to the overall MSME population in Pekanbaru or Indonesia. Future research can therefore use larger samples for greater generalizability. Second, this research focuses on culinary MSMEs, which may differ significantly from other sectors, limiting cross-sector generalization. Future studies can investigate other industries

to capture sector-specific dynamics. Third, the cross-sectional design restricts the ability to observe changes over time. Hence, longitudinal research is recommended to better understand how market knowledge and innovation evolve in different economic conditions.

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