



Unlocking International Markets: The Impact of Digital Marketing and Supply Chain Adaptability on Jepara's Furniture Exports

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Abstract:

This study examines the effects of digital marketing and supply chain capability on export marketing performance among furniture exporters in Jepara, Indonesia, with networking and corporate reputation serving as mediating variables. The research addresses inconsistencies in previous empirical findings by analyzing how organizational capabilities are translated into performance outcomes within the context of small and medium-sized export-oriented enterprises. Using a quantitative explanatory research design, data were collected through closed-ended questionnaires distributed to 156 furniture exporting SMEs in Jepara Regency, selected using purposive sampling based on specific criteria and measured using a 10-point Likert scale. The data were analyzed using Partial Least Squares–Structural Equation Modeling (PLS-SEM) with SmartPLS software to assess the measurement model, structural relationships, and mediation effects. The findings indicate that supply chain capability, global market adaptability, networking, and corporate reputation have a positive and significant effect on export marketing performance. Digital marketing does not have a significant direct effect on marketing performance; however, it exerts a significant indirect effect through networking and corporate reputation. These results highlight the importance of relational and reputational mechanisms in transforming organizational capabilities into improved performance in international markets. The study suggests that exporters should integrate digital marketing initiatives with relationship-building and reputation management strategies, while policymakers should strengthen digital infrastructure and supply chain support to enhance the global competitiveness of Jepara's furniture industry.

Keywords: Corporate Reputation; Digital Marketing; Networking; Marketing Performance; Supply Chain.

1. Introduction

In today's era of globalization, exports have become a crucial component in the economic dynamics of a country. Exports enable countries around the world to market their products or services to international markets, expand market share beyond domestic borders, and create new opportunities for economic actors (Sari, 2024). This activity not only helps increase national foreign exchange and service foreign debt, but also contributes to economic stability by maintaining trade balance and currency value (Wardani & Kundhani, 2024). Moreover, exports stimulate the growth of domestic industrial sectors through increased demand, encouraging companies to expand production capacity, innovate, and adopt more advanced technologies to meet global standards. Exports also generate a multiplier effect in the economy, such as providing employment across various sectors from manufacturing to logistics, and fostering new businesses that support the export ecosystem (Putra, Rafi, Darmawan, & Wikansari, 2023). Exports expand international trade networks and encourage countries to establish cooperation in strategic economic fields, which can strengthen bargaining positions in global markets (Lira, 2023). With these positive contributions, exports serve as a fundamental foundation for countries to achieve inclusive, competitive, and sustainable economic growth while providing opportunities to adapt amid the continuously changing global economic dynamics. Current trends in export activities show increasingly intense global competition in line with technological advancement and international market integration. Today, exporters compete not only on price but also on innovation, product quality, speed, and the ability to meet sustainability standards, which are increasingly prioritized by consumers and regulators worldwide (Saputri, Hamidah, & Husna, 2024). In this context, technological changes drive the need for rapid adaptation to digitalization, including implementing e-commerce platforms to reach global markets, using digital-based logistics systems to improve supply chain efficiency, and leveraging artificial intelligence (AI) and data analytics to better understand market preferences. Moreover, uneven digital literacy has become a significant obstacle in leveraging the opportunities offered by the digital era, directly affecting the effectiveness of global marketing strategies. Other challenges faced by exporters include uncertainties in international trade policies, such as import tariffs, fluctuating trade agreements, and volatility in currency exchange rates, all of which may influence profit margins and export market stability (Saputri et al., 2024). In the Indonesian context, exports play a crucial role in driving national economic growth, and despite recent fluctuations, export performance remains substantial.

Indonesia's total export value reached USD 258.79 billion in 2023, although this figure represented an 11% decline compared to the previous year, while in the first quarter of 2024 exports amounted to USD 62.30 billion (TradelmeX, 2024). Furthermore, Indonesia holds a strategic position in global trade as one of the world's major exporting countries, ranking 28th out of 226 countries worldwide, with an export share of approximately 1.1% of total global exports based on the 2023 Indonesia Export and Trade Data Report (Ministry of Trade of the Republic of Indonesia, 2025). The position of Indonesian products in global demand indicates that wood products are classified as "winners in the growing global market" according to global trade trends for the period January–August 2022, contributing 84.64% to global demand. Wood remains one of Indonesia's leading export commodities, consistently in high demand in international markets. Several other Indonesian commodities are also recognized as "winners in the growing global market," including iron and steel, jewelry, seafood products, plastic products, cereal/flour-based processed products, animal feed, iron or steel goods, machinery/electrical equipment, cocoa and cocoa products, processed meat and fish products, tin products, textile products (knitwear), chemical products, copper products, paper products, furniture, organic chemical products, nickel, and various edible processed goods.

According to data from the Ministry of Trade of the Republic of Indonesia (2025), national non-oil and gas exports are dominated by commodities such as mineral fuels, animal/vegetable fats, iron and steel, electric machinery, and motor vehicles. However, wood and wood products, ranking 14th with an export value of USD 3,975.1 million in 2024, still play a strategic role. Although its value is not as high as other leading commodities, wood remains a relevant sector for Small and Medium Enterprises (SMEs) because it is based on local skills, uses natural raw materials, and is widely available across regions with sustainable timber resources. Unlike other export commodities, which are generally dominated by large companies due to the need for high-tech investment, large-scale production facilities, and complex distribution networks, wood-based furniture businesses have more flexible characteristics. Wood commodities are not only economically relevant but also carry high social and cultural value, as they can involve and empower local SMEs as the primary actors in the national export value chain. At the national level, Indonesian furniture products are recognized for their quality and unique designs, which are competitive in international markets. According to the Central Bureau of Statistics (BPS), Central Java is recorded as the province with the highest furniture export value in Indonesia, reaching USD 918.78 million, followed by East Java (USD 784.5 million), West Java (USD 672 million), Banten (USD 151.71 million), and DKI Jakarta (USD 83.66 million) (source: SIP-Exim, 2025). One of the main regions contributing to furniture exports from Central Java is

Jejara Regency, widely known as a center for carved wood-based furniture. Jejara furniture is not only superior in aesthetics but also makes a significant contribution to the province's exports. In fact, approximately 45% of Central Java's total furniture exports come from Jejara, highlighting the strategic role of this regency in driving the growth of the national furniture industry (source: Espos, 2023).

Jejara has a strong identity as a producer of high-quality wooden furniture, with products that have successfully penetrated international markets, driven by rich carving traditions, inherited craftsmanship, and the diligence of local artisans. Notably, the majority of furniture export entrepreneurs in Jejara originate from the SME sector, typically starting their businesses on a small scale with limited capital, simple equipment, and a heavy reliance on locally embedded human resources skilled in wood processing. This unique structural condition provides an important empirical context for addressing ongoing scholarly debates regarding the relative roles of digital marketing, supply chain capabilities, and relational resources in enhancing marketing performance. In contrast to large firms that often rely on advanced digital infrastructures, Jejara's SMEs demonstrate that competitiveness in global markets can emerge from the effective integration of traditional craftsmanship, localized supply chains, and strong networking and reputation mechanisms. In 2023, Jejara's exports were dominated by wooden furniture, which ranked first with 255 exporters serving 95 destination countries, a shipment volume exceeding 52 million kilograms, and an export value of IDR 4.39 trillion, significantly outperforming other commodities such as wooden crafts, footwear, garments, stone-based products, metals, and non-wooden furniture. Overall, Jejara recorded 1,144 exporters reaching 631 destination countries with a total export value of approximately IDR 9.71 trillion. These conditions suggest that Jejara's SME-dominated export ecosystem offers a distinctive setting to reconcile theoretical debates by showing how digital marketing may function indirectly through networking and corporate reputation, rather than as a standalone driver of marketing performance, particularly in traditional, craft-based industries operating in global markets. Based on data obtained from the Industry and Trade Office of Jejara Regency, the development of Jejara's wooden furniture export performance from 2020 to 2024 can be presented. This data includes several key indicators: the number of exporters, the number of export destination countries, export volume (in kilograms), and export value (in USD). The presentation of this data aims to provide a quantitative overview of the trends and dynamics of Jejara's wooden furniture exports, as well as to serve as a basis for identifying relevant issues for further analysis within the context of this research.

Table 1. Furniture Export Data In Jejara Regency In 2023

Year	Amount of Exporter	Amount of Destination States	Volume (kg)	Export Value USD
2020	381	92	53,642,569.22	177,035,721.82
2021	333	91	39,763,692.80	165,792,300.79
2022	342	91	49,441,751.95	235,613,749.37
2023	327	96	55,145,252.53	302,748,904.32
2024	151	54	32,222,610.80	174,811,327.27

Source: Industry and Trade Office of Jejara Regency (2023)

Analysis of export data in Jejara Regency indicates notable fluctuations in export performance between 2020 and 2024, reflected in the number of exporters, destination countries, export volume, and export value. In 2020, Jejara recorded 381 exporters serving 92 destination countries; this number declined to 333 exporters in 2021 and slightly recovered to 342 in 2022, before decreasing again to 327 exporters in 2023 despite an expansion of destination countries to 96. A sharp contraction occurred in 2024, with only 151 exporters and 54 destination countries, signaling mounting challenges in sustaining export participation. Similar dynamics are observed in export volume, which declined from 53.64 million kg in 2020 to 39.76 million kg in 2021, rebounded to a peak of 55.15 million kg in 2023, and then fell substantially to 32.22 million kg in 2024, indicating volatility in global demand and export capacity. This trend is particularly critical given that the furniture industry constitutes the backbone of Jejara Regency's economy. Manufacturing accounts for 35.11% of the regional Gross Domestic Product, with the furniture subsector playing a dominant role in employment creation and income generation for local communities (Central Bureau of Statistics of Jejara Regency, 2022). Consequently, the recent decline in export marketing performance represents a strategic issue that warrants deeper academic investigation to identify underlying determinants and formulate sustainable competitiveness strategies. In this context, improving marketing performance is not limited

to increasing export volume, but also involves strengthening product value, expanding international market networks, and enhancing competitive positioning. Prior studies highlight that digital marketing, supply chain management, global market adaptability, networking, and corporate reputation are critical factors in supporting export marketing performance and long-term competitiveness (Saputra, 2023). These strategic dimensions become increasingly relevant for export-oriented SMEs operating in volatile global markets (Mocanu & Szakal, 2023). Interviews conducted in February 2025 with the owner of PT Modatama Global indicate that export marketing performance is shaped not only by strategic planning but also by effective implementation, particularly through digital marketing for global access, supply chain efficiency amid raw material and delivery challenges, adaptability to country-specific design trends, and strong networking supported by corporate reputation. The positive performance of PT Modatama Global, reflected in buyers from multiple countries, aligns with the experiences of other Jepara furniture exporters, including CV Fatma Putri Furniture Jepara, CV Ryanindo Furniture, and PT Chair House, which similarly highlight these factors as key drivers of export competitiveness. These findings are consistent with studies on furniture exporters in Vietnam and China, where competitiveness is driven by production efficiency, design development, and international market integration. However, despite Indonesia's abundant raw materials, its role in the global value chain remains largely upstream (Soraya, 2022), unlike Vietnam and China, which have integrated manufacturing, distribution, and global marketing activities (Malau, Yulni, Ulya, Fauziah, & Lubis, 2022). Accordingly, this study offers a comparative perspective to identify critical determinants of export marketing performance as a basis for strengthening the global competitiveness of Jepara's furniture industry.

Research gap in this study, it can be seen that differences still exist in the results of previous studies on the variables examined. (Omar, Rahman, & Abidin, 2020) show that digital marketing affects marketing performance, whereas (Sudirjo, Nugroho, & Pratama, 2023) found no significant effect. Similar discrepancies occur in the supply chain variable, where (Endris Ali & Wasintu Gossaye, 2023) found a positive effect on marketing performance, while (Ahmad, 2022) reported that supply chain management practices did not significantly affect company performance but contributed to competitive advantage. Differences also appear in global market adaptability, where (Sholikah & Arifin, 2024) demonstrated a significant positive effect on marketing performance with business strategy as a mediator, while (Cung, 2023) reported no significant effect. These inconsistencies indicate a research gap that provides an important rationale for further investigation. This study is particularly important considering the significant role of Jepara's wooden furniture exports in regional and national economies, which not only reflect the potential of a key commodity but also contribute to empowering small and medium-sized enterprises (SMEs). By understanding the trends and dynamics of Jepara's wooden furniture exports, this research is expected to provide in-depth insights into the challenges and opportunities faced by businesses in this sector, as well as to offer strategic recommendations to strengthen the competitiveness of Indonesia's furniture industry in global markets. Furthermore, this study seeks to address gaps in previous research, which often focused on marketing aspects in general, by integrating factors such as digital marketing, supply chain, global market adaptability, networking, corporate reputation, and marketing performance into a comprehensive model within the context of Jepara furniture exports. Therefore, the author chose the title *"Unlocking International Markets: The Impact of Digital Marketing and Supply Chain Adaptability on Jepara's Furniture Exports."*

2. Literature Review

Digital Marketing as a Strategic Capability

Digital marketing has evolved from a promotional instrument into an integrated strategic capability that shapes firm competitiveness in global markets. Digital platforms are argued to enhance market visibility and accelerate information exchange, enabling firms to engage more effectively with international buyers (Arifin, 2021). In export-oriented industries, digital technologies are also believed to reduce transaction barriers and broaden access to global markets by facilitating real-time communication and data-driven decision-making (Eva, Prajogo, & Cooper, 2020). From a relational perspective, digital marketing supports value creation by strengthening business networks and maintaining continuous interaction with international stakeholders, which contributes to trust development over time (Prasetyo & Rahman, 2022). However, contrasting views suggest that the impact of digital marketing is contingent upon firms' digital capabilities and strategic coherence. Without consistent content quality and brand positioning, increased digital exposure may lead to information saturation and reduced buyer confidence. Consequently, digital-based visibility enhances corporate reputation only when transparency, authenticity, and perceived reliability are managed effectively, as these elements play a central role in shaping business credibility in global markets (Ardiyanti & Kahfi, 2023).

While some studies suggest digital marketing does not always improve performance directly, the majority highlight its significant indirect influence through relational mechanisms such as networking and reputation enhancement (Kotler, Keller, Ang, Tan, & Leong, 2021). These findings demonstrate that digital marketing operates both as a technological asset and as a relational enabler within global business ecosystems.

Based on these findings, the following hypotheses are proposed:

H1: Digital marketing positively influences marketing performance.

H2: Digital marketing positively influences networking.

H3: Digital marketing positively influences corporate reputation.

Supply Chain Capability and Strategic Integration

Supply chain capability represents a critical source of competitive advantage in export industries characterized by volatility, demand uncertainty, and intense global competition. Prior research emphasizes that effective supply chain coordination reduces lead times, stabilizes product quality, and improves delivery reliability factors strongly associated with superior market outcomes (Arief, Hadi, & Suryawardani, 2020). Studies indicate that supply chain integration can enhance visibility, information accuracy, and coordination among suppliers, manufacturers, and customers, which in turn supports operational efficiency and competitiveness (Endris Ali & Wasintu Gossaye, 2023). Digital supply chain systems are also found to improve transparency and collaboration, contributing to stronger relational trust within supply chain networks (Tabelessy, Sitaniapessy, & Ralahallo, 2024). However, other studies argue that high levels of supply chain integration may reduce organizational flexibility and increase dependency risks, particularly in industries exposed to raw material volatility and global demand uncertainty. In this context, firms that are able to balance integration with adaptability tend to gain reputational advantages and sustain competitiveness in international markets (Saribanon, Handayani, & Satria, 2024). These differing perspectives suggest that the impact of supply chain performance on export competitiveness is not uniform, but contingent on managerial capability and market conditions.

This body of literature reinforces the theoretical position that supply chain strength contributes not only to operational outcomes but also to relational and reputational advantages that ultimately impact marketing performance.

Based on these findings, the following hypotheses are proposed:

H4: Supply chain capability positively influences marketing performance.

H5: Supply chain capability positively influences networking.

H6: Supply chain capability positively influences corporate reputation.

Networking as a Relational Resource

Networking is widely conceptualized as a strategic relational resource that enables firms to access external knowledge, market intelligence, and collaborative opportunities across organizational boundaries. Strong business networks are argued to facilitate integration into global value chains and enhance trust-based relationships, which in turn improve firms' responsiveness to international market dynamics (Gada, 2023). Through sustained interactions with buyers, agents, and intermediaries, networking allows exporters to reduce information asymmetry and uncertainty in cross-border transactions (Rosdiana, 2022). Empirical evidence suggests that effective networking strengthens firms' coordination with foreign buyers, improves contract negotiation capabilities, and supports the expansion of export channels, thereby contributing to higher marketing performance (Jeremy & Santika, 2025). However, alternative perspectives emphasize that networking does not automatically generate performance advantages. Excessive reliance on informal or closed networks may limit market diversification and reduce strategic flexibility, particularly when firms lack complementary capabilities such as digital communication or adaptive market knowledge. Therefore, networking functions as a performance-enhancing relational mechanism only when it is strategically managed and aligned with firms' broader export marketing capabilities, positioning it as both an information conduit and a trust-building platform in international markets.

Based on these findings, the following hypothesis is proposed:

H7: Networking positively influences marketing performance.

Corporate Reputation as a Driver of Market Advantage

Corporate reputation is widely recognized as a strategic intangible asset that contributes to customer loyalty, strengthens trust, and differentiates firms in highly competitive markets. Reputation is commonly understood as

the cumulative outcome of consistent product quality, ethical business conduct, transparent communication, and reliable operational performance, particularly within complex supply chains (Kotler et al., 2021). Through these attributes, reputation functions as a market signal that reduces perceived risk for buyers, especially in international transactions characterized by information asymmetry. Empirical research demonstrates that firms with strong corporate reputations benefit from higher customer confidence, improved relational quality, and stronger positioning in global markets, which in turn supports superior marketing performance (Saribanon et al., 2024). However, alternative perspectives argue that reputation alone does not guarantee sustained competitive advantage. In volatile global markets, reputational value may diminish if it is not supported by continuous innovation, adaptive marketing strategies, and effective relationship management. This suggests that corporate reputation operates as a performance driver only when it is dynamically reinforced through consistent strategic and operational alignment.

Based on this theoretical and empirical discussion, the following hypothesis is proposed:

H8: Corporate reputation positively influences marketing performance.

Mediation Effects of Networking and Corporate Reputation

Networking and corporate reputation are widely conceptualized as relational mechanisms through which organizational capabilities are transformed into performance outcomes. From a social capital perspective, firms leverage networking to access external resources, market knowledge, and collaborative opportunities, enabling operational capabilities such as digital marketing and supply chain management to generate market value (Lin, 2001). In this view, relational assets function as conduits that translate internal capabilities into improved acceptance and competitiveness in international markets. Conversely, institutional and signaling theories emphasize corporate reputation as a credibility mechanism that reduces uncertainty and perceived risk in cross-border transactions, particularly when direct performance evaluation is difficult (Coleman, 1988). However, alternative arguments suggest that the mediating role of networking and reputation is contingent rather than universal. In highly standardized markets or transactional exchanges, performance outcomes may be driven more directly by cost efficiency and product attributes than by relational factors. This implies that networking and corporate reputation act as effective mediators primarily in relationship-intensive and trust-based export contexts, such as the furniture industry.

Based on these findings, the following hypotheses are proposed:

H9: Networking mediates the influence of digital marketing on marketing performance.

H10: Networking mediates the influence of supply chain capability on marketing performance.

H11: Corporate reputation mediates the influence of digital marketing on marketing performance.

H12: Corporate reputation mediates the influence of supply chain capability on marketing performance.

3. Method

This study employed a quantitative approach using an explanatory research design aimed at testing causal relationships between variables through hypothesis testing. The variables examined consisted of three independent variables (Digital Marketing and Supply Chain), one dependent variable (Marketing Performance), and two mediating variables (Networking and Corporate Reputation). The population of the study comprised 255 furniture SMEs (Juwana) exporters in Jepara Regency, with a sample of 156 exporters determined using Slovin's formula and selected through purposive sampling based on specific criteria, namely: (1) SMEs actively engaged in export activities, (2) SMEs that have been operating for a minimum of three years, and (3) SMEs whose owners or managers are directly involved in marketing and supply chain decision-making. Research data were collected using closed-ended questionnaires with a 10-point Likert scale which was employed to provide a wider range of response options and greater measurement sensitivity, as recommended by (Ferdinand, 2014), sourced from both primary data (observations and interviews) and secondary data (transaction records and company reports). The analysis technique employed Partial Least Squares Structural Equation Modeling (PLS-SEM) with the assistance of SmartPLS 4 software to examine the measurement model (validity and reliability), structural model (R-Square, Q-Square, GoF), as well as hypothesis testing for both direct and indirect effects through mediation analysis using the Variance Accounted For (VAF) method.

4. Findings and discussion

Research Results

a. Characteristics Of Research Respondents

The research object in this study consists of furniture exporters in Jepara Regency. Respondent characteristics were collected to provide a comprehensive profile, both from individual and company perspectives. The data gathered include company location, age, last education, position, duration of involvement in export activities, number of employees, monthly export capacity, and company ownership status. Presenting these characteristics aims to understand respondents' backgrounds thoroughly, from business scale, export experience, to international market reach. A summary of respondent characteristics is presented in Table 2 below.

Table 2. Respondent Characteristics

Characteristic	Category	Frequency	Presentage (%)
District Address	Tahunan	56	35,9
	Batealit	35	22,4
	Jepara	30	19,2
	Mlonggo	12	7,7
	Pecangaan	7	4,5
	Pakis Aji	7	4,5
	Bangsri	5	3,2
	Welahan	3	1,9
	Kedung	1	0,6
Age (year)	<25	2	1,3
	25–34	44	28,2
	35–44	68	43,6
	45–54	37	23,7
	>54	5	3,2
Education	SMA/SMK	37	23,7
	S1	112	71,8
	S2	5	3,2
	S3	2	1,3
Position	President Director	83	53,2
	Owner	66	42,3
	Manager	7	4,5
Export Duration	3–5 years	52	20,3
	6–10 years	33	12,9
	>10 years	71	66,8
Number of Employees	<50	53	34,0
	50–100	93	59,6
	>100	10	6,4
Export Container per Month	1	32	20,5
	2–4	102	65,4
	>5	22	14,1
Ownership Status	Local	156	100
	PMA	0	0

Source: Primary Data Processed, 2025

Based on Table 2, the majority of respondents originate from the Tahunan District (35.9%), Batealit (22.4%), and Jepara (19.2%), which are indeed the central furniture-industry hubs in Jepara. In terms of demographics, most entrepreneurs fall within the 35–44 age range (43.6%), indicating a predominance of individuals in their productive and experientially mature years. The respondents' education level is predominantly bachelor's degree holders (71.8%), reflecting a relatively strong academic background that supports business and export strategies. Regarding their positions, most respondents are Chief Executive Directors (53.2%) and Owners (42.3%), indicating that key decision-makers were directly involved in this study. In addition, more than half of the companies have over 10 years of export experience (66.8%), demonstrating the maturity of Jepara's furniture industry in the global

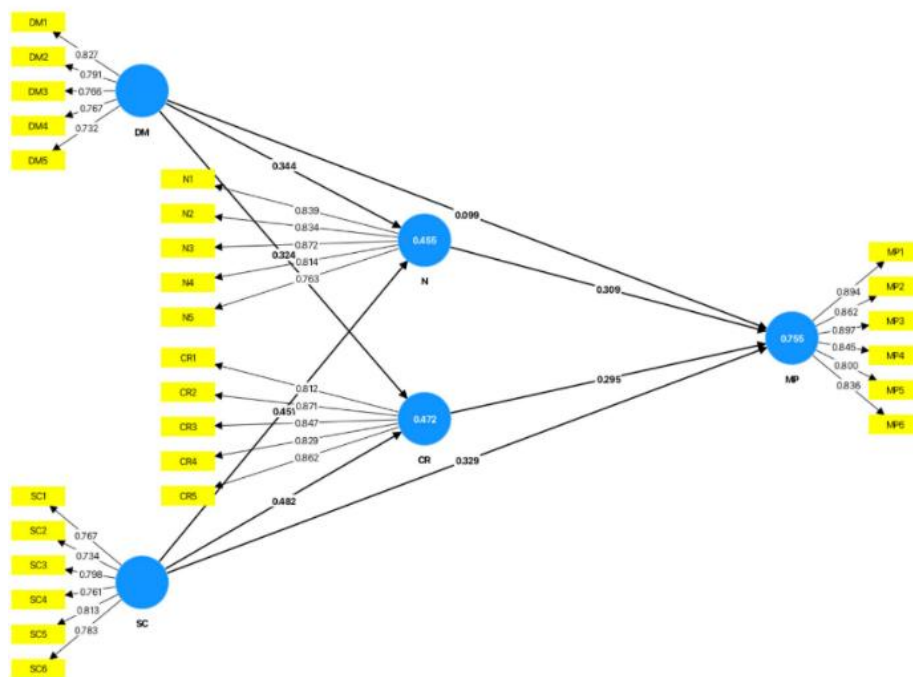
market. The majority of businesses operate at a medium scale, as shown by having 50–100 employees (59.6%) and an export capacity of 2–4 containers per month (65.4%). All companies are locally owned (100%), indicating the dominance of local entrepreneurs in the furniture export industry without direct involvement from Foreign Direct Investment (FDI). These findings highlight that Jepara’s furniture exporters are largely experienced, highly educated local entrepreneurs with medium-scale production capacity. This implies a strong potential for global competitiveness, particularly if supported by effective digital marketing strategies, efficient supply chain management, and better adaptation to international market demands.

Analysis of Research Results

b. Measurement Model Testing (Outer Model)

The outer model was evaluated using SmartPLS 4.0 through reliability (Cronbach’s Alpha, Composite Reliability), convergent validity (indicator reliability, AVE), and discriminant validity (Fornell-Larcker Criterion, HTMT). Results confirm that all constructs and indicators meet the validity and reliability requirements.

Figure 1. PLS Algorithm Model



The measurement model (outer model) testing in this study employed three criteria to analyze the data, namely convergent validity, discriminant validity, and reliability, which are explained as follows.

1) Convergent Validity Test

The results of the convergent validity test in this study can be observed using the outer loading values, which are summarized in Table 3 below.

Table 3. Outer Loading

Construct	Outer Loading	AVE	Result
DM1	0.827	0.604	Valid
DM2	0.791		
DM3	0.766		
DM4	0.767		
DM5	0.732		
SC1	0.767	0.603	
SC2	0.734		
SC3	0.798		
SC4	0.761		
SC5	0.813		
SC6	0.783		

N1	0.839	
N2	0.834	
N3	0.872	0.681
N4	0.814	
N5	0.763	
CR1	0.813	
CR2	0.871	
CR3	0.847	0.713
CR4	0.829	
CR5	0.862	
MP1	0.894	
MP2	0.862	
MP3	0.897	0.734
MP4	0.845	
MP5	0.800	
MP6	0.836	

Source: Processed Primary Data, 2025

Based on Table 4.16, it is obtained that all outer loading values are greater than 0.70 and the AVE values are greater than 0.50. These results indicate that all instrument items of the variables Digital Marketing, Supply Chain, Networking, Corporate Reputation, and Marketing Performance used in this study are considered valid.

2) Discriminant Validity Test

Discriminant validity testing was conducted using the Fornell–Larcker Criterion and the Heterotrait–Monotrait Ratio (HTMT). In the discriminant validity test, the Fornell–Larcker Criterion values must be greater than 0.70 for each construct.

Table 4. Fornell-Larcker Criterion

Construct	CR	DM	MP	N	SC
CR	0.844				
DM	0.532	0.777			
MP	0.756	0.564	0.857		
N	0.658	0.538	0.753	0.825	
SC	0.622	0.431	0.740	0.599	0.776

Source: Processed Primary Data, 2025

According to Table 4, the cross-loading values of Digital Marketing, Supply Chain, Networking, Corporate Reputation, and Marketing Performance are all greater than 0.70. Thus, each research variable can be considered valid.

3) Reliability Test

The reliability testing of this study was carried out using two methods, namely composite reliability and Cronbach's alpha, as presented in Table 5 below.

Table 5. Composite Reliability And Cronbach's Alpha

Construct	Composite Reliability	Cronbach's Alpha	Results
DM	0.846	0.837	Reliable
SC	0.869	0.868	
N	0.883	0.882	
CR	0.901	0.899	
MP	0.928	0.927	

Source: Processed Primary Data, 2025

Table 5 shows that all latent variables in this study meet the required thresholds for both composite reliability and Cronbach's alpha, namely > 0.70. This indicates that all variables or instruments used as measurement tools in this research are reliable and consistent.

c. Structural Model Testing (Inner Model)

1) Goodness of Fit (GoF)

In this study, the results can be observed in Table 6 as follows:

Table 6. Goodness Of Fit (Gof)

Construct	Saturated Model	Estimated Model
SRMR	0.059	0.062
NFI	0.753	0.752

Source: Primary Data Processed, 2025

Based on Table 6, the SRMR value is 0.059, which indicates a good fit as it is below 0.10. The Chi-Square value is 1043.889, which is also considered fit as it falls within the acceptable threshold of > 0.05. Furthermore, the NFI value of 0.753 demonstrates that the model is fit, since it is below 0.95, suggesting that the applied model is appropriate. Therefore, this research model is deemed fit and feasible, in line with the theory of (Gallagher et al., 2010).

2) Coefficient of Determination (R-Square)

The results of the coefficient of determination (R-Square) in this study are presented in Table 7 below:

Table 7. R-Square

Variable (Construct)	R-Square	R-Square Adjusted
N	0.455	0.448
CR	0.472	0.465
MP	0.755	0.749

Source: Primary Data Processed, 2025

Based on the results in Table 7, the R-Square value for Marketing Performance is 0.755, with an adjusted R-Square of 0.749. This indicates that all exogenous constructs collectively explain 75.5% of the variance in Marketing Performance (Y), which can be considered a strong effect. Meanwhile, the remaining 24.5% is explained by other variables and indicators not included in this study.

3) Q-Square Analysis

Table 8. Q-Square

Construct	SSO	SSE	Q ² (= 1 – SSE/SSO)
DM	780.000	463.749	0.405
SC	936.000	522.397	0.442
N	780.000	378.182	0.515
CR	780.000	341.308	0.562
MP	936.000	354.443	0.621

Source: Primary Data Processed, 2025

The results in Table 8 show that the Q-Square value for Marketing Performance is 0.621, which is greater than 0. This indicates that the model has predictive relevance, meaning it demonstrates good predictive accuracy and validity for the observed values. Therefore, the structural model in this study can be considered to possess predictive relevance.

d. Hypothesis Testing Results

Hypothesis testing in this study was conducted to examine both direct and indirect effects. The testing was carried out using the bootstrapping model, as illustrated in Figure 2.

Figure 2. PLS Bootstrapping Model

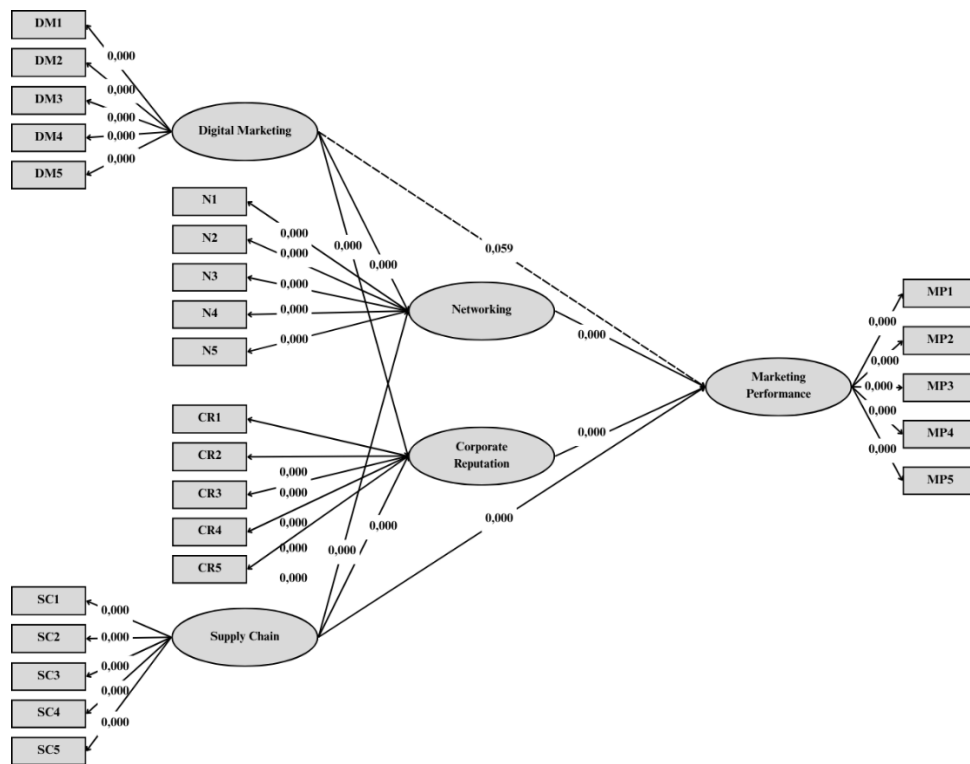


Figure 2 presents the bootstrapping model in this study, which includes testing for direct effects and specific indirect effects, as explained below.

1) Direct Effect Testing Results

Direct effects were assessed using the original sample and t-statistics, where results are considered significant if $t > 1.65$ at a 5% significance level and $p\text{-value} < 0.05$. The path coefficient values for direct effects are presented in Table 9.

Table 9. Path Coefficients (Direct Effect)

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
DM -> MP	0,099	0,100	0,053	1,885	0,059
SC -> MP	0,329	0,333	0,064	5,149	0,000
DM -> N	0,344	0,345	0,074	4,639	0,000
DM -> CR	0,324	0,325	0,068	4,746	0,000
SC -> N	0,451	0,453	0,070	6,471	0,000
SC -> CR	0,482	0,483	0,063	7,692	0,000
N -> MP	0,309	0,303	0,069	4,493	0,000
CR -> MP	0,295	0,297	0,063	4,666	0,000

Source: Primary Data Processed, 2025

Based on Table 9, the direct effect results reveal that Digital Marketing does not exert a significant direct influence on Marketing Performance. Although the original sample value is positive (0.099) and the t-statistic exceeds the critical value of 1.65, the associated p-value (0.059) is above the 0.05 significance level, indicating that the proposed hypothesis is not supported. In contrast, Supply Chain demonstrates a strong and statistically significant direct effect on Marketing Performance, as reflected by an original sample value of 0.329, a t-statistic of 5.149, and a p-value of 0.000. These findings suggest that operational and distribution-related capabilities play a more dominant role in enhancing marketing outcomes than Digital Marketing when considered as a direct predictor.

With respect to the antecedents of the mediating variables, Digital Marketing is found to have a positive and significant direct effect on both Networking and Corporate Reputation, with original sample values of 0.344 and

0.324, respectively, supported by t-statistics greater than 1.65 and p-values below 0.05. Similarly, Supply Chain exhibits an even stronger direct influence on Networking and Corporate Reputation, indicated by original sample values of 0.451 and 0.482. Furthermore, both mediating variables significantly affect Marketing Performance, as Networking shows a positive direct effect with an original sample value of 0.309, while Corporate Reputation also demonstrates a positive and significant influence with an original sample value of 0.295. These results highlight the strategic importance of Networking and Corporate Reputation as key pathways through which Digital Marketing and Supply Chain contribute to Marketing Performance.

2) Indirect Effect Testing (Specific Indirect Effect)

The indirect (mediating) effects in this study are assessed using the original sample and t-statistic values from the specific indirect effect analysis. These values were obtained through the bootstrapping method, as presented in Table 10 below.

Table 10. Specific Indirect Effect

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
DM -> N -> MP	0,106	0,104	0,033	3,232	0,001
DM -> CR -> MP	0,096	0,097	0,031	3,042	0,002
SC -> N -> MP	0,139	0,136	0,034	4,039	0,000
SC -> CR -> MP	0,142	0,143	0,033	4,290	0,000

Source: Primary Data Processed, 2025

Based on Table 4.23, the results of the indirect effect testing indicate that both mediating variables play a significant role in linking the independent variables to Marketing Performance. Networking is found to significantly mediate the relationship between Digital Marketing and Marketing Performance, as evidenced by an original sample value of 0.106, a t-statistic of 3.232, and a p-value of 0.001. Likewise, Corporate Reputation significantly mediates the effect of Digital Marketing on Marketing Performance, with an original sample value of 0.096, a t-statistic of 3.042, and a p-value of 0.002. Furthermore, the mediating role of Networking is also supported in the relationship between Supply Chain and Marketing Performance, indicated by an original sample value of 0.139, a t-statistic of 4.039, and a p-value of 0.000. Similarly, Corporate Reputation is confirmed as a significant mediator between Supply Chain and Marketing Performance, with an original sample value of 0.142, a t-statistic of 4.290, and a p-value of 0.000.

Discussion

The findings reveal that Digital Marketing does not have a significant direct effect on Marketing Performance, as indicated by its insignificant t-value and p-value. Although digital tools offer opportunities to expand global visibility and enhance communication effectiveness (Chaffey & Ellis-Chadwick, 2019), Jepara’s furniture exporters appear to rely more heavily on established offline channels such as long-term buyers, trade exhibitions, and personal commercial relationships. As a result, digital marketing in this context functions more as a supporting tool rather than a direct performance driver. This result aligns with the findings of (Ramadani et al., 2025), who also reported the absence of a direct impact of digital marketing on performance outcomes. To enhance its effectiveness, digital marketing needs to be integrated with offline marketing activities and supported by product innovation, branding consistency, and exporter adaptability to digital buyer preferences. In contrast, the study confirms that Supply Chain has a strong and significant direct effect on Marketing Performance. Efficient coordination of sourcing, production, inventory flow, and export logistics leads to timely deliveries, higher customer satisfaction, and improved export success. This finding strengthens the argument of (Tabelessy et al., 2024), who highlighted the importance of supply chain resilience and efficiency for achieving superior firm performance. For Jepara exporters, the adoption of digital supply chain systems, enhanced supplier collaboration, and real-time monitoring mechanisms are essential strategies to increase global competitiveness in the wood furniture export market.

Furthermore, the results show that Digital Marketing significantly influences Networking, indicating that digital platforms are effective in helping firms establish and expand business relations. Social media, company websites, and online buyer directories enable exporters to reach new markets, strengthen buyer interaction, and connect with international distributors. This finding is in line with (Eva et al., 2020) and (Gaol & Sigalingging, 2022), who emphasized that digital tools amplify entrepreneurial networking capacity. Likewise, Digital Marketing has a significant positive effect on Corporate Reputation, demonstrating that professional online branding enhances credibility and buyer trust consistent with (Prasetyo & Rahman, 2022) and (Ardiyanti & Kahfi, 2023). Similarly,

Supply Chain significantly strengthens both Networking and Corporate Reputation. Reliable supply chain processes enhance trust among buyers, suppliers, and logistics partners, supporting long-term business collaboration echoing the arguments of (Arifin, 2021) and (Rosdiana, 2022). At the same time, consistent product quality and dependable export operations boost corporate reputation by signaling professionalism and reliability, a finding supported by (Saribanon et al., 2024). Thus, both variables confirm their central role in shaping strategic relationships and exporter credibility.

The study also confirms that Networking and Corporate Reputation each have a strong and significant direct impact on Marketing Performance. Networking acts as a strategic resource that provides access to international market information, facilitates export transactions, and strengthens firm agility in responding to global demand. This result aligns with (Rosdiana, 2022) and (Jeremy & Santika, 2025), who emphasized the importance of networks for adaptive marketing strategies. In parallel, corporate reputation substantially boosts Marketing Performance by strengthening buyer trust, increasing purchase intentions, and fostering long-term loyalty a relationship also supported by (Andriani, Pratama, & Dewi, 2025). Finally, the results of the indirect effect analysis show that Networking and Corporate Reputation serve as key mediating variables. Both mediate the relationship between Digital Marketing and Marketing Performance, as well as the relationship between Supply Chain and Marketing Performance. In other words, the effectiveness of Digital Marketing and Supply Chain is maximized through their ability to enhance networks and strengthen corporate reputation. Networking transforms digital visibility and supply chain collaboration into concrete export opportunities, while corporate reputation translates efficiency and professionalism into trust, repeat orders, and market expansion. Therefore, for Jepara's furniture exporters, Digital Marketing and Supply Chain should be developed not only as operational tools but also as strategic levers that build relational strength and corporate credibility two essential drivers of sustainable export performance in the global furniture market.

5. Conclusion and recommendation

This study concludes that Supply Chain, Global Market Adaptability, Networking, and Corporate Reputation positively and significantly influence Marketing Performance among Jepara furniture exporters. Firms that manage their supply chains effectively, adapt to global market dynamics, strengthen business networks, and maintain a strong corporate reputation demonstrate measurable improvements in marketing performance. Although Digital Marketing does not directly affect Marketing Performance, it contributes indirectly through Networking and Corporate Reputation, making it a strategic component in enhancing overall marketing outcomes. Based on these findings, firms are encouraged to strengthen the integration of digital marketing strategies with international networking activities and reputation-building initiatives. Investments in supply chain technologies, human resource development, and product innovation that aligns with global consumer preferences should be prioritized. Managers can optimize the indirect effects of digital marketing by leveraging relational networks and brand trust to achieve greater marketing value and competitiveness in international markets.

From a policy perspective, stronger government support is essential to enhance the global competitiveness of Jepara's small and medium-sized furniture exporters. However, this study is limited by its cross-sectional design and its focus on a single industrial cluster, which may restrict the generalizability of the findings. Future research is therefore encouraged to adopt longitudinal approaches and extend the scope to other export-oriented industries or regions. Drawing on the resource-based view and dynamic capability theory, future studies may further examine how government support, digital infrastructure, and institutional collaboration strengthen firm capabilities and improve long-term marketing performance. Recommended initiatives include digital literacy programs, facilitation of participation in international trade exhibitions, improvements in export regulations and logistics, and strengthening of regional digital infrastructure. Collaboration among government agencies, exporter associations, and industry players to develop a national digital platform can improve access to international buyers, reinforce global reputation, and support long-term marketing success.

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