THE MEDIATING ROLE OF INNOVATION PERFORMANCE BETWEEN SOCIAL MEDIA CAPABILITY AND BUSINESS SUSTAINABILITY IN E-BUSINESS

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ABSTRACT

The purpose of this study is to find out and analyze the factors of social media capability impact on business sustainability during Covid-19 pandemic. This survey is taken from Jakarta online SMEs. This research is using a quantitative approach method and uses 101 samples. In analyzing data, we use Structural Equation Model (SEM) by using SmartPLS application. Our result shows that social media capability does not have an impact directly on business sustainability but has an impact indirectly mediated by innovation performance. This study suggests that online SMEs should take the advantage of social media capability and make an innovation for their products/services to make their business sustainable.

Keywords: social media capability, innovation performance, business sustainability, SMEs

INTRODUCTION

Covid-19 causing Indonesian economic instability, especially Indonesian capital city, Jakarta. Jakarta’s economy in the first quarter only grew 5.06% (y-on-y) which is the lowest growth in the past ten years. Second quarter of Jakarta’s economic experience minus contractions 8.22% (y-on-y) (BPS Jakarta, 2020). State Minister for Cooperatives Small and Medium Enterprises told’s that sustainability of SMEs must be the priority to be saved in this pandemic. It is intended to keep the real sector running in the country. The president asked to relocate the budget and refocus the policy to give the economic incentive for SMEs entrepreneurs so that they can keep producing and not to layoffs the employees. The government also provides loan relaxation for SMEs, especially for loan value below 10 billion IDR with the aim of minimizing the impact of pandemic (Hardum, 2020).

Indonesia has more than 160 million active social media users in the first month of 2020. The most common social media that has been used is Instagram, Twitter, Facebook, Youtube, and Whatsapp (We Are Social, 2020). Social media platforms that have been mentioned before have been used by entrepreneurs to succeed in their business. Many entrepreneurs succeed in using social media as their business platform. As an example, Reza Nurhilman, owner of “Maicih” chips, does some promotion through their Twitter and Facebook accounts. Now his business is able to earn revenue up to billions IDR each month (Yovanka, 2018).

Business with interesting ideas will be the key to increasing sales (Sukandar, 2019). In the pandemic era, business keeps improving, innovating, and regardless of the health protocol. Innovation in business is needed to keep sustaining in the pandemic era (Prayoga, 2020). Netflix is one of the example successful companies in innovation. Initially, Netflix was selling film in DVDs and sending it through the post and nowadays Netflix is one of the biggest films streaming platforms that can earn their revenue up to 350 billion IDR each month from 200 million paid
users (Fauzia, 2021).

LITERATURE REVIEW

The use of social media has become a habit at this time. Companies often use social media and not only to sell their products but also to campaign for the company's brand so that potential consumers of the company can become aware of the company's products or brands (Anindyaputri, 2020). Benítez et al. (2018) explain that social media capability is the ability of a company to utilize social media such as Facebook, Twitter, and the company blog itself to facilitate business activities. This study focuses on the skills of a company in using three external social media, namely Facebook, Twitter, and the company blog itself, whose main use is for IT, business executives, and organizations. However, companies are also trying to learn, use and exploit social media very well. According to Wang et al. (2017), social media capability is the dynamic ability of a company or organization which contains four levels, namely technology, operations, management, and strategy that can help a business or organization integrate social media in order to generate and maintain the company's competitive advantage. The use of the right social media can create a competitive advantage in the company. Social media is a tool for socializing based on web 2.0 that allows companies or organizations to be able to communicate with their customers directly with high levels of effectiveness and efficiency (Kaplan & Haenlein, 2010).

Innovation performance is a revolution of an existing product or business processes and/or the development of a new product or new business process that are obtained from the company's internal as well as external knowledge (Benítez et al. 2018). Rauter et al. (2019) explained that sustainable innovation performance is the outcome of a company’s innovation that prioritize product design that can last such as using environmentally friendly materials, efficient production process, pay attention to environmental conditions such as proper waste disposal, and social responsibility such as pay attention to work safety and work ethics. This statement resonates with the thinking of Albor-Morant et al. (2018) which defines green innovation performance as an innovation that has the main goals to minimizing or avoiding damage to the surrounding environment by processing waste properly, using environmentally friendly raw materials, etc. So that the surrounding environment can be maintained, and the main goal of the company remains achieved well, namely fulfill market demand, creating good corporate value, and increasing results.

Dyllick & Muff (2017) explain that business sustainability is a process where a company can manage risks, liabilities and profitability opportunities, and social and environmental. Gross-Golacka et al. (2020) explain business sustainability as a business strategy that was integrated with social, economic, and environmental factors into a business model. This is in line with the thoughts of Svensson et al. (2016) regarding business sustainability as a company business for not to just focus on probability, but also the impact on the surrounding environment, social, as well as the broader economy and all of society.

During the Covid-19 pandemic, everything changed, at the time the government required everyone to do everything from home such as school from home, work from home, even worship from home. This causes significant increases in social media usage in Indonesia. This phenomenon can be utilized by the company to develop its core value, such as using social media as a platform to inform its customers about the latest product and/or even the brand itself. Social media also can be used as customer service that provides solutions to problems experienced by customers, or even can be used as a platform for selling as it is happening during this pandemic. Therefore, researchers assess that social media has a relationship to business sustainability as in
previous research, which states that social media marketing has a positive effect on sustainability performance (Abbas et al., 2019). Then other research concludes that the utilization of social media has a positive influence on the sustainability of the Millennial’s SMEs.

H1: Social media capability has a positive influence on business sustainability.

Innovation is the main key that is needed by the company for them to keep running and attract the customer to become loyal to the company. Companies will always create product innovation even in a form of promotion, companies also make new changes and follow the present times to get the competitive advantages. A company or businessman needs to find a new thing and unique for the customer, and also the company needs to know the resources that they own now. Resources play an important role in the company to make them keep innovating and with the good dynamic capability in the company, it will push the business to keep sustaining. Researchers assess that innovation performance in the company are very needed to reach business sustainability. The previous study uses bank as a research object and bank can be placed in various steps of innovation performance with the technology development, and also has a positive effect on business sustainability (Forcadell et al., 2019). Then there is another study that found an influence between innovation on business sustainability. Which is significantly influencing financial performance, social performance, and environmental performance (Li, et al, 2020). Next, a study shows that management innovation and technological innovation significantly and positively contribute to business sustainability (Zhang et al., 2019).

H2: Innovation performance has a positive influence on business sustainability.

The usage of social media nowadays is very varied, starting from only socializing with other people, browsing information, news, or knowledge, entertaining, until business support facilities. As we all know, business without innovation is hard to keep sustainable in the long term. Social media can be used by companies to listen and know the customer’s desire that may change along with the times. Of course, the company needs to create more innovation that suits the times development so that the business can sustain in the long term. Researchers assess that social media has a relation on innovation performance as in study which has been done by Benitez states that social media capability gives a positive influence which bridges the gap between knowledge ambidexterity with innovation performance (Benitez et al., 2018). Another study concluded that there is a significant influence between social media on a firm’s innovativeness (El Samra et al., 2019). Subsequent study reveals that social media usage has a beneficial influence on innovation performance (Pateli et al., 2017).

H3: Social media capability has a positive influence on innovation performance.

Social media helped so many people in various aspects. The capability of social media to make us keep connected with our friends or family, the capability to deliver the information to the audience, and capability to introduce products/services, and social media became the selling media. Then innovation performance that became the mediator of social media capability also contributed to business performance. Innovation that offers new things and offers efficiency attracts customers to consume the products/services of the company. This matter became the attention of the researcher where the capability of social media can help businesses keep sustaining in the middle of a pandemic with the mediation of innovation. So that, research assesses that social
media capability has a relation to business sustainability through the mediation of innovation performance. A previous study states that social media capability has positive and significant influence on innovation (Corral de Zubielqui & Jones 2020) and innovation gives a positive and significant influence too on business sustainability (Khan & Naeem, 2018). Another study concluded the result that social media indicated the positive impact in influencing team the innovation performance (Ali et al., 2020) and eco-innovation strategy positively influencing sustainable business (Amara & Hong, 2020). Then another research shows that social media usage indicated a positive impact on innovation performance (Freixanet et al., 2020) and innovation capability has an important positive influence on firm sustainability (Sriboonlue, Ussahawanitchakit, & Raksong, 2015). So that, this can be concluded that social media capability can help developing business sustainability run well and with the mediation of innovation performance.

H4: Social media capability has a positive influence on business sustainability through innovation performance.

**Figure 1. Research Hypothesis**

**RESEARCH AND METHODS**

This study uses a quantitative approach to see the effect that social media capability can have on business sustainability. Quantitative research is the explanation of a problem or phenomenon through collecting data in the form of numbers and analyzing it using mathematical methods in the form of statistics (Apuke, 2017). The impact between variables will be analyzed using the SEM method and using the SmartPLS software. The questionnaire uses a scale of 1–6 and uses the question based on variable indicators of social media capability, innovation performance, and business sustainability. Social media capability is divided into 4 indicators of context, communication, collaboration, and connection (Solis, 2011). Innovation performance is divided into 5 indicators, namely product, process, strategy, behavior, and market innovation (Parida & Örtqvist, 2015). Meanwhile, business sustainability is divided into 3 indicators for economic aspects, social aspects, and environmental aspects (Svensson et al., 2016).

The purpose of this research is to find out the influence of social media capability directly
to business sustainability and indirectly through innovation performance to create business sustainability. In addition, this study also aims to identify the influence and impact of the application of social media and innovation performance on a SME business so that it can be sustainable. This research using cross-sectional survey or one time survey, this survey collects data for a certain time only or collects data only once in order to describe the condition of the population (Setia, 2016). This survey will also be conducted by first studying the variables to be research, about the indicators that affect the variables under this study. This study uses a survey as a method to obtain the required data. The survey method was used because it was considered the most effective because the sample could even represent a large population.

The object of this research is the SMEs business that already go online in Jakarta and owned by the youth generation. Businesses that are included in SMEs are businesses that have a turnover of Rp300,000,000 to 50,000,000,000 per year according to Law No. 20 of 2008. Also, business owners who are at a youth generation between 16–30 years old.

**Operationalization of Variables**

The three variables that are used in this research is social media capability, innovation performance, and business sustainability. Social media capability is the ability of a company to utilize social media such as Facebook, Twitter, and the company blog itself to facilitate business activities (Benitez et al, 2018). Social media capability indicators are divided into four namely context, communication, collaboration, connection (Solis, 2011). Context explains how to deliver a message or information to an audience with its own template and focuses on graphics, colors, and attractive features. Communication indicator explains a method used to deliver information, share information, receive feedback, respond to responses, and develop to audiences. Collaborating indicator to make things better, by increasing efficiency and effectiveness. Connection is a relationship that is always maintained and fostered. Get your audience closer to the company or social media owner.

Innovation performance is the changes process from product or business process that exist and/or develop from one new product or new business process which get from company internal knowledge or company external knowledge (Benitez et al. 2018). Innovation performance has 5 indicators such as product, process, strategy, behavior, and market innovation (Parida & Örtqvist, 2015). Product indicator is related in changes or feature usage, new components, and technology can create new products (Laosirihongthong et al., 2014). Process indicator explains on the internal development of the company, related to enhancement that apply technology in the production process (Laosirihongthong et al., 2014). Market explains in using the new strategy in marketing to promote the product, introducing new products to the market or identifying new business to gain sales. Strategy leads to developing a strategy which has existed and can create value for the company. Behavior explains individual behavior, company, or manager on newness. Companies with innovative behavior can give more innovative ideas faster.

Business sustainability can be interpreted as a process where a company can manage the risk, obligation, profitability opportunities, and social & environment (Dyllick & Muff, 2017). Here is the explanation of three business sustainability indicators (Svensson et al., 2016). Economic aspects explain the increasing profit, reducing cost, competitiveness, value of the brand, and financial. Social aspects discuss all business networks, organizational support, company reputation, company culture, commitment & dedication, consistency, and reporting. Environmental aspects discuss the living environment, climate change & global warming, efficient program, dematerialization process, and have many initiatives.
Table 1. Operationalization of Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition</th>
<th>Indicator</th>
<th>Source</th>
</tr>
</thead>
</table>
| Social media capability   | The ability of SMEs or organization to utilize social media as a supporting tool for business activities. | B.1. Context  
B.2. Communication  
B.3. Collaboration  
| Innovation performance    | The action of SMEs or organization to outperform its competitors by continuously updated the products/services so that remains relevant to the market. | C.1. Product  
C.2. Process  
C.3. Strategy  
C.4. Behavior  
C.5. Market Innovation | (Parida & Örtqvist, 2015; Laosirihongthong et al., 2014; Chan et al., 2018). |
| Business sustainability   | Strategies designed and used by the SMEs in order to survive even in unfavorable conditions for the SMEs. | D.1. Economic Aspects  
D.2. Social Aspects  
D.3. Environmental Aspects | (Ng & Rezaee, 2015; Sivarajah et al., 2020; Svensson et al., 2016). |

RESULTS AND DISCUSSION

Validity and reliability

The first test is carried out to test the data based on the question items for each indicator. Validity is carried out to see how far a question can explain the construction to be measured (Drost, 2011). In this test will be tested through convergent and discriminant validity. Convergent validity is seen through the outer loading or loading factor which can be said to be valid if the value is above 0.7 and the AVE value is above 0.5 (Hair et al., 2016). Discriminant validity is seen through the Fornell-Larcker criterion and cross loadings tables. Reliability is a measurement that has been done many times, from different people and different times for the same person the measurement will remain the same or consistent (Drost, 2011). The measurement of reliability is seen through the value of Cronbach's alpha and composite reliability. In measuring Cronbach's alpha and composite reliability indicators are said to be reliable if the value is above 0.7 (Hair et al., 2016).

Table 1. Convergent Validity

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
<th>Statement Item</th>
<th>Outer Loadings</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Media Capability</td>
<td>Context</td>
<td>B02</td>
<td>0.894</td>
<td>0.737</td>
</tr>
<tr>
<td></td>
<td>Communication</td>
<td>B03</td>
<td>0.902</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>B04</td>
<td>0.866</td>
<td></td>
</tr>
</tbody>
</table>
First validity testing on outer loading and AVE value. The result shows that 22 statement items are valid with the value of the outer loadings above 0.7. Then the AVE value of the social media capability is 0.737, innovation performance is 0.596, and business sustainability is 0.597. All these variables that have been mentioned have an AVE values above 0.6, so a validity test of three variables is valid.

Table 2. Fornell-Larcker Criterion

<table>
<thead>
<tr>
<th>Variable</th>
<th>Business Sustainability</th>
<th>Innovation Performance</th>
<th>Social Media Capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Sustainability</td>
<td>0.811</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Innovation Performance</td>
<td>0.779</td>
<td>0.790</td>
<td></td>
</tr>
<tr>
<td>Social Media Capability</td>
<td>0.630</td>
<td>0.740</td>
<td>0.858</td>
</tr>
</tbody>
</table>
The third validity measurement explains from discriminant validity. Discriminant validity itself divides into 2 parts, namely the Fornell-Larcker criterion and cross-loadings. Fornell-Larcker criterion is a value that from correlation measurement from a construct must have more variants with its related indicators than other constructs if it is to be said to be valid (Hair et al., 2016). From the results obtained, each variable is said to be valid because each variable has a higher correlation than the variable itself than other variables.

Table 3. Cross Loadings

<table>
<thead>
<tr>
<th></th>
<th>Business Sustainability</th>
<th>Innovation Performance</th>
<th>Social Media Capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>B02</td>
<td>0.566</td>
<td>0.694</td>
<td>0.893</td>
</tr>
<tr>
<td>B03</td>
<td>0.485</td>
<td>0.656</td>
<td>0.902</td>
</tr>
<tr>
<td>B04</td>
<td>0.468</td>
<td>0.613</td>
<td>0.865</td>
</tr>
<tr>
<td>B05</td>
<td>0.601</td>
<td>0.716</td>
<td>0.900</td>
</tr>
<tr>
<td>B07</td>
<td>0.564</td>
<td>0.628</td>
<td>0.855</td>
</tr>
<tr>
<td>B08</td>
<td>0.544</td>
<td>0.504</td>
<td>0.723</td>
</tr>
<tr>
<td>B09</td>
<td>0.549</td>
<td>0.614</td>
<td>0.858</td>
</tr>
<tr>
<td>C01</td>
<td>0.548</td>
<td>0.768</td>
<td>0.580</td>
</tr>
<tr>
<td>C03</td>
<td>0.519</td>
<td>0.790</td>
<td>0.603</td>
</tr>
<tr>
<td>C04</td>
<td>0.618</td>
<td>0.803</td>
<td>0.513</td>
</tr>
<tr>
<td>C08</td>
<td>0.720</td>
<td>0.775</td>
<td>0.646</td>
</tr>
<tr>
<td>C09</td>
<td>0.562</td>
<td>0.761</td>
<td>0.510</td>
</tr>
<tr>
<td>C10</td>
<td>0.652</td>
<td>0.815</td>
<td>0.637</td>
</tr>
</tbody>
</table>
From the cross-loading test, the result shows that some of the statement items are not valid. Statement items that are not valid were eliminated because the values are below 0.7 (Hair et al., 2016). Then, the statement items can be called valid because the correlation value from an indicator on a related construct is bigger than the correlation value from an indicator on another construct. So the statement items that show in the table are only the valid ones.

**Table 4. Reliability**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Keterangan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Sustainability</td>
<td>0.825</td>
<td>0.884</td>
<td>Reliable</td>
</tr>
<tr>
<td>Innovation Performance</td>
<td>0.899</td>
<td>0.921</td>
<td>Reliable</td>
</tr>
<tr>
<td>Social Media Capability</td>
<td>0.940</td>
<td>0.951</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

From the table above, explains the result of reliability testing. Cronbach’s alpha value and composite reliability value in each variable are above 0.7. It can be concluded that all variables are reliable. In composite reliability, the value of all variables is also above 0.7 but innovation performance and social media capability variables are above 0.9, it can be concluded that all of the statement items on the questionnaire are redundant but still considered reliable.

**R2-coefficient of Determination**

In this section, tests will be carried out to see how exogenous variables influence endogenous variables. This study has one exogenous variable of social media capabilities, one endogenous variable of business sustainability, and one mediating variable of innovation performance. The research results were obtained as follows:

**Table 5. Coefficient Determinant**

<table>
<thead>
<tr>
<th>Variable</th>
<th>R Square</th>
<th>Adjusted R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Sustainability</td>
<td>0.618</td>
<td>0.610</td>
</tr>
<tr>
<td>Innovation Performance</td>
<td>0.548</td>
<td>0.544</td>
</tr>
</tbody>
</table>
The table above shows the value of the business sustainability variable obtained by 0.610. This result shows that 61% of business sustainability variable can be influenced from social media capability and innovation performance. Meanwhile for innovation performance indicates a value of 0.544. The result shows that 54.5% of innovation performance is influenced by social media capability.

**Structural Equation Modelling**

| Path             | Original (O) | Sample Mean (M) | Sample Mean (STDEV) | T Statistics (|O/STDEV|) | P Values |
|------------------|--------------|-----------------|---------------------|----------------|----------|
| SMC → BS         | 0.120        | 0.118           | 0.099               | 1.213          | 0.226    |
| IP → BS          | 0.693        | 0.702           | 0.074               | 9.400          | 0.000    |
| SMC → IP         | 0.740        | 0.748           | 0.070               | 10.601         | 0.000    |
| SMC → IP→ BS     | 0.513        | 0.526           | 0.079               | 6.483          | 0.000    |

In the bootstrapping testing, the result can be seen from the original sample to see influence direction and beta result. The T Statistics need to >1.96 with the alpha 0.05 and P-value <0.05. So that it can be called that has a significant influence (Hair et al., 2016). From the first test, the result show that social media capability has an insignificant influence with $\beta = 0.120$ and supported by the T Statistics $= 1.213 < 1.96$ and P-value $= 0.226 > 0.05$. From that result show that H1 is declined, and social media capability has an insignificant influence on business sustainability. The second test is run to know the influence of innovation performance on business sustainability. The result show that $\beta = 0.693$ and T Statistics $= 9.400 > 1.96$, and also P-value $= 0.000 < 0.05$. From the result, it can be concluded that H2 is accepted, and innovation performance has a positive and significant influence on business sustainability. The third test is to know the influence of social media capability on innovation performance. The result shows that T Statistics $= 10.601 > 1.96$, and also P-value $= 0.000 < 0.05$.

Figure 2. Path Diagram
From the result, it can be concluded that H3 is accepted and social media capability has a positive and significant influence on innovation performance. The fourth test is to know the indirect influence. This test is done to see if there is a direct and indirect difference through the meditation variable that is innovation performance. This test is to know the influence of social media capability in indirect on business sustainability. The result show $\beta = 0.513$ and T Statistics = 6.483 > 1.96, and also P-value = 0.000 < 0.05. From the result, it can be concluded that social media capability has a positive and significant influence on business sustainability through the mediation of innovation performance.

From the test above, it can be concluded that social media capability is better in making use of innovation performance to create a sustainable business because direct influence isn’t significant in influencing. So that the business is better using social media capability and innovation performance to get the sustainable business.

Analysis Results in Men

| Path Coefficient in Men | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics ($|O/STDEV|$) | P Values |
|-------------------------|---------------------|----------------|---------------------------|--------------------------|----------|
| SMC $\rightarrow$ BS    | 0.001               | -0.007         | 0.126                     | 0.008                    | 0.994    |
| IP $\rightarrow$ BS     | 0.924               | 0.925          | 0.119                     | 7.771                    | 0.000    |
| SMC $\rightarrow$ IP    | 0.805               | 0.824          | 0.080                     | 10.020                   | 0.000    |
| SMC $\rightarrow$ IP $\rightarrow$ BS | 0.744 | 0.763 | 0.132 | 5.644 | 0.000 |

In this study, testing was carried out based on male and female gender. The first test to male owners of SMEs that already go online and found that social media capability had an insignificant effect on business sustainability, where value $\beta = 0.001$ supported by the T-statistic = 0.008 < 1.96, also P-value = 0.994 > 0.05. Then the second test found that innovation performance had a significant and positive influence on business sustainability with beta value $\beta = 0.924$ and support by T-statistic = 7.771 > 1.96 and P-value = 0.000 < 0.05. Third, it was found that social media capability had a significant and positive influence on innovation performance with beta value $\beta = 0.805$ and supported by T-statistic = 10.020 > 1.96 and P-value = 0.000 < 0.05. The last test found that social media capability has a significant and positive influence on business sustainability through mediating innovation performance with beta value $\beta = 0.744$ and supported by T-statistic = 5.644 > 1.96 and P-value = 0.000 < 0.05.

Analysis Results in Women

<table>
<thead>
<tr>
<th>Path Coefficient in Women</th>
<th>Original</th>
<th>Sample</th>
<th>Standard</th>
<th>T Statistics</th>
<th>P Values</th>
</tr>
</thead>
</table>

35
For next test was carried out on female owners of SMEs that already go online, and found that social media capability had an insignificant effect on business sustainability, where value $\beta = 0.261$ supported by the T-statistic = 1.871 < 1.96, also P-value = 0.062 > 0.05. Then the second test found that innovation performance had a significant and positive influence on business sustainability with beta value $\beta = 0.495$ and supported by T-statistic = 3.795 > 1.96, and P-value = 0.000 < 0.05. Third, it was found that social media capability had a significant and positive influence on innovation performance with beta value $\beta = 0.725$ and supported by T-statistic = 8.568 > 1.96 and P-value = 0.000 < 0.05. The last test found that social media capability has a significant and positive influence on business sustainability through mediating innovation performance with beta value $\beta = 0.359$ and supported by T-statistic = 3.611 > 1.96 and P-value = 0.000 < 0.05.

From the test above, it can be concluded that social media capability is better in make use of innovation performance to create a sustainable business because direct influence isn’t significant in influencing. So that, the business is better using social media capability and innovation performance to get the sustainable business.

CONCLUSION AND SUGGESTION

Conclusion

Covid-19 pandemic causing many SMEs businesses can’t develop more to become a sustainable business. Along with the appearance of new competitors, innovation plays an important role in determining the sustainability of a business. From the results of the research conducted, it can be concluded that the usage of social media combined with innovation performance that has been done by SMEs businesses can improve the performance itself. Only the creative SMEs that can compete among its competitors. Creative SMEs are those that provide many innovations to their products/services. Innovation that can provide added value for customers to attract customer attention so that it may increase sales. Innovation must be shared on social media so that potential customers can find out about innovative products/services from these SME. In the introduction section, it was stated that there are 160 million active social media users in Indonesia, which means that SMEs owners have very large potential customers. These potential customers can be further narrowed down so that they can be more targeted by their customers and save costs.

Suggestion

This study suggests the owner of SMEs to optimize entrepreneurial orientation point of view in creating a business strategy or business decision in order to create a sustainable business. Also to optimize the usage of social media and creating new innovation in order to create a sustainable business.
Suggestion for Future Research

Suggestion for future research: the current study’s only using 101 samples in Jakarta, could be examined in a larger sample size and in different cities. Second, future research could use the qualitative approach or mixed method. Third, other variables can be investigated to see the influence on business sustainability. Finally, the object of research can be focused on a certain type of business sector for the development and advancement of these business sectors.

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