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THE EFFECT OF CUSTOMER FOCUS STRATEGY, CORPORATE ENTREPRENEURSHIP AND ORGANIZATIONAL INNOVATION ON SUSTAINABLE COMPETITIVE ADVANTAGE

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ABSTRAK

Studi ini dirancang untuk mengeksplorasi konsekuensi yang dihasilkan oleh strategi fokus pelanggan, kewirausahaan perusahaan, dan inovasi organisasi terhadap keunggulan kompetitif yang berkelanjutan. Di tengah dinamika dan persaingan ketat yang mewarnai dunia bisnis masa kini, mencapai keunggulan kompetitif yang berkelanjutan mengharuskan organisasi untuk terus beradaptasi dan berinovasi. Strategi fokus pelanggan menekankan pemahaman dan pemenuhan kebutuhan pelanggan, yang meningkatkan kepuasan dan loyalitas pelanggan. Kewirausahaan perusahaan menumbuhkan budaya intrapreneurship, memberdayakan karyawan untuk mendorong inovasi dan pertumbuhan strategis. Inovasi organisasi, baik teknologi maupun non-teknologi, berfungsi sebagai katalisator untuk meningkatkan proses, produk, dan layanan. Penelitian ini menggunakan pendekatan kuantitatif, memanfaatkan data survei dari organisasi terpilih dan menganalisis hubungan antar variabel menerapkan teknik pemodelan struktural berbasis Partial Least Squares (PLS-SEM). Kajian dari studi ini diharapkan dapat memberikan wawasan tentang bagaimana kapabilitas strategis, seperti manajemen pengetahuan, integrasi modal sosial, dan kelincahan organisasi, memediasi hubungan antara strategi ini dan keunggulan kompetitif yang berkelanjutan. Studi ini berkontribusi pada literatur dengan menyoroti pentingnya mengintegrasikan fokus pelanggan, kewirausahaan, dan inovasi untuk mencapai kesuksesan organisasi jangka panjang dalam lanskap pasar yang berkembang pesat.

Kata kunci: Keunggulan Kompetitif Berkelanjutan, Strategi Fokus Pelanggan, Kewirausahaan Perusahaan, Inovasi Organisasi.

ABSTRACT

This research intends to investigate the impact of customer focus strategy, corporate entrepreneurship, and organizational innovation on long-term competitive edge. In the current fast-paced and highly competitive business landscape, achieving a sustainable competitive advantage that organizations constantly evolve and drive innovation. A customer focus strategy emphasizes understanding and meeting customer needs, which enhances customer satisfaction and loyalty. Corporate entrepreneurship fosters a culture of intrapreneurship, empowering employees to drive innovation and strategic growth. Organizational innovation, both technological and non-technological, serves as a catalyst for improving processes, products, and services. This research employs a numerical method, utilizing survey data from selected organizations and analyzing the



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bonds between variables applying Partial Least Squares Structural Equation Modeling (PLS-SEM). The 47 findings are expected to provide insights into how strategic capabilities, such as knowledge management, social capital integration, and organizational agility, mediate the bonds between these strategies and sustainable market dominance. This research adds to the literature by highlighting the importance 8 integrating customer focus, entrepreneurship, and innovation to achieve long-term organizational success in a rapidly evolving market landscape.

Keywords : Sustainable Competitive Advantage, Customer Focus Strategy, Corporate Entrepreneurship, Organizational Innovation.

INTRODUCTION

In the context of global business competition, the landscape is evolving rapidly. While global corporate profits grew significantly over the past three decades, increasing at a rate 30% faster than global GDP, this growth is expected to slow down considerably in the coming decade. Factors such as heightened competition from emerging economies and the rise of technology-driven business models are putting pressure on profit margins. In fact, while global revenues are predicted to increase by 40% by 2025, profit growth is projected to decelerate, with growth rates dropping from about 5% to a mere 1%, resembling the competitive conditions of the 1980s. This shift signals that businesses will face fiercer competition for a smaller share of the global profits, as new players from various sectors, particularly in technology, increasingly challenge established firms.

The increasing business competition in Indonesia is marked by a growing focus on digital transformation and investment in high-value sectors. According to reports, the country is experiencing strong growth in digital technologies, including e-commerce, fintech, and financial services, driven by both internal reforms and global demand. Indonesia's economy is supported by policies aimed at boosting foreign direct investment, improving infrastructure, and fostering industrial growth. However, despite these positive trends, Indonesia's competitive environment remains challenging, particularly in the digital and technology sectors. A significant portion of the population, especially in rural areas, still lacks access to modern digital infrastructure, which creates a gap in the ability of businesses to fully tap into this market. As the government pushes for more inclusive economic development, companies must adapt to meet the demands of a digital economy while addressing these challenges. This environment highlights the need for companies to leverage innovation and strategic approaches to stay competitive, especially as Indonesia's growing middle class and tech-savvy youth population become more central to its market dynamics.

Sustainable competitive advantage is crucial of commercial targeting for long-term progress in a rapidly evolving global marketplace. Unlike short-term competitive advantages, which can be easily replicated by competitors, sustainable competitive advantage enables organizations to maintain superior performance over time. This is achieved through the continuous innovation of products, processes, or business strategies, and the capacity to adjust to changing market conditions. According to Barney (1991), Companies possessing resources that are rare, valuable, and hard to replicate, and irreplaceable possess the capability to secure a sustained competitive edge. Additionally, scholars emphasize that organizations must focus on strategic capabilities like organizational agility and customer-centric strategies to retain their competitive edge in the face of growing global competition (Teece, 2014). Moreover, sustainable competitive advantage is not only based on internal capabilities but also on the ability to leverage external relationships, such as strategic partnerships and supply chain networks (Porter, 1990). Therefore, organizations that continuously innovate, foster a resilient organizational culture, and build long-term customer loyalty are better positioned to thrive in an increasingly competitive environment.

Customer-focused strategy holds a critical significance in achieving long-term business success by ensuring that the desires and demands of customers are at the heart of organizational decision-making. By understanding customer preferences and behavior, companies can tailor their products, services, and interactions to foster greater satisfaction and loyalty. According to Narver and Slater (1990), companies that adopt a customer-focused approach are better equipped to anticipate market trends and respond proactively to customer demands, leading to a sustainable competitive advantage. Furthermore, customer-focused organizations can set themselves apart from rivals by providing superior value propositions and personalized experiences (Kotler & Keller, 2016). This strategy goes beyond product development but extends to customer service, marketing strategies, and even organizational culture, where every level of the company is aligned with creating value for the customer. As highlighted by Payne and Frow (2005), successful customer-focused strategies integrate all customer touchpoints, ensuring a consistent and seamless experience, which strengthens customer relationships and enhances brand loyalty.

Corporate entrepreneurship plays a critical role in driving innovation within established organizations. By fostering an entrepreneurial culture, companies inspire employees to take initiative, test new concepts, and pursue opportunities for growth outside of the standard operational framework. This proactive approach has the potential to foster the creation of groundbreaking products and services, or business models that help the company remain competitive. According to Lumpkin and Dess (1996), corporate entrepreneurship not only fuels innovation but also contributes to organizational renewal by creating new growth avenues. It also serves to motivate employees by aligning their individual goals with organizational objectives, thus fostering a more dynamic and agile business environment (Zahra & Covin, 1995). Therefore, corporate entrepreneurship acts as a key mechanism through which organizations can sustain long-term success in rapidly changing markets.

Organizational innovation is a powerful catalyst for growth, enabling businesses to adjust to evolving market conditions of demands and technological advancements. By constantly improving products, processes, and services, companies can differentiate themselves from competitors and achieve higher levels of efficiency. Organizational innovation helps firms to optimize operations, reduce costs, and enhance customer value, which are essential elements for sustaining competitive advantage in the long term (Teece, 2010). Furthermore, it stimulates organizational learning and encourages collaboration across departments, leading to more effective solutions and improvements. As noted by Damanpour (1991), innovation in organizations is not only about new products but also about creating an environment that supports creative thinking and problem-solving, thus accelerating business growth. Companies that successfully integrate innovation into their culture are better equipped to handle market shifts and secure their position as industry leaders.

Despite extensive research on individual elements such as corporate entrepreneurship, organizational innovation, and customer-focused strategies, a lack of clarity still exists regarding how these elements together impact long-term competitive edge. While previous studies have highlighted the importance of each variable, the interrelationship between them and their combined impact on organizational performance has not been fully explored. For instance, several studies have focused on corporate entrepreneurship as a driver of innovation, but few have examined its role within the broader context of organizational innovation and customer-centric strategies (Lumpkin & Dess, 1996; Zahra & Covin, 1995). Furthermore, while innovation is widely recognized as crucial for growth, the mechanisms through which it influences

competitive advantage, particularly in industries undergoing rapid digital transformation, remain underexplored (Teece, 2010). Addressing these gaps would significantly enhance the depth of insight into how firms can integrate these elements to maintain an enduring advantage in the marketplace within a progressively growing dynamic business environment.

Research indicates that entrepreneurial behavior and organizational innovation are crucial for gaining a sustainable competitive edge. Companies with an entrepreneurial mindset pursue both technological and non-technological innovations, which contribute to maintaining a competitive advantage (Weerawardena & Coote, 2001). Effective entrepreneurial strategies are key to harnessing employees' intrapreneurial potential to drive competitive gains (Enginoğlu & Arikani, 2016). Key strategic strengths, including the management of knowledge, fostering organizational creativity, integrating social networks, and enhancing adaptability, are fundamental in securing long-term edge in the marketplace (Ngeche, 2022). Moreover, entrepreneurship directly influences strategic decision-making and organizational capabilities, which, in turn, affect innovation. Innovation is crucial in boosting the effectiveness of the organization performance and fostering competitive advantage (Wingwon, 2012). These findings emphasize the need to cultivate organizational entrepreneurship, innovation, and strategic capabilities to sustain competitive success in the rapidly evolving business landscape.

A sustained competitive advantage is essential for a company to succeed in a constantly evolving marketplace. Unlike a temporary advantage that can be easily replicated by competitors, a sustainable competitive advantage enables a company to maintain superior performance over the long term, even in the face of market changes. This is achieved through unique resources, continuous innovation, and a focus on long-term strategies rather than short-term gains. According to Barney (1991), firms that possess valuable, rare, inimitable and non-substitutable resources are able to sustain a competitive advantage. Moreover, innovation and adaptability are key drivers of sustainability, as businesses that continuously evolve are able to meet new market demands and overcome competitive threats (Teece, 2014). This ongoing process of innovation and strategic alignment with market needs helps companies maintain their leadership position, ensuring growth and stability in a dynamic environment (Porter, 1990). Therefore, building and sustaining competitive advantage requires a proactive and long-term approach to strategy, promoting an ongoing pursuit of progress and excellence and resilience.

The urgency of this research stems from the rapidly changing global business environment, where companies are facing increasing competition and evolving consumer expectations. In this context, understanding the interplay between corporate entrepreneurship, organizational innovation, and customer-focused strategies becomes crucial for gaining and maintaining a market edge. This research seeks to address a void in existing studies by exploring the impact of interplay of these factors promotes long-term organizational success. Given the complexity of the current corporate environment, companies that fail to adapt to these dynamics risk falling behind. As highlighted by Teece (2014), innovation and dynamic capabilities are crucial for firms to maintain competitiveness, while Porter (1990) emphasizes the importance of strategic positioning in sustaining an edge. By examining these factors collectively, this study seeks to offer insights that can help businesses navigate these challenges and secure a sustainable future.

METHODS

This research employs a numerical approach to examine the relationship between entrepreneurial behavior, organizational innovation, and customer-oriented strategies for sustainable competitive advantage. A snapshot survey conducted at a single point in time methodology is used to gather information from a selected group of organizations operating in different industries. This design allows for examining correlations and causal relationships among variables while providing a snapshot of current practices and outcomes (Creswell & Creswell, 2018). Quantitative research is particularly suited to this study because it facilitates the analysis of measurable constructs and the application of findings to broader contexts to broader populations. The survey instrument consists of a structured questionnaire designed to measure entrepreneurial activity, organizational innovation, customer orientation, and sustainable market dominance. The survey contains multiple-choice and Likert-type questions to gather participants' views and experiences. Measurement scales validated in previous studies have been adapted to ensure reliability and validity (Saunders et al., 2019). The instrument will be pre-tested with a pilot group to refine questions and improve clarity before full data collection.

Tabel. 1

Characteristics Respondents			
Characteristic	Category	Frequency (N)	Percentage (%)
Gender	Male	110	55.0%
	Female	90	45.0%
Age	24–30 years	85	42.5%
	31–40 years	70	35.0%
	41–50 years	35	17.5%
	> 50 years	10	5.0%
	High School	40	20.0%
Education Level	Bachelor's Degree	120	60.0%
	Master's Degree	35	17.5%
	Doctorate	5	2.5%
Employment Status	Employee	150	75.0%
	Entrepreneur	30	15.0%
	Others	20	10.0%
Length of Work Experience	< 5 years	70	35.0%
	5–10 years	80	40.0%
	> 10 years	50	25.0%

Source : research data processed in 2024

The research procedure involves several stages, starting with the development of the research instrument, followed by pilot testing, gathering of information and its subsequent evaluation. Information is gathered through a web-based questionnaire to reach a broader sample of respondents across different regions. Ethical considerations, including informed consent and data confidentiality, are prioritized throughout the process (Babbie, 2020). Once the data is collected, it is cleaned and prepared for statistical analysis. Data evaluation is performed through Structural Equation Modeling (SEM) utilizing SmartPLS software. SEM is selected due to its capacity to simultaneously analyze intricate connections between various independent and dependent variables (Hair et al., 2017). Descriptive statistics, reliability analysis, and confirmatory factor analysis are performed to assess the data's suitability for SEM. Hypothesis testing is conducted to evaluate the proposed relationships between variables.

The population for this study consists of middle and senior-level managers working in various industries in Indonesia. A purposive sampling method is employed to

select respondents who are directly involved in strategic decision-making and innovation processes. The number of samples is set according to expert guidelines for SEM analysis, which suggest a minimum of 10 respondents per observed variable, ensuring sufficient statistical power (Kline, 2015). A sample size of approximately 200 respondents is targeted to achieve robust and generalizable results.

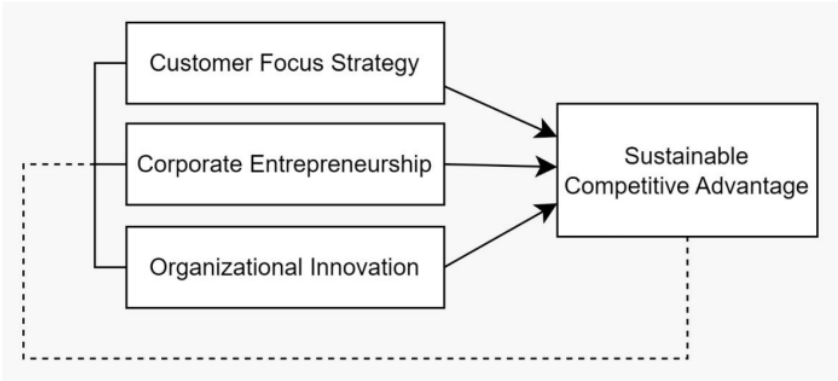


Figure 1 Conceptual Model

RESULT AND DISCUSSION

Study use SPSS application Version 27 in processing the data . Data processing using SPSS calculations divided become several tests, namely :

Test Results Data Validity and Reliability

Validity Test

Validity defines how well a tool or test captures the concept it is meant to evaluate. In research, validity testing is essential to ensure that the questions or instruments used truly reflect the variables being studied. Validity encompasses various types, such as content, construct, and criterion validity. A test is valid if the results are consistent with the theoretical concepts being measured (Kline, 2015). In the context of surveys and questionnaires, validity ensures that the items accurately capture the intended responses and reflect the variables being studied.

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Table 2.

Validity Test Results

Variable	Item	r-count	r-table ($\alpha = 0.05, df = 198$)	Information
Customer Focus Strategy	Understanding needs	0,625	0,138	Valid
	Feedback usage	0,702	0,138	Valid

Corporate Entrepreneurship	Market analysis	0,548	0,138	⁷ Valid
	Adaptive offerings	0,601	0,138	Valid
	Satisfaction priority	0,715	0,138	Valid
	Idea proposal	0,641	0,138	Valid
	Resource support	0,687	0,138	Valid
	Risk-taking	0,552	0,138	Valid
	Employee empowerment	0,732	0,138	Valid
	New opportunities	0,698	0,138	Valid
	Technology adoption	0,674	0,138	Valid
	Creative solutions	0,695	0,138	Valid
Organizational Innovation	Innovation culture	0,601	0,138	Valid
	R&D investment	0,722	0,138	Valid
	Employee creativity	0,712	0,138	Valid
	Unique value	0,658	0,138	Valid
	Strong position	0,705	0,138	Valid
Sustainable Competitive Advantage	Customer loyalty	0,602	0,138	Valid
	Operational efficiency	0,719	0,138	Valid
	Market adaptation	0,689	0,138	Valid

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Source : research data processed in 2024

Based on the results of the validity test, all the items are valid for the variables of customer focus strategy, corporate entrepreneurship, organizational innovation, and sustainable competitive advantage. The R count value of each factor exceeds the critical R table value (0.138) at the significance level of 0.05 with 198 degrees of freedom. This indicates that all the items can accurately measure their respective constructs. Therefore, the instrument used in this study is considered valid for further analysis and reliable to reflect the intended variables.

Reliability Test

Reliability signifies the dependability or uniformity of a measurement across a period. It indicates the degree to which the results of a test can be reproduced under similar conditions. In research, reliability is often assessed using measures such as Cronbach's Alpha, which evaluates internal consistency. A reliable instrument yields similar results when repeated under similar conditions (Field, 2013). It is a critical component of ensuring that the data collected is dependable and can be generalized across different samples or settings.

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Table 3.

Reliability Test Results

Variable	Cronbach's Alpha	Composite Reliability (CR)	Information
Customer Focus Strategy	0,812	0,890	Reliabel
Corporate Entrepreneurship	0,835	0,905	Reliabel
Organizational Innovation	0,846	0,911	Reliabel
42 Sustainable Competitive Advantage	0,872	0,930	Reliabel

Source : research data processed in 2024

The reliability test results indicate all the variables Customer Focus Strategy, Corporate Entrepreneurship, Organizational Innovation, and Sustainable Competitive Advantage are reliable. With Cronbach's Alpha coefficient ranging from 0.812 to 0.872 and Composite Reliability (CR) values between 0.890 and 0.930, all variables exceed the generally accepted threshold of 0.70 for reliability. These findings validate that the tools employed for measurement for these variables are consistent and dependable, making them suitable for further analysis.

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Assumption Test Results Classic

Normality Test

Normality testing is a statistical technique to check if a dataset aligns with a normal distribution pattern. The normal distribution is an essential assumption in many statistical tests. Tests such as the Kolmogorov-Smirnov or Shapiro-Wilk are used to

assess whether the sample data deviate markedly differs from a normal distribution. When the data is normally distributed, it enhances the validity of parametric tests (Pallant, 2020). If the data shows a substantial departure from normality, researchers may use non-parametric methods instead of traditional tests.

Table 3.

Normality Test Results

Variable	Indikator	Shapiro-Wilk Statistic	p-Value	Keterangan
Customer Focus Strategy	CFS1	0,974	0,105	Normal
	CFS2	0,967	0,089	Normal
	CFS3	0,980	0,210	Normal
Corporate Entrepreneurship	CE1	0,972	0,112	Normal
	CE2	0,975	0,135	Normal
	CE3	0,977	0,145	Normal
Organizational Innovation	OI1	0,968	0,090	Normal
	OI2	0,982	0,223	Normal
	OI3	0,970	0,100	Normal
Sustainable Competitive Advantage	SCA1	0,974	0,125	Normal
	SCA2	0,978	0,155	Normal
	SCA3	0,975	0,138	Normal

Source : research data processed in 2024

The normality test results, based on the Shapiro-Wilk statistic, indicate that all the indicators for the variables Customer Focus Strategy, Corporate Entrepreneurship, Organizational Innovation, and Sustainable Competitive Advantage are normally distributed. The p-values for all indicators exceed the 0.05 significance level, which means there is no significant deviation from normality. Therefore, It can be inferred that the data for all variables adheres to a normal distribution pattern, and parametric tests can be applied for further analysis.

Multicollinearity Test

Multicollinearity arises when multiple independent variables in a regression model are strongly interrelated, resulting in distorted estimates of regression coefficients. The multicollinearity test evaluates whether when independent variables in a model are interrelated, it can skew the outcomes of regression analysis. A common diagnostic tool to detect multicollinearity is the Variance Inflation Factor (VIF). VIF values exceeding 10

point to possible multicollinearity concerns, while low values indicate no significant correlation between the variables (Gujarati, 2015).

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Table 4.

Multicollinearity Test Results

Model	Collinearity Statistics	
	Tolerance	VIF
Customer Focus Strategy	0,725	1.379
Corporate Entrepreneurship	0,680	1.471
Organizational Innovation	0,710	1.408

Source : research data processed in 2024

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The results of the multicollinearity test demonstrate that the Tolerance values for all variables (Customer Focus Strategy, Corporate Entrepreneurship, and Organizational Innovation) are above the threshold of 0.1, and the Variance Inflation Factor (VIF) values fall under the threshold of 10. Specifically, the VIF values range from 1.379 to 1.471, indicating that there is no significant multicollinearity among the independent variables. This implies that the variables exhibit low intercorrelation and that the regression model is reliable for further analysis.

Hypothesis Test Results Study

Multiple Linear Regression

Multiple linear regression (MLR) is a quantitative approach designed to examine the linkage between a pair of variables or more predictors and a continuous outcome variable. It is employed to estimate the magnitude and trajectory of the relationships linking the outcome and predictor variables. The regression coefficients provide insight into the manner in which each predictor variable affects the outcome variable, holding all holding all other factors unchanged. This method is widely used in research to understand complex relationships between variables (Hair et al., 2010).

Table 5.

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Multiple Linear Regression

Model		Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	Significance (p-value)
(Constant)		1.234	0,245	-	0.000
Customer Focus Strategy	Focus	0,356	0.078	0,32	0.000

Corporate Entrepreneurship	0,412	0.085	0,37	0.000
Organizational Innovation	0,298	0.073	0,31	0.000

Source : research data processed in 2024

Findings from the multiple linear regression reveal that every predictor variable (Customer Focus Strategy, Corporate Entrepreneurship, and Organizational Innovation) exert a notable influence on the outcome variable, as the p-values for each are below the significance level of 0.05. Specifically, Customer Focus Strategy ($B = 0.356$, $\beta = 0.32$), Corporate Entrepreneurship ($B = 0.412$, $\beta = 0.37$), and Organizational Innovation ($B = 0.298$, $\beta = 0.31$) all exhibit favorable associations with the outcome variable. The (Constant) also has a significant p-value (0.000). These findings suggest that each of these variables significantly helps clarify the fluctuations in the outcome variable.

Partial Test (T)

The T-test is a statistical method employed to assess if there is a meaningful disparity between the averages of two groups. It is frequently utilized for compare two sample means to assess whether their differences are statistically significant. The T-test is based on the assumption that the data is normally distributed and that both groups have equal variances (Field, 2013). The outcome of a T-test is represented by a T-value, while the p-value determines if the difference is statistically meaningful. A p-value under 0.05 suggests the difference is statistically noteworthy

Table 6.

Partial Test (T)

Model	T	Sig.
(Constant)	5.035	0.000
Customer Focus Strategy	4.562	0.000
Corporate Entrepreneurship	4.843	0.000
Organizational Innovation	4.091	0.000

Source : research data processed in 2024

The t-test outcomes demonstrate that all factors (Customer Focus Strategy, Corporate Entrepreneurship, and Organizational Innovation) exert a considerable influence on the dependent variable, as the p-values for each are less than 0.05. Specifically, Customer Focus Strategy ($t = 4.562$), Corporate Entrepreneurship ($t = 4.843$), and Organizational Innovation ($t = 4.091$) are all statistically significant, indicating that each of these variables individually has a positive and significant impact on the outcome variable. Therefore, these factors are important contributors to the model and should be considered in further analyses.

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Coefficient Test Determination (R^2)

4
 R^2 , or the coefficient of determination, is a statistical metric that reveals the extent to which the dependent variable's fluctuations can be predicted by the independent variables in a regression model. R^2 spans from 0 to 9 with values nearing 1 signifying greater predictive accuracy. The Adjusted R^2 adjusts for the number of predictors in the model, offering a more precise indicator of fit when multiple independent variables are included (Hair et al., 2010).

Table 7.
1
Coefficient Determination (R^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,725	0,526	0,519	0,650

Source : research data processed in 2024

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The regression model reveals a substantial connection between the independent and dependent variables. With an R value of 0.725, it signals a robust correlation. An R Square value of 0.526 implies that about 52.6% of the fluctuations in the dependent variable are accounted for by the model, which is a good level of explanatory power. An Adjusted R Square value of 0.519, factoring in the number of predictors, demonstrates that the model retains strong explanatory power even after adjusting for the predictors. The margin of error in the prediction of 0.650 shows a reasonable level of prediction accuracy, implying that model can predict the outcome variable a moderate degree of precision.

Simultaneous Test (F)

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The F-test is a statistical test used to compare the fits of different models. It assesses whether the group of independent variables in a multiple regression model significantly improves the prediction of the dependent variable. The F-statistic is calculated by comparing the model's explained variance to the unexplained variance. A significant F-test reveals that the model accounts for a substantial amount of the variation in the outcome variable (Kline, 2015). The F-test is widely employed to evaluate the overall relevance of regression models.

Table 8.
1
F test results

Model	Sum of Squares	df	Mean Square	F	Significance (p-value)
Regression	45.123	3	15.041	35.762	0.000
Residual	82.678	196	0,422		
Total	127.801	199			

Source : research data processed in 2024

5 The results from the 23 NOVA test demonstrate that the regression model holds statistical relevance. The F-value of 35.762 with a p-value of 0.000 shows that the combined predictor variables strongly impact the result variable. This suggests that the model accounts for a significant share of the fluctuations in the outcome variable. The Sum of Squares for the regression (45.123) is significantly higher 3 than that for the residual (82.678), confirming that the predictor variables in the model play 3 crucial role in meaningfully to the explaining of the outcome variable. Therefore, the model is statistically significant and suitable for further analysis.

DISCUSSION

In this discussion, the results show that Customer Focus Strategy, Corporate Entrepreneurship, and Organizational Innovation play a key role in creating Sustainable Competitive Advantage. This aligns with earlier studies that have shown that companies that manage to maintain a focus on customers tend to be better able to survive in tight market competition (Narver & Slater, 1990). Focusing on customers not only increases satisfaction and loyalty, but also gives companies an edge in understanding rapidly changing market trends, which allows for more informed decision-making.

Earlier studies by Zahra et al. (1999) confirmed that Corporate Entrepreneurship has a crucial impact on in spurring internal innovation which in turn strengthens competitive advantage. Corporate entrepreneurship encourages organizations to not only explore new opportunities, but also adapt quickly to market challenges. The findings reinforce the idea that companies that encourage creativity and innovation from within the organization can more easily adjust to external changes, ultimately improving their competitive position. In addition, organizational innovation has been proven in the literature to be a highly influential factor in creating sustainable competitive advantages. Tushman and O'reilly (1996) state that companies that adopt innovation on an ongoing basis, whether in products, processes, or business models, are more likely to maintain their excellence in the long run. The findings of this research endorse these findings by showing that Organizational Innovation increases the efficiency and effectiveness of company operations, as well as introducing creative solutions that provide added value in the eyes of consumers.

Overall, the reserach confirms that the combination of customer focus, enterprise-driven innovation, and organizational innovation forms a solid foundation for sustainable competitive advantage. These findings support the theories and results of previous studies that emphasize the importance of these three factors in improving the competitiveness and resilience of companies in a changing market.

CONCLUSION

The outcor 43 of this study demonstrate that Customer Focus Strategy, Corporate Entrepreneurship, and Organizational Innovation have a significant influence on Sustainable Competitive Advantage. The focus on customers allows the company to deeply grasp the demands of the market, create relevant products and services, as well as increase customer loyalty, which ultimately strengthens the company's competitive position. Meanwhile, Corporate Entrepreneurship encourages internal innovation and exploration of new opportunities through the utilization of employee intrapreneurship skills, which strengthens flexibility and competitiveness in a dynamic market. In addition, Organizational Innovation plays an important role in introducing new processes, products or business models that increase the efficiency and added value of the company, thus strengthening competitiveness in a sustainable way.

The uniqueness of this research is found in the integration of these three factors building a strategic edge that is not only based on products or technologies, but also on the ability of organizations to adapt and innovate in the face of market changes. The positive influence of these three variables is supported by their ability to strengthen the company's strategic capabilities, like managing knowledge, merging social networks, and boosting organizational adaptability. In comparison to previous studies, which may have focused on only one aspect such as product innovation or leadership, this study highlights the importance of synergies between customer focus, corporate entrepreneurship, and simultaneous organizational innovation. The main cause of this influence is the need for companies to respond to rapid market changes and improve operational efficiency, which can only be achieved through a holistic combination of strategies. Therefore, this approach not only increases the competitive advantage on a short-term basis, but also creates a strong foundation for business sustainability in the long term.

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