

**INTERSUBJECTIVE CONSTRUCTION OF MSME ACTORS IN UNDERSTANDING
ENTREPRENEURIAL MARKETING, ORGANIZATIONAL ENVIRONMENT, AND INTELLECTUAL
CAPITAL IN FORMING BUSINESS PERFORMANCE**

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ABSTRACT

This study examines how the intersubjective constructs of MSMEs in Kendari City influence their interpretation of entrepreneurial marketing, the organizational environment, and intellectual capital in shaping business performance. In the context of MSMEs operating with limited resources and a dynamic environment, there is still a gap in understanding regarding the role of shared meaning and social interaction as mediators between strategy and performance. The purpose of this study is to analyze these intersubjective constructs and their implications for business performance. The study used a qualitative approach with a phenomenological design, involving in-depth interviews with MSMEs in Kendari City, and analyzed data using the Miles and Huberman model. The results indicate that entrepreneurial marketing is interpreted as relational personalization and community-based marketing, the organizational environment as a social network managed through deliberation, and intellectual capital as practical knowledge and mutually reinforcing social relationships. Business performance is understood not only from a financial perspective, but also from a perspective of sustainability, customer trust, and community support. Consequently, this study recommends strengthening the capacity of MSME communities, digital-based training, and developing policies that support the local entrepreneurial ecosystem.

Keywords: entrepreneurial marketing, organizational environment, business performance

INTRODUCTION

MSMEs are a key pillar of the Indonesian economy, contributing more than 60% to Gross Domestic Product (GDP) and absorbing approximately 97% of the national workforce (Aprilia, Subroto, and Sakti 2025; Dafitri and Warman 2025; Khumairo 2025) . Amidst digital transformation and post-pandemic disruption, MSMEs are faced with the demands of dynamic strategic adaptation, where entrepreneurial marketing, as a manifestation of entrepreneurial marketing (EM), is key to creating competitive value through customer-oriented innovation and opportunity-seeking (Hokmabadi and Rezvani 2024) . However, this

success is inseparable from the volatile organizational environment, encompassing internal factors such as structure and culture, and external factors such as market regulations and global competition. Furthermore, intellectual capital (IC) encompasses human capital, structural capital, and relational capital, which function as intangible assets that support MSMEs' dynamic capabilities in responding to uncertainty. (Ndlovu and Ndlovu 2025) . Intersubjective construction, rooted in social constructionism, emerges as a critical lens for understanding how MSME actors collectively interpret these variables . Intersubjectivity refers to the process of negotiating shared meanings between business actors, supply chain partners, and local communities, which shapes the performative reality of entrepreneurship. (Hariyono and Narsa 2024) . In the Indonesian context, particularly in areas such as Southeast Sulawesi, MSMEs often integrate local cultural values (e.g., mutual cooperation) in interpreting EM as a survival strategy, not just a transactional tactic. (Dipoatmodjo 2025).

This phenomenon is crucial because the performance of MSMEs can be measured through financial indicators (profitability, sales growth) and non-financial indicators (sustainability, innovation) so it depends on the alignment between subjective meaning and organizational reality. (Hamid, Safar, and Nurdin 2025). Although MSMEs dominate the economy, there is a failure rate that reaches 70% in the first three years due to misalignment between the actors' intersubjective interpretations of EM, the organizational environment, and IC with the demands of sustainable performance (Muis 2025). Therefore, specific problems arise when MSME actors often have a background of micro-entrepreneurs with limited business literacy so that they interpret EM normatively (focusing on conventional promotions) without considering the dynamic capabilities of the turbulent organizational environment, such as commodity price fluctuations and market digitalization. (Hidayati, Astuti, and Kusumawati 2025). Furthermore, IC tends to be underutilized, with relational capital fragmented due to a lack of intersubjective networks, hindering knowledge spillover and value co-creation. Consequently, business performance stagnates, with a low average return on assets (ROA) of <5% in the non-urban MSME sector. (Anggraini et al. 2025). In this regard, several literature reviews indicate a research gap, for example, research by (Wibawa et al. 2022) found that intensive use of social media increases turnover, market segment diversification, and customer loyalty in MSMEs. However, this research is instrumental in nature, meaning it only assesses the effectiveness of social media as a marketing tool and its direct impact on performance, without exploring how the meaning of entrepreneurial marketing is constructed intersubjectively between actors, customers, and communities.

Therefore, the dimensions of social construction and negotiation of meaning that link marketing practices, the organizational environment, and business performance remain undigitized. Furthermore, research (Aulia, Lubis, and Effendi 2023) shows that partnerships with training institutions, government, and large industries improve managerial capacity, market access, and marketing digitalization, thus positively contributing to MSME performance. However, the analysis remains oriented towards the function of partnerships as sources of resources and capabilities, rather than as an intersubjective construction process in which the meanings of "organization," "network," and "intellectual capital" are co-constructed by different actors. This study also does not incorporate social constructionism theory to explore how the identities, roles, and expectations of MSME actors are formed in these social interactions, creating a gap that could be filled by research that explicitly

positions intersubjectivity as a constructive mediator between the organizational environment, intellectual capital, and business performance. This is also consistent with the findings of research (Pal, Singh, and Das 2025) This study demonstrates that MSME financial reporting is not merely a technical process, but rather an arena for constructing meaning about transparency, compliance, and business credibility. Although this study explicitly uses a social constructionist lens, its focus is limited to the domain of accounting and financial reporting, without connecting these intersubjective constructions to the broader realm of entrepreneurial marketing, organizational environment, or business performance.

In other words, this study proves that social construction can be an important lens in understanding MSME behavior, but does not develop a model that simultaneously combines organizational, marketing, and intellectual capital dimensions. Therefore, based on several studies, it shows that there is no comprehensive research that places the intersubjective construction of MSME actors as a mediator between entrepreneurial marketing, organizational environment, intellectual capital, and business performance in the context of emerging markets in Indonesia. Therefore, the purpose of this study is to analyze the intersubjective construction of MSME actors in interpreting EM, organizational environment, and IC to shape business performance. In addition, the novelty of this study lies in the integration of intersubjectivity as the first holistic mediator in the EM-IC-performance model of Indonesian MSMEs, going beyond the reductionist approach and enriching performative entrepreneurship with social constructionism.

RESEARCH METHODS

This study uses a qualitative approach with a phenomenological design to understand the experiences of MSMEs in interpreting entrepreneurial marketing, organizational environment, and intellectual capital as part of the formation of business performance. Phenomenology was chosen because it aims to explore the essential meaning behind the subject's experience, thus in accordance with the characteristics of the problem that focuses on the intersubjective construction of meaning. The population consists of MSMEs engaged in the contemporary coffee shop business with a purposive sample of around 8–12 informants who meet the following criteria: (1) having a business running for at least three years; (2) being active in marketing activities and utilizing intellectual capital; and (3) participating in social networks or MSME communities. These informants were chosen because they represent a variety of experiences in responding to the organizational environment and constructing meaning in marketing strategies and intellectual resources. The research location focused on the Wua-Wua sub-district, this location was chosen because many contemporary coffee shops have been established in this area. The research procedure follows the classic stages of qualitative research starting from location selection, determining informants, in-depth interviews, observation, and document analysis with the guideline that "phenomenological research moves from individual experiences to the essential meaning of phenomena". Data analysis uses the Miles and Huberman (2014) model which includes data reduction, data presentation, and drawing conclusions, because this model provides a systematic and transparent procedure for managing complex qualitative data and can ensure the results.

research remains evidence-based and maintains the richness of meaning of the subject's experience.

RESULTS AND DISCUSSION

A. Entrepreneurship Marketing

In the context of MSMEs in Kendari City, entrepreneurial marketing is interpreted not only as a set of promotional tactics, but as a form of personalized and community-based digital marketing. Based on the results of this study, it shows that MSMEs consistently use WhatsApp, Instagram, and Facebook not only to display prices and products, but also to build personal narratives about themselves, their families, their production processes, and their relationships with customers. From an entrepreneurial marketing perspective, such practices illustrate intensive personalization where the actor's identity and business story are at the core of digital interactions, so that customers feel like they are not only transacting with a brand, but with a real person. known. In addition to personalization, MSMEs in Kendari also develop community-based marketing, where promotional activities are carried out collectively through WhatsApp groups, merchant communities, and digital MSME training groups. For example, the Kendari Digital MSME Community serves as a discussion and practice space where entrepreneurs share promotional tricks, tips on using social media, and promote each other's products, thus forming a mutually reinforcing marketing network. This finding aligns with research from (Mendia 2022; Utami 2026) which demonstrates the importance of data-driven personalization and real-time interactions through platforms like WhatsApp Business, Instagram, and TikTok to build long-term relationships with customers. Furthermore, This finding strengthens the argument that entrepreneurial marketing in MSMEs is no longer transactional, but rather relational-constructive, where marketing value is built through digital personalization and the dynamics of an actively interacting community.

B. Organizational Environment

Actors in Kendari City assess that the organizational environment is not interpreted as a formal structure that is distant and administrative, but rather as a social-community environment consisting of neighbors, fellow traders, community groups, and the MSME-IKM forum in Kendari City . Based on the findings This shows that MSMEs often refer to "neighbors from the shop next door," "WhatsApp group members," or "friends from the same market" as integral parts of their organizational environment. Within a theoretical framework, this construct aligns with the view that microorganizations operate not only within formal spaces but also within local social networks that serve as platforms for negotiating meaning, providing emotional support, and exchanging information. Organizational environment according to MSMEs in Kendari is more relational and contextual, rather than exogenous and impersonal. Furthermore, MSMEs in Kendari perceive that the organizational environment is managed through deliberation, informal discussions, and community consultation, rather than solely through direct instructions from authorities. In practice, complaints about regulations, training opportunities, and daily issues are often discussed in coffee shops, chat groups, and the Kendari City MSME forum, which was officially established to support the

growth and development of the local MSME sector. This deliberation process serves as a mediating mechanism between regulatory pressure or support and practical acceptance by actors, allowing the same regulation to be interpreted differently according to the local social context. This finding aligns with that of (Sitaniapessy and Huwae 2023) This study demonstrates that the values of mutual cooperation, friendliness, and collaboration contribute positively to entrepreneurial behavior and business performance. In other words, the organizational environment for MSMEs in Kendari is not simply "encountered," but is discussed, normed, and meaningfully engineered through community interactions, thus becoming an active arena of social construction that shapes how they conduct and interpret their businesses.

C. Intellectual Capital

In this context, intellectual capital is not understood as an abstract construct, but as a combination of practical knowledge and social relationships that are key resources for the sustainability and improvement of business performance. Based on the results of this study, it shows that actors highly value knowledge born from real experiences, for example, how to process materials to make them more durable, reduce costs, or deal with difficult customers. In addition, as practical knowledge that is the foundation of the capacity of MSME actors. Seeing this, this is in line with the position of human capital as the basis for the formation of structural and relational capital, where individual skills, experience, and practical knowledge act as intangible assets that are difficult to imitate. In addition to practical knowledge, MSME actors also emphasize the importance of social relationships. in the form of neighbors, fellow traders, friends and family is a key intellectual capital that directly contributes to customer access, information, and support when facing challenges. This finding is in line with research (Prabawanti et al. 2023; Subekti et al. 2023) explains that horizontal networks, trust, and norms of mutual assistance serve as productive resources that strengthen resilience and social participation, including in the realm of entrepreneurship. Therefore, in the experience of Kendari MSMEs, intellectual capital is not only technical expertise, but also relational capital built through daily social interactions, thus enriching the meaning that "business strength" is born from a combination of practical knowledge and mutually reinforcing networks of trust.

D. Business Performance

In this section, the experiences of MSMEs in Kendari City examine business performance not only in terms of profit levels or sales growth, but also in terms of business sustainability and sustained customer trust. The results of this study indicate that many MSMEs assess their performance as "good" when customers return, recommend products to others, and are satisfied with the service, even if profits are not always high. In this context, business performance is more relational and process-oriented, where success is measured by operational continuity, reputation, and good relationships with customers, rather than solely by financial indicators. This finding aligns with research from (Kusuma, Muafi, and Kholid 2023)found that MSME performance, particularly in the creative and personal-oriented sectors, cannot be reduced to revenue figures but also encompasses sustainability, reputation, and customer satisfaction. Furthermore, MSMEs in Kendari also described

business performance as the result of community support, which manifests itself in the form of mutual promotion, information exchange, and practical assistance between actors, neighbors, and business groups. These relationships among community members strengthen actors' ability to respond to market pressures, capital shortages, and regulatory changes, so that performance is seen not only as the result of individual decisions but also as a product of social construction resulting from horizontal network support. Similarly, the findings (Setyaningrum, Kholid, and Susilo 2023) The existence of networks of support, trust, and norms of mutual assistance positively contributes to the ability of MSMEs to survive, adapt, and improve performance in the long term. Therefore, according to MSMEs in Kendari City, business performance is a manifestation of the mutually reinforcing interaction between sustainability, trust, and community support.

CONCLUSION AND SUGGESTION

This study demonstrates that the intersubjective construction of MSMEs in Kendari City plays a central role in interpreting entrepreneurial marketing, the organizational environment, and intellectual capital as part of shaping business performance. These findings reveal that digital marketing is better understood as a personalization and relationship tool, the organizational environment is interpreted as a social community governed through deliberation, while intellectual capital is manifested in the form of practical knowledge and mutually reinforcing social relationships. From a theoretical perspective, the results of this study enrich the framework of social constructionism and the resource-based view by emphasizing that MSME business performance is not only rooted in resources and external factors, but also in the process of constructing collective meaning that is built within the community. As a practical implication, this study recommends community-based training programs, increasing digital literacy, and strengthening MSME forums and networks to strengthen sustainable performance.

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