

Uncertain Supply Chain Management

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The role of collaborative competitiveness marketing tourism towards sustainable competitive advantage in creative industries in the VUCA era

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ABSTRACT

Article history:

Received January 20, 2024

Received in revised format

January 27, 2024

Accepted March 14 2024

Available online

March 14 2024

Keywords:

Collaborative Competitiveness

Marketing Tourism

Flexibility

Agility

Ambidexterity

Innovation

This study examines the influence of strategic flexibility, innovation culture, agility, ambidexterity, and open innovation on sustainable competitive advantage, with corporate innovation and collaborative marketing tourism competitiveness as mediating variables. Data was collected directly through structured interviews guided by questionnaires. The research population was 534 registered "craft" creative industry companies including pearls, "Sasak" ikat weaving, and pottery in West Nusa Tenggara Province, Indonesia with the analysis unit being managers or assistant managers. The sampling method used stratified proportional random sampling with a sample size of 240 respondents. Data analysis in this study used descriptive statistics and Covariance-based SEM (Amos software). The findings prove that the eleven hypotheses which stated that there was a direct influence of the variables studied were all confirmed. Strategic flexibility and a culture of innovation play a role in increasing company innovation. Strategic flexibility plays a role in increasing the collaborative competitiveness of marketing tourism. Agility, ambidexterity, and open innovation play a role in increasing sustainable competitive advantage. Corporate innovation and collaborative competitiveness marketing tourism play a role in increasing sustainable competitive advantage. These results are very important to fill the research gap regarding the factors supporting innovation and collaborative competitiveness marketing tourism, and sustainable competitive advantage in Indonesia.

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1. Introduction

The creative economy has the potential to be developed in Indonesia because Indonesia will have a large population in 2022 reaching 275 million people with a productive age of 69.3%. (BPS, 2023). Several factors triggering the development of this sector in Indonesia are creativity, technological advances, and social media. However, in the VUCA (Volatility, Uncertainty, Complexity, and Ambiguity) era, business competition is becoming more complex and disruptive. Nasution et al., (2020), explained that previously business competition was caused by resources (Resource Based Economics), Knowledge-Based Economics, now Culture Based Economics (CBE) by accommodating the role of tourism as an important part that houses the creative industry. Sustainable competitive advantage is a key factor that MSME entrepreneurs need to pay attention to. This industry in the area studied has not been able to maintain this advantage due to limited resources and capabilities and is still dependent on the government. The author considers this to be related to the core competencies, business strategy and corporate strategy. West Nusa Tenggara is an area that will have many MSMEs (48091 business actors) in 2020 and is one of the tourist destinations in Indonesia (Diskominfotik NTB, 2020). Due to the lack of foreign tourists coming to visit the area during the pandemic, the products that can be sold are in tourist areas because all creative economy products are made in this area. The creative industry in the area studied is a cultural and traditional heritage and has unique culture and aesthetic value. However, due to limitations such as raw materials, lack of mastery of information technology, lack of training and lack of buyers, lack

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ISSN 2291-6830 (Online) - ISSN 2291-6822 (Print)

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doi: 10.5267/j.uscm.2024.3.009

of capital, limited equipment, lack of marketing centers, and limited human resources, still using traditional technology. This has an impact on decreasing productivity which ultimately reduces the ability to maintain sustainable competitive advantage. That excellence can last a long time depends on a culture of innovation, corporate culture, collaborative competitiveness, marketing tourism, agility, ambidexterity, open innovation, and strategic flexibility.

Barney and Hesterly (2019) explain that resource-based sustainable competitive advantage consists of scarcity, value, inimitability, and substitutability. Companies must pay attention to it as a basis for achieving excellence over the long term. Determining factors for sustainable competitive advantage according to Ragazou et al., (2022), which are *agility, ambidexterity, and open innovation*. Strategic flexibility is also a source of sustainable competitive advantage. Liyanage & Weerasinghe, (2018), explained that many companies fail to adopt business strategies because they do not exercise strategic flexibility in responding to market dynamics. Kruasom & Saenchaiyathon, (2014) concluded that resources and capabilities which include knowledge management capabilities, technology, innovation, and human resources are sources of sustainable competitive advantage. Superior skills, superior abilities, the ability to respond to customer needs, and the ability to produce superior products are required. Loreta (2013) explains that innovation culture plays a role in innovation. Al-Essa et al., (2022). conclude that innovation culture theory (ICT) is the key to building and maintaining competitive advantage. Jedi et al., (2022) explain that strategic flexibility plays an important role in achieving sustainable competitive advantage. Arsawan et al., (2022). show that innovation culture has a significant influence on sustainable competitive advantage.

Muis et al. (2020) stated that partnerships do not have a significant effect on competitive advantage. Innovation should increase superior marketing collaboration with tourism. The determining factor for innovation is strategic flexibility. Ghorban-Bakhsh & Gholipour-Kanani (2018) explained that strategic flexibility has the greatest impact on manufacturing innovation and has the smallest impact on process innovation. Baierle et al., (2020) explained that most innovation initiatives have a low impact on sustainable competitive advantage. Process innovation is not fail-safe. Some unclear innovation initiatives can harm competitiveness. Bokhari et al., (2020) explained that the relationship between strategic flexibility and sustainable business is negative. van Lieshout et al., (2021), explain that ambidextrous strategies should no longer be viewed as structural solutions implemented by management, but also as bottom-up interventions. A study from Junni et al. (2015), shows that a single exploitation strategy is unprofitable for increasing competitive advantage. while ambidextrous strategies harm competitive advantage. Christofi et al., (2013) explained that sustainable competitive advantage is obtained not only by being agile but through marketing practices.

Thus, it can be concluded that there is still an opportunity to carry out this research. Further research is needed to develop strategic management science related to collaborative competitiveness, marketing tourism, sustainable competitive advantage, corporate innovation, strategic flexibility, innovation culture, agility, ambidexterity, and open innovation. The originality of this research is the collaborative competitiveness of marketing tourism as a result of the synthesis of Collaboration theory (Zahoor et al., 2023). *Sustainable Competitive Advantage* (J. Barney, 1991) and marketing mix tourism (Goi, 2009; Islam, 2020) the relationship between the variables studied previously such as between strategic flexibility and innovation, between strategic flexibility and sustainable competitive advantage, between strategic flexibility and collaborative competitiveness marketing tourism, between innovation culture and innovation, between innovation culture and sustainable competitive advantage, between innovation and collaborative competitiveness marketing tourism, between collaborative competitiveness marketing tourism and sustainable competitive advantage, between agility and sustainable competitive advantage, between ambidexterity and sustainable competitive advantage, as well as between open innovation and sustainable competitive advantage. For this reason, the model developed in this research is an effective solution to be applied to the creative industry in the VUCA era. This research does not examine the problem in part but examines the problem in an integrated and comprehensive manner. The focus is on creative industry actors in tourist areas and the research objectives have theoretical and empirical implications.

This research aims to examine the influences of strategic flexibility, innovation culture, agility, ambidexterity, open innovation on corporate innovation, collaborative competitiveness marketing tourism, and sustainable competitive advantage in the creative industries in West Nusa Tenggara Province, Indonesia.

2. Theory, Empirical and Hypotheses

2.1 *The correlation between strategic flexibility on corporate innovation and sustainable competitive advantage*

Competition in the business world is getting tougher, globalization and business development require companies to carry out adjustment strategies, this is a strategic choice in responding to environmental changes. Through strategic flexibility, it will be easier to adapt strategies to available resources to produce quality and competitive products. Barney & Hesterly (2019) explains that maintaining strategic flexibility makes it easier to achieve sustainable competitive advantage. Strategic flexibility is implemented on the condition that it must adopt a more flexible organizational form, and create supervisory policies for management and policies for providing compensation to employees. Hossain et al., (2022) concluded that strategic flexibility has a significant effect on sustainable competitive advantage. The study by Bokhari et al. (2020) explains that there is a positive and significant relationship between succession planning, flexibility strategies, organizational improvisation, and sustainability. It requires adjustments to strategies and increased competence in modifying activities to increase innovation capabilities so that new ideas emerge which ultimately produce products that are truly new and superior. Strategic flexibility

influences innovation (Cingöz & Akdoğan, 2013). Innovation leads to something new both ideas and products and the ability to adapt and utilize new technology, this can be achieved with strategic flexibility.

Strategic flexibility is a solution to deal with environmental changes. Collaboration can be achieved by adjusting plans and technology, competencies, and paying attention to projects that have a chance of success and actions so that the resulting product is superior. Richey et al. (2012) stated that technological innovation, technological complementarity, and flexibility are positively related to the level of collaboration and logistics services in retail companies, Kariippanon et al. (2019) concluded that learning flexibility is varied and easy to adapt to space plus with the use of student-centered pedagogy, facilitating a higher proportion of class time interacting, collaborating and engaging with course content. Furthermore, in flexible learning spaces, students spend more time collaborating and interacting positively with their peers, as well as more time presenting work back to class. The explanation above gives rise to the author's idea of formulating a hypothesis:

H₁: *Strategic flexibility has a positive and significant effect on sustainable competitive advantage.*

H₂: *Strategic flexibility has a positive and significant effect on company innovation.*

H₃: *Strategic flexibility has a positive and significant effect on collaborative competitiveness marketing tourism.*

2.2 The correlation between innovation culture, corporate innovation, and sustainable competitive advantage

Innovation culture leads to shared values, norms, and practices throughout the organization as an enabler of innovation and sustainable competitive advantage. Every person in the company is responsible for carrying out innovation, looking for potential sources of innovation, and fostering a culture of innovation so that the products produced are superior in the market. According to Forest et al., (2018) innovation culture is people who make innovative thinking natural in an organization and encourage innovation activities. Innovation culture requires the presence of innovative leaders, teams, individuals, and managers and an organization that is conducive to innovation and easy to connect with outside parties. Leaders need to encourage employees to maintain an innovation culture to develop new products. An innovation culture needs to be adapted to an innovation strategy with dynamic capabilities (Helfat & Peteraf, 2009). Dynamic capabilities refer to the ability to intentionally create, expand, or modify its resource base. Bourdeau et al., (2021), concluded that the collaborative dimension of innovation culture positively influences innovation intensity.

Innovation culture includes creativity and innovative behavior, teamwork, a culture that encourages informal interaction, monitoring performance, and sharing knowledge with other members of the organization. Business organizations that have sustainable competitive advantages enable them to achieve a competitive position in the market. Arsawan et al., (2022), stated that a culture of innovation influences sustainable competitive advantage. A study from Gandotra (2010), shows that through a culture of innovation organizations can achieve sustainable competitive advantage. A culture of innovation refers to all activities that encourage innovation and creativity, this has implications for sustainable growth. The idea emerged from the description above so that the hypothesis proposed:

H₄: *Innovation culture has a positive and significant effect on innovation.*

H₅: *Innovation culture has a positive and significant effect on sustainable competitive advantage.*

2.3 The correlation between ambidexterity and sustainable competitive advantage

If a crisis occurs, organizations that have ambidexterity are considered able to survive. Through ambidexterity, organizations can exploit the crisis into business opportunities and gain profits which in turn excel in an industry. Kumkale (2022) explains that organizations can maintain sustainability by improving core competencies, developing, and using them correctly, taking advantage of external environmental opportunities, and eliminating various threats. Leaders are needed who have skills in managing, adapting, and facing environmental changes. A study from van Lieshout et al., (2021) explains that to achieve competitive advantage, organizations need to combine ambidextrous strategies and open innovation through developing dynamic capabilities where the organization changes its value proposition. Zhang et al., (2023), found that learning exploration and its balance mediate the relationship between open innovation and sustainable competitive advantage. The role of leaders is very important in implementing ambidexterity. Thus, from the description above, the idea that emerges is that ambidexterity influences sustainable competitive advantage.

H₆: *Ambidexterity has a positive and significant effect on sustainable competitive advantage.*

2.4 The correlation between open innovation and sustainable competitive advantage

Increasingly fierce competition requires an open innovation strategy. Openness to innovation makes it easier to obtain profits and sustainable competitive advantage. When experience and ideas from both inside and outside are utilized for activities within the company, it will produce quality products that ultimately generate profits. Herzog (2011), there are three open innovations, namely innovation from the inside out (open inbound innovation), innovation from the outside in (open outbound innovation), and a combination of both. Inbound open innovation refers to utilizing external sources of innovation such as suppliers, customers, or universities. Outbound open innovation refers to bringing an idea or technology to market through channels that are outside the boundaries of the company. A study from Musiello-Neto et al. (2021), showed that *open innovation* has a significant effect on competitive advantage. This result is similar to the findings from Zhang et al. (2023),

that open innovation has a significant and positive effect on sustainable competitive advantage. Thus, the explanation above is the basis for generating the idea that open innovation influences sustainable competitive advantage.

H₇: *Open Innovation has a positive and significant effect on sustainable competitive advantage.*

2.5 The correlation between agility, and sustainable competitive advantage

In the VUCA era, large companies and small companies must remain competitive. Agility and the ability to predict a dynamic environment are required, this is a source of sustainable competitive advantage. Agile organizations make decisions quickly to meet customer needs and desires. A study by Godwin and Sorbarikor (2022), concluded that companies must be aware of the need to adapt to the dynamic environment in which the company operates so that they need to be agile in responding. When a company is agile in capturing business opportunities, it will increase sustainable growth. Organizational agility has a significant effect on sustainable competitive advantage (Battour et al., 2021; Hidayat et al., 2022; Nurcholis, 2021). Agility encourages companies to better prepare themselves to face the dynamic environment. Agility plays a critical role in maintaining sustainable competitive advantage in a turbulent and uncertain environment. Based on the explanation above, the idea that emerges is that agility influences sustainable competitive advantage.

H₈: *Agility has a positive and significant effect on sustainable competitive advantage.*

2.6 The correlation of Innovation corporate and sustainable competitive advantage

Innovation as a supporter of sustainable competitive advantage. Products will be of high quality, difficult to imitate, and have durability if they are innovative by utilizing technology in operations. The study by Sambamurthy et al. (2007), shows that the determining factors for sustainable competitive advantage in the manufacturing industry in Malaysia are supply chain management, product differentiation and innovation, responsiveness; and cost leadership. Alfawaire & Atan (2021) explained that innovation and sustainable competitive advantage are positively and significantly related. Kuncoro et al. (2017), concluded that product innovation has a significant positive effect on sustainable competitive advantage. Lestari et al. (2023), explained that the CARTER model has a significant influence on satisfaction to achieve competitive advantage. Quaye & Mensah (2019), show that product and packaging design innovation, promotional innovation, retail innovation, and price innovation provide sustainable profits. Farida et al. (2021), explained innovation capability has significant effect on competitive advantage. A study from Ramadania and Arani (2019); Rahati et al. (2015), shows that SME innovation must be carried out with support from internal companies, government, and stakeholders to achieve sustainable competitive advantage. This is the basis for the idea that innovation influences sustainable competitive advantage.

H₉: *Company innovation has a positive and significant effect on sustainable competitive advantage.*

2.7 The correlation between corporate innovation and collaborative competitiveness marketing tourism

Innovation is very important for business organizations as a factor that determines the superiority of marketing collaboration with tourism. This can be realized with support from both parties, both business organizations and tourism to create sustainability. Innovation and collaboration are needed to increase competitiveness in an industry. If new products are developed in collaboration with other tourism parties, they will be more attractive, easily recognized, and produce unique designs. Hadi et al., (2023), define innovation as a change carried out by an organization that includes creativity in creating new products, services, ideas, or processes that already exist within the organization or develop from outside the organization. Innovation requires new ideas and creativity from all elements of the organization. High innovation motivates companies to continue collaborating with various parties to create value. Findings from Cimenler et al., (2016) show that innovation has a positive effect on collaboration. Tutar & Nam, (2022) explained that during the Covid-19 pandemic, digital innovation effectively strengthened business capabilities, and cooperation reduced costs and provided competitive advantages. Kurdve et al., (2020), concluded that developed research centers, integrated with the world of academia and industry, can increase the innovation absorption capacity of SMEs. Thus, innovation carried out by small businesses plays a role in determining the collaboration they have built with other parties outside the organization, especially tourism. The idea of company innovation influencing collaboration competitiveness marketing tourism is based on the description above.

H₁₀: *Company innovation has a positive and significant effect on collaborative competitiveness marketing tourism.*

2.8 The Correlation between Collaborative Competitiveness Marketing Tourism, and Sustainable Competitive Advantage

Companies can increase collaboration to achieve business success which leads to the creation of value for each part involved in collaboration that is built to achieve excellence over the long term. Organizational collaboration includes collaboration with customers, academics, financial institutions, competitors, suppliers, and governments (Naparini, 2023). Collaboration between the creative industry and tourism is needed in an uncertain environment to increase sustainable competitive advantage. Thongsri & Chang, (2019), explains that sustainable competitive advantage is influenced by market orientation and external collaboration. Horsfall & Chinedu, (2021) research on energy companies in Rivers State. concluded that vertical and horizontal collaboration has a significant positive effect on sustainable competitive advantage. The explanation above supports the idea that collaborative competitiveness marketing tourism influences sustainable competitive advantage.

H11: Collaborative competitiveness marketing tourism has a positive and significant effect on sustainable competitive advantage.

3. Research Methods

This research focuses on one area of the creative industry “craft” with Pearl products, Sasak Ikat woven cloth, and pottery as superior products supporting the tourism industry in West Nusa Tenggara province. The research design is explanatory which explains the causal relationship and influence of the variable’s strategic flexibility, corporate innovation, innovation culture, open innovation, agility, ambidexterity, collaborative competitiveness marketing tourism on achieving sustainable competitive advantage. The recorded population was 534 companies with the unit of analysis being managers or assistant company managers. Sampling based on the proportion of each industry was determined at 240 respondents (Pearls = 47, Sasak Weaving = 180, and Pottery = 13). Data was obtained through structured interviews guided by a questionnaire. Data analysis uses statistical inference, namely covariance-based Structural Equation Modeling (covariance-based SEM) with AMOS software (see appendix A).

Structural Equation Modelling

After measuring each construct using the Confirmatory Factor Analysis (CFA) technique, enter all the indicators that measure the construct for testing the complete model. The initial model, probability (0.000≤0,005) was declared unfavorable, chi-square (1474.642) was declared unfavorable, GFI (0.796 ≤ 0,90) was declared unfavorable,, CFI (0.935≤0.95) was declared marginal, AGFI (0.775≤0,90) was declared unfavorable, TLI (0.932≤0,95) was declared marginal, CMIN/DF (1.441≤2,00) was declared good, and RMSEA (0.043≤0,080) was declared good. This model is close to good, but to meet the existing criteria it is necessary to modify the research model without removing indicators. The goodness of fit model test after modification results were better than before.

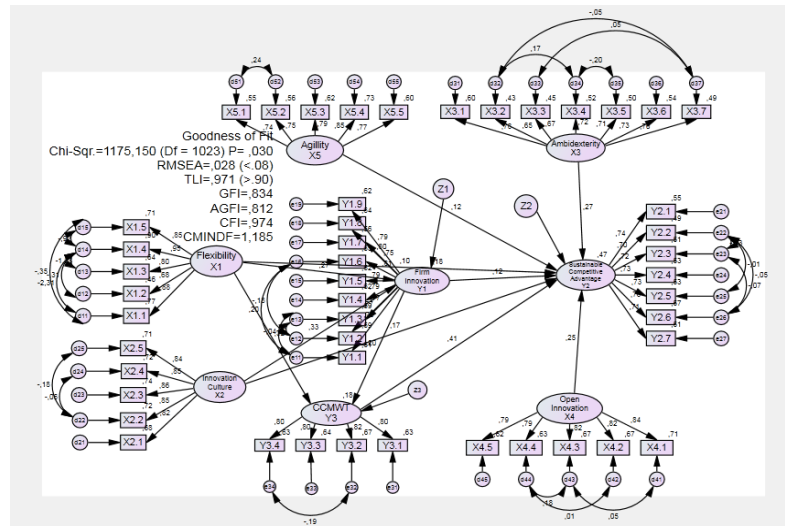


Fig. 1. Structural equation model of all indicators that measure variables/constructs in the analysis model

Table 1
Evaluation of Goodness of Fit Index criteria for structural models

No	Criteria	Result	Critical Value	Model Evaluation
1	Chi-Square	1175,150	Relatively Small	Good
2	Probability	0.000	≥ 0.05	Not good
3	CMIN/DF	1.185	≤ 2.00	Good
4	GFI	0.834	≥ 0.90	Marginal
5	AGFI	0.812	≥ 0.90	Marginal
6	TLI	0.971	≥ 0.95	Good
7	CFI	0.974	≥ 0.95	Good
8	RMSEA	0.028	≤ 0.08	Good

The goodness of fit test after modification produces quite good numbers, but there are still criteria that are less good and marginal, therefore the proposed model is quite appropriate to the data. The chi-square value (1175.150 is relatively small) is concluded to be good, the probability value (0.000≤0,05) is concluded to be not good. the GFI value (0.834≤0.90) was concluded to be marginal, CFI (0.974≥0.95) was concluded to be good, AGFI (0.812≤0.90), was concluded to be marginal, TLI (0,971≥0.95) was concluded to be good, CMIN/DF (1.185≤2.00) was concluded to be good, and RMSEA (0.028≤0.080) was concluded to be good, this meets the recommended values, the results are marginal and good. The model proposed in this study is acceptable because the values obtained are declared feasible for hypothesis testing Ghozali (2017:137-138)) explains

that if the chi-square and p values show numbers that do not meet the criteria, another model fit measure is sought, namely GFI, AGFI, RMSEA, so that the overall model can be accepted and then parameter estimate analysis is carried out. Ferdinand (2002:56)) explains that chi-square is very sensitive to samples, namely samples that are too small (<50) or samples that are too large (>50). Furthermore, the use of chi-square is only appropriate if the sample size is between 100-200 samples. If the sample size is outside that range, the significance test will be less reliable. Therefore, this test needs to be complemented by other measuring instruments.

Validity and Reliability

Construct Reliability (CR) and Average Variance Extracted (AVE) are accepted if the limit value of the construct reliability test must be >0.70 and the average limit value of the extracted variance test is >0.50. An AVE value >0.50 indicates that the variance of the indicators extracted from the latent construct is greater than the error variance. All indicators with factor loadings > 0.50 are declared valid. The AVE and CR values have met the recommended values so we continue with hypothesis testing (see appendix B).

Hypothesis Testing

The purpose of hypothesis testing is to determine whether there is an influence of exogenous variables on endogenous variables. The test results with the structural equation model show a causal relationship with the path coefficient of the causal relationship between variables.

Table 2

Path coefficient (standardized regression), Critical Ratio, and Probability of the relationship between variables

Track		Loading Factor/ Path Coefficient	C.R. (t-count)	P	Information
Firm_Innovation_Y1	← Flexibility_X1	0.264	3.888	***	Significance
Firm_Innovation_Y1	← Innovation_Culture_X2	0.344	5.084	***	Significance
Collaborative_Competitiveness_Marketing_With_Tourism_Y3	← Firm_Innovation_Y1	0.202	2.869	0.004	Significance
Collaborative_Competitiveness_Marketing_With_Tourism_Y3	← Flexibility_X.1	0.344	4.648	***	Significance
Sustainable_Competitive_Advantage_Y2	← Flexibility_X.1	0.120	1.784	0.074	Significance at 10% level
Sustainable_Competitive_Advantage_Y2	← Innovation_Culture_X1	0.162	2.215	0.027	Significance
Sustainable_Competitive_Advantage_Y2	← Collaborative_Competitiveness_Marketing_Tourism_Y3	0.414	5.414	***	Significance
Sustainable_Competitive_Advantage_Y2	← Open_Innovation_X4	0.254	3.365	***	Significance
Sustainable_Competitive_Advantage_Y2	← Ambidexterity_X3	0.268	3.875	***	Significance
Sustainable_Competitive_Advantage_Y2	← Agility_X5	0.132	1.823	0.068	Significance at 10% level
Sustainable_Competitive_Advantage_Y2	← Firm_Innovation_Y1	0.117	1.749	0.080	Significant at 10% level

Source: Data processing results

The results of hypothesis testing are shown in Table 2. Strategic flexibility influences sustainable competitive advantage. The t or C.R value is 1.784 (>1.96) and the p-value is 0.074 (<0.10) so H1 is accepted, meaning that strategic flexibility has a positive and significant effect on sustainable competitive advantage. Strategic flexibility influences corporate innovation. The t or C.R value is 3.888 (>1.967) and the p-value is 0.000 (<0.05) so H2 is accepted, meaning that strategic flexibility has a positive and significant effect on company innovation. Strategic flexibility influences collaborative competitiveness marketing tourism. The t or C.R value is 4,648(>1.967) and the p-value is 0.000 (<0.05) so H3 is accepted, meaning that strategic flexibility has a positive and significant effect on the collaborative competitiveness of marketing tourism. Innovation culture influences company innovation. The t or C.R value is 5.084(>1.967) and the p-value is 0.000 (<0.05) so H4 is accepted, meaning that innovation culture has a positive and significant effect on company innovation. A culture of innovation influences sustainable competitive advantage. The t or C.R value is 2.215(>1.967) and the p-value is 0.027 (<0.05) so H5 is accepted, meaning that innovation culture has a positive and significant effect. on sustainable competitive advantage. Ambidexterity influences sustainable competitive advantage. The t or C.R value is 3.875(>1.96) and the p-value is 0.000 (<0.05) so H6 is accepted, meaning that ambidexterity has a positive and significant effect on. sustainable competitive advantage. Open innovation influences sustainable competitive advantage. The t or C.R value is 3.365(>1.96) and the p-value is 0.000 (<0.05) so H7 is accepted, meaning that open innovation has a positive and significant effect. sustainable competitive advantage. Agility influences sustainable competitive advantage. The t or C.R value is 1.823(>1.96) and the p-value is 0.068 (<0.10) so H8 is accepted, meaning that agility has a positive and significant effect on. sustainable competitive advantage. Company innovation influences sustainable competitive advantage. The t or C.R value is 1.749(>1.967) and the p-value is 0.080 (<0.10) so H9 is accepted, meaning that company innovation has a positive and significant effect on sustainable competitive advantage. Company innovation influences the collaborative competitiveness of marketing tourism. The t or C.R value is 2.869(>1.967) and the p-value is 0.004 (<0.05) so H10 is accepted, meaning that company innovation has a positive and significant effect on the collaborative competitiveness of marketing tourism. Collaborative competitiveness marketing tourism influences sustainable competitive advantage. The t or C.R value is 5.414(>1.967) and the p-value is 0.000 (<0.05) so

H11 is accepted, meaning that collaborative competitiveness marketing tourism has a positive and significant effect on sustainable competitive advantage.

Furthermore, to make it easier to find out how the relationship is and how much influence there is between variables, an overall influence analysis is carried out. Analysis of direct influence, indirect influence, and total influence between variables can be compared to evaluate the influence of each variable directly on other variables which is none other than the coefficient of all coefficient lines with one-ended arrows. Indirect influence is the influence that appears through a variable. between. Meanwhile, total influence is the influence of various relationships.

The direct influence, indirect influence, and total influence of the variables studied can be observed in Table 3.

Table 5

Overall influence between variables

<i>Standardized Direct Effects</i>							
	X2	X1	Y1	X5	X3	X4	Y3
Y1	0.298	0.250	0.000	0.000	0.000	0.000	0.000
Y3	0.000	0.319	0.155	0.000	0.000	0.000	0.000
Y2	0.134	0.122	0.105	0.100	0.224	0.203	0.321
<i>Standardized Indirect Effects</i>							
	X2	X1	Y1	X5	X3	X4	Y3
Y1	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Y3	0.046	0.039	0.000	0.000	0.000	0.000	0.000
Y2	0.046	0.141	0.050	0.000	0.000	0.000	0.000
<i>Standardized Total Effects</i>							
	X2	X1	Y1	X5	X3	X4	Y3
Y1	0.298	0.250	0.000	0.000	0.000	0.000	0.000
Y3	0.046	0.358	0.155	0.000	0.000	0.000	0.000
Y2	0.181	0.263	0.155	0.100	0.224	0.203	0.321

Source: Data Processing result, 2023

Several findings are obtained from Table 3, strategic flexibility has a positive direct influence on corporate innovation of 0.250, collaborative competitiveness marketing tourism has a positive direct influence of 0.319 and the flexibility variable on sustainable competitive advantage has a positive direct influence of 0.122.

The correlation between innovation culture has a positive direct influence on corporate innovation of 0.298 and innovation culture on sustainable competitive advantage has a positive direct influence of 0.134. The correlation between ambidexterity and sustainable competitive advantage has a positive direct influence of 0.224, while the correlation between open innovation and sustainable competitive advantage has a positive direct influence of 0.203 and the correlation between agility and sustainable competitive advantage has a positive direct influence of 0.100.

Meanwhile, the causal correlation between exogenous endogenous variables and other endogenous variables is as follows: the correlation between the corporate innovation variable and collaborative competitiveness marketing tourism has a positive direct influence of 0.155 and sustainable competitive advantage has a positive direct influence of 0.105. The relationship between collaborative competitiveness marketing tourism and sustainable competitive advantage has a positive direct influence (0.321). Thus, collaborative competitiveness marketing tourism has the greatest influence on sustainable competitive advantage (0.321). With the direct influence of strategic flexibility and innovation culture on company innovation, it is concluded that innovation culture has the greatest influence on company innovation (0.298). The direct influence of strategic flexibility and company innovation on collaborative competitiveness marketing tourism, it is concluded that strategic flexibility has the greatest influence on collaborative competitiveness marketing tourism (0.319).

Another finding is the indirect influence that occurs from the correlation between variables. The correlation between flexibility and collaborative competitiveness marketing tourism has a positive indirect effect (0.039) and sustainable competitive advantage has a positive indirect effect (0.141). The correlation between innovation culture and collaborative competitiveness marketing tourism has a positive indirect effect (0.046) and towards sustainable competitive advantage it has a positive indirect effect of 0.046. The correlation between firm innovation and sustainable competitive advantage has a positive indirect effect (0.050). Thus, the indirect influence of strategic flexibility and innovation culture on sustainable competitive advantage through company innovation shows that strategic flexibility has the largest indirect influence (0.141). The indirect influence of strategic flexibility and innovation culture on collaborative competitiveness marketing tourism through company innovation shows that innovation culture has the largest indirect influence (0.046). The indirect influence of strategic flexibility and company innovation on sustainable competitive advantage through collaborative competitiveness marketing tourism shows that strategic flexibility has the largest indirect influence (0.141). Therefore, corporate innovation and collaborative competitiveness marketing tourism are intervening variables to achieve sustainable competitive advantage.

The total influence of strategic flexibility, innovation culture, corporate innovation, agility, ambidexterity, open innovation, collaborative competitiveness marketing tourism on sustainable competitive advantage, shows that collaborative competitiveness marketing tourism has the greatest total influence (0,321) compared to innovation culture (0.181), corporate innovation (0.155), agility (0.100), ambidexterity (0.224), open innovation (0.203), strategic flexibility (0.263). The total influence of the variables strategic flexibility, innovation culture, and corporate innovation on collaborative competitiveness

marketing tourism shows that strategic flexibility has the greatest total influence (0.358) compared to innovation culture (0.046) and corporate innovation (0.155).

4. Discussion

4.1. *The influence of strategic flexibility on sustainable competitive advantage*

Strategic flexibility have a positive and significant effect on sustainable competitive advantage in the creative industry. The greater the strategic flexibility, the more sustainable competitive advantage will increase. These results support research from Bokhari *et al.*, (2020), studying the relationship between planning, strategic flexibility, organizational improvisation, and sustainability. When a company prioritizes projects that provide opportunities for success in the VUCA era, it will enjoy benefits which in turn will provide superiority for a long time. Adapting to current plans, modifying activities, adapting to changes in strategy, and being ready to take action, when necessary, will facilitate adjustments to resources in creating quality and valuable products that ultimately achieve sustainable growth.

Creative businesses in West Nusa Tenggara are more flexible than large businesses because most entrepreneurs are also managers, so they often make decisions based on their own decisions. Adapting to changes in strategy does not necessarily make the organization superior, this is for products that are unique to a particular region. When a change in strategy is made, it will not be superior if the change is made to the motive. This phenomenon occurs in superior creative products in the areas studied such as weaving, pearls, and pottery. They maintain uniqueness in terms of motifs, shapes, and raw materials used which are original from that area. Woven motifs such as Subahnale, Shadow Puppet, Bintang Empet, and Kerake. This motif is very special because it is the result of the weaver's creativity, the shape is unique and has been registered with IPR. Coloring of weaving, pottery, and pearls from natural dyes. Weaving dye to color the basic weaving threads comes from mahogany bark, tamarind fruit seeds, betel leaves, turmeric, and fan trees. Pearls with distinctive colors such as clear, purple, and oval and round in shape. The motifs of the pottery reflect the characteristics of the population in the industrial center. The pottery uses leaves as a dye and is made by hand. Strategic flexibility can only be done in coloring and shape without leaving behind the uniqueness of products from that area. A study from Hossain *et al.*, (2022) shows that strategic flexibility influences sustainable competitive advantage in the hotel industry.

4.2. *The influence of strategic flexibility on innovation*

A study from Ghorban-Bakhsh and Gholipour-Kanani (2018), supports this research. The research was conducted among managers and staff of cultural education centers with a sample of 136 people. It was found that strategic flexibility has a positive and significant effect on knowledge management and organizational innovation. The more flexible the strategy, the higher the organizational innovation. Through strategic flexibility, it makes it easier for new products to be developed, which in turn gain advantages.

The creative industries in the areas studied are easy to adapt to and have properties and characteristics that do not require capital or technology, making it easier to develop new products. They are creative and innovative in creating new products that are in demand by customers because of the talent, experience, and skills they have inherited from generation to generation. This can be seen in the motifs that are beautifully designed and have high aesthetics that are not easily imitated by competitors. Apart from that, adjusting the strategy by paying attention to environmental problems using plastic waste as a raw material for making weaving will reduce environmental pollution. Utilization of clay in the area studied as raw material for making pottery. Utilization of live pharmacies such as turmeric as a natural dye for weaving. Utilization of black bahar roots originating from the area studied for pearl craft designs. Beraha *et al.*, (2018) Beraha *et al.*, (2018), concluded that marketing flexibility plays an important role in product innovation.

4.3. *The influence of strategic flexibility on collaborative competitiveness marketing tourism*

Strategic flexibility has a positive and significant effect on collaborative competitiveness marketing tourism. The more flexible the strategy, the more collaborative competitiveness marketing tourism increases. These results support research from Richey *et al.*, (2012), that technological innovation, technological complementarity, and flexibility are positively related to the level of collaboration and logistics services in retail companies. Ease of adapting current plans and adapting to changes in strategy, the ability to modify daily activities, prioritizing the most successful projects, and being ready for action, will increase collaboration with tourism in the form of product exhibitions, sharing information in producing valuable products and utilize integrated databases for various information, this is to find out product trends in the market and changes in purchasing power, obtain quality products and expand the distribution network.

Creative businesses in the areas studied build proactive relationships with the tourism industry which is under the auspices of the Tourism Department. Collaboration is based on the principle of reciprocal relationships, and mutual benefit, and under mutually agreed norms. When small businesses behave flexibly, the tourism industry will respond in the same way the next time. For example, the tourism industry program promotes creative businesses at MotoGP events. Creative businesses also promote tourism with product modifications such as pearl designs that combine pearls with pearl shells in the shape of Mandalika circuits. Strategic flexibility has implications for better coordination and stable relations between the two. This leads to the implementation of effective business development to achieve sustainable competitive advantage. It is necessary to increase the ability to adapt by establishing partners to achieve success.

4.4. *The influence of innovation culture on corporate innovation*

Bourdeau et al. (2021) and Losane, (2013) stated that innovation culture has a positive and significant effect on company innovation. These results support this research. The higher the innovation culture, the higher the company's innovation. A culture that values creativity is needed to explore new ideas. A culture that supports informal interactions is needed to increase the availability of knowledge in developing new products. A culture that encourages employee performance, a culture that motivates employees to share knowledge, and focuses on teamwork, is needed to respond to activities involving technology such as digitalization, technology adoption, and increasing competence in utilizing technology. to increase productivity thereby producing new products.

MSMEs in the areas studied are still family-based so it is easy to coordinate in running a business. The knowledge and experience of family members make it easier to communicate product designs that suit market desires. The culture of innovation is manifested in the use of weaving and pearls by craftsmen when carrying out production process activities. Pottery craftsmen display their products on each piece of furniture, motivating them to develop new ideas to make new products with designs that are different from before. A culture of sharing knowledge and good teamwork will produce truly new and high-quality products following market demand because they exchange ideas and experiences from the results of the training they attend. A strong innovation culture is needed to encourage employees to be more innovative in producing products.

4.5. *The influence of innovation culture on sustainable competitive advantage*

The analysis results show that increasing the culture of innovation will increase sustainable competitive advantage. Through a culture that values creativity and respects innovation as well as a culture of improving performance, sustainable growth will increase. When the culture supports informal interactions, supports employees sharing knowledge, and supports strong teamwork, it will increase knowledge, and respond to technology-related activities to produce quality products that have durability, and are not easily imitated by competitors, which in turn achieves sustainable growth. Empirical support as shown by Arsawan *et al.*, (2022), his research on small and medium enterprises in Bali Province explains that the culture of innovation in SMEs has a significant effect on sustainable competitive advantage.

Creative businesses in West Nusa Tenggara Province have a culture that highly values creativity and innovation and sharing knowledge between craftsmen. Managers free craftsmen to express their creative ideas in designing products to produce products that customers are interested in. Craftsmen need to have skills that can be acquired from training. Craftsmen receive training from the Department and the Association 3 times a year with varying themes to improve their abilities in making unique motifs, product modification variants, and utilizing technology to develop products.

4.6. *The influence of ambidexterity on sustainable competitive advantage*

The results of the analysis show that there has been an increase in ambidexterity, increasing sustainable competitive advantage. When the company improves service to existing customers and accepts demands for damaged products, this will influence policies in evaluating and improving the durability of the products produced. Selling completely new products, frequently exploiting new opportunities in new markets, using new distribution regularly, and increasing the efficiency of product provision, will increase sales value which in turn achieves sustainable growth. This is considered successful due to the hard work of all company members being ambidexterity in seeing opportunities and the ability to take advantage of new business opportunities in uncertain environmental conditions.

Creative businesses in the area studied often take advantage of new opportunities in new markets. They market their products domestically and some abroad. The domestic market has a diversity of tastes, preferences, cultures, and needs, this is an opportunity to sell products that suit the characteristics of these customers. Foreign markets also have different tastes and cultures, this is an opportunity to target that market by selling products that have competitive or comparative advantages. The local market mostly wants products that have been modified, while the international market wants original products without modification in motifs and colors. The company sells completely new products as a result of modifications with other products such as plastic, plant roots, ketak plants, pearl shells, and so on to produce quality products that are difficult to imitate. They are also trying to improve customer service, such as taking responsibility for the risk of product damage and providing warranties and marketing services considering that several creative businesses can penetrate foreign markets. The product is distributed through new distributors such as art shops, and online shops in collaboration with marketplaces such as Shopee and Lazada, this is to reach a wider market to achieve sustainable growth. Companies need to be ambidexterous in mastering the internet, this is done through training. The results of this research support previous research conducted by (van Lieshout et al., 2021).

4.7. *The influence of open innovation on sustainable competitive advantage*

Open innovation has a positive and significant effect on sustainable competitive advantage. The higher the open innovation, the higher the sustainable competitive advantage. The results of this study support research from (Musiello-Neto et al., 2021; Zhang et al., 2023). Through open innovation, superior products will be produced. Yun, (2017) stated that open innovation appears in very different forms, this depends on the size of the company and the nature of the industry. Creative businesses in the area studied accept ideas from outside for research and development and easily transfer ideas from inside to outside.

organization. This is reflected in their attitude towards serving people who come to their place of business or art shop. They transfer knowledge about how to weave to customers, provide information about motifs from "Sasak" weaving such as kerake motifs, empet star motifs, subahnale motifs, and shadow puppet motifs), how to attach pearls to crafts, how to design pearls for example with bahar roots and how to make pottery. They also absorb input from customers or tourism. However, not all ideas from outside are taken for internal research and development, such as weaving motifs that are not by local culture or wisdom. The lack of absorption capacity and marketing channels as well as the level of competition with large companies that use machine technology to produce products, hinders companies from carrying out open innovation. A study from Paulo *et al.*, (2017), concluded that with a partial level of openness and a medium level of openness, open innovation contributes to technological development and increases competitiveness.

4.8. The influence of organizational agility on sustainable competitive advantage

Organizational agility has a positive and significant effect on sustainable competitive advantage. This shows that creative businesses can take action wisely and quickly to achieve excellence. Sustainable competitive advantage is achieved by pursuing opportunities obtained from crises, speed in making decisions, recognizing transitions from dynamic environments, and adapting new resources and strategies. These results support research from Yikilmaz, (2022), concluded that organizational agility and knowledge management are two important strategic capabilities in building sustainable competitive advantage, as well as increasing top management awareness to build effective management practices. Tobing, (2016), concluded work-family support makes employees agile, thereby influencing job satisfaction to achieve excellence. Joiner & Josephs, (2006) explain agility as preferable to similar sounding competencies such as flexibility and adaptability. Furthermore, flexibility and adaptability imply a passive and reactive attitude, while agility implies a deliberate attitude and a proactive attitude.

Creative businesses in West Nusa Tenggara Province are agile in facing a dynamic environment. The business scale includes small and medium enterprises so that it is easier to pursue opportunities from crises, adapt resources, increase the speed of making decisions, recognize environmental transitions, and consider new strategies to achieve sustainable competitive advantage. The company is quick and responsive in obtaining information regarding business development policies and strategies from related agencies such as the Department of Cooperatives and Small and Medium Enterprises, the Department of Industry, the Department of Trade, and the Department of Tourism through the coordination link for each agency. These links include WA, IG, and Facebook groups. Furthermore, West Nusa Tenggara traditional clothing is used for certain moments such as the NTB Birthday event, every year people's exhibitions are held in cities or districts, UKM exhibitions at MotoGP events, and so on. Companies need to improve the ability of leaders and employees to be agile and creative. Increase the ability of leaders by training to master processing technology and internet technology, as well as increasing the ability to collaborate with external parties to increase innovation, increase work morale, and generate new ideas. Develop agile employees, through technical training, skills, and human resource management practices such as workforce development, job rotation, and enrichment.

4.9. The influence of organizational innovation on sustainable competitive advantage

This research supports research from Thi *et al.*, (2023), which analyzes the influence of process innovation and sustainable competitive advantage on young companies in Vietnam. A survey of 289 leaders of young companies in Vietnam, concluded that the influence of innovation strategies on process and system innovation as well as the impact of process and system innovation on sustainable competitive advantage in young companies in Vietnam have all been confirmed. The higher the innovation, the more superior the company will be over a long period. Through the adoption of processing technology and new ideas, new quality products will be produced as a form of excellence. This must be supported by the ability of human resources to utilize technology, have adequate knowledge, and be creative in designing quality products so that ultimately the strategy is easily adjusted so that the resulting product is difficult for competitors to imitate.

Small businesses in the creative industry sector in West Nusa Tenggara Province pay attention to innovation as part of a strategy to achieve industrial competitiveness. Innovation is created as a result of new ideas that emerge from the craftsmen themselves, trends that occur in the market, and various parties who provide input such as the government through the Tourism Office, the Cooperatives and SMEs Service, the Trade Service and the Industry. Innovations carried out in the area studied include combining traditional and modern weaving designs, weaving made from plastic waste, and previously traditional pottery designs, now adapted to the cartoon films SpongeBob, Doraemon, and pearl designs with shells and bahar roots. Creative industries must increase innovation by continuing to hone skills and explore creative ideas from employees to increase sustainable competitive advantage.

4.10. The influence of organizational innovation on collaborative competitiveness marketing tourism

Organizational innovation has a positive and significant effect on collaborative competitiveness marketing tourism. The results of organizational innovation require collaboration with other parties to be attractive. Descriptions of organizational innovation, collaborative competitiveness marketing tourists, and the length of time the company has been operating support the positive influence of organizational innovation and collaborative competitiveness marketing tourism. The results of this research reaffirm the research results of Cimenler *et al.*, (2016), research conducted at universities based in the United States. They explained that the innovations carried out by researchers had a positive effect on the number of collaborative outcomes

they produced. The results of innovation in the form of new products will be beneficial if we collaborate with tourism in tourism exhibitions. New ideas and available knowledge will develop if we share information with tourism and utilize an integrated database to obtain various information about suggestions from customers so that we can produce valuable products. Competence in utilizing technology and creativity in operating methods, the ability to use new strategies, the ability to adopt processing technology, and the ability to respond to activities involving technology, will increase if you collaborate with tourism in training to produce unique products.

Creative industries in the researched areas will have valuable innovative results if they collaborate with the tourism industry. Product modifications, some of which are prepared by MSMEs and some of which are prepared by the tourism industry in accordance with customer desires to achieve excellent service or maximum satisfaction. New products, which are the result of innovation, were appreciated in the form of the West Nusa Tenggara Mini Mall, Pearl Creative Center, and Bara Nusa Tenggara Museum. The new product is also exhibited at tourism events such as MotoGP and Putri Nyale to find out what customers want. Some entrepreneurs master science and technology because they receive training from related agencies, such as how to sell online and how to use new technology to become technologically literate. Only companies registered with the Small and Medium Enterprises Cooperative Service receive training. Creative businesses need to increase their ability to innovate and increase continuous cooperation with tourism based on the principles of justice and mutual benefit.

4.11. Collaborative competitiveness marketing tourism influences sustainable competitive advantage

The higher the level of collaborative competitiveness marketing tourism, the higher the sustainable competitive advantage. These two variables are very important for MSMEs to pay attention to. These results support the study of Thongsri & Chang, (2019), research on the creative industry in Thailand, concluding that the RBV and social capital approach which focuses on market orientation, external network collaboration, and managerial ties are determining factors in facing current business competition. Furthermore, market orientation and external collaboration can generate sustainable competitive advantage. Collaboration in product exhibitions, collaboration in training to produce unique products, sharing information to produce valuable products, and utilization of integrated databases for various information, will increase sustainable competitive advantage.

Creative businesses in West Nusa Tenggara collaborate with tourism by conducting (a) language training, especially English, design training, (b) providing marketing facilities, creative space facilities in every district, and cultural parks, and (c) developing creative and industrial industries. tourism through a superior program of 99 tourist villages where development is not only a tourist village that has natural, cultural, and beach attractions but also the development of creative industries in the village, (d) development of 17 creative economic sub-sectors which focus on business protection and Intellectual property rights. (e) development of creative industries and tourism, creative industry sub-sectors, totaling 17 sub-sectors, are part of tourism activities. They are included in tourism promotion program activities by being given a place to sell products during activities such as MotoGP activities. (f) strengthening or mutually supporting both industries. Tourism industry development programs must be pursued in line with creative industry programs to strengthen tourist destinations. For example, every tourist will not only enjoy superior tourism products but will also enjoy three creative subsectors, namely culinary, crafts, and fashion. The indication is that companies can find out the needs and desires of small business and tourism customers so they can produce quality products. The creative industry and the tourism industry need to work together to achieve a sustainable competitive advantage.

4.12. Innovation and collaborative competitiveness marketing tourism play an important role as mediating variables

Corporate innovation mediates the correlation between flexibility, strategic and collaborative competitiveness marketing tourism. The results of the indirect influence test show that innovation plays a significant role in mediating the relationship between strategic flexibility and *collaborative competitiveness marketing tourism*. Through easy adaptation of current plans and adapting to changes in strategy, ready to act, having competence in modifying daily activities, prioritizing projects that have a chance of success, will tend to respond actively to environmental changes by making strategy adjustments for innovation activities which in turn can be beneficial if collaborating with tourism. Empirical results support this study from Hemphill, (1996), explaining that close collaboration between society, government, and the private sector is very important and determines innovation and flexibility.

Corporate innovation mediates the relationship between strategic flexibility and sustainable competitive advantage. The results of the indirect effect test show that innovation plays a significant role in mediating the relationship between strategic flexibility and sustainable competitive advantage. Adapting their current plans easily, adapting in making strategic changes, being ready to act, having competence in modifying daily activities, prioritizing projects that have a chance of success, being more likely to respond actively to environmental changes by innovating to achieve excellence over a long period in an industry. These results support a study from Ni *et al.*, (2020), concluding that organizational innovation mediates the influence between strategic flexibility and competitive advantage in project-based companies in Tingkok which in turn achieves sustainability. The author's study is interesting because innovation plays a mediating role between strategic flexibility and sustainable competitive advantage. Strategic flexibility in small businesses is more dependent on market trends and company size so that strategy encourages innovation and sustainable competitive advantage.

Corporate innovation mediates the relationship between innovation culture and sustainable competitive advantage. The results of the indirect influence test show that corporate innovation plays a significant role in mediating the relationship between

innovation culture and sustainable competitive advantage. If you want quality products that are durable and difficult to imitate, expand product distribution networks, have sustainable growth, make it easy to adapt strategies to existing resources, and carry out innovation practices, then you must respond actively to environmental changes with innovation as the spirit of a culture of innovation. Empirical results from Nimfa *et al.*, (2021), explain that superior innovation mediates the relationship between organizational culture and sustainable SME growth in Nigeria.

Collaborative Competitiveness Marketing Tourism mediates the correlation between flexibility, strategic and sustainable competitive advantage. The results of the indirect influence test show that *collaborative competitiveness marketing tourism* plays a significant role in mediating the relationship between strategic flexibility and sustainable competitive advantage. Through easy adaptation of current plans and adaptation to changes in strategy, ready to act, has competence in modifying daily activities, prioritizes projects that have a chance of success, will respond to environmental changes by collaborating with tourism parties as a bridge to obtain sustainable competitive advantage. These results support the theory of Radomska, (2015), explaining that collaboration is a domain of strategic management implementation which may be achieved with strategic flexibility to achieve sustainable competitive advantage. The results of the indirect influence test show that *collaborative competitiveness marketing tourism* plays a significant role in mediating the relationship between corporate innovation and sustainable competitive advantage. Collaborative competitiveness marketing tourism plays an important role as a link between innovation and sustainability competitive advantage.

5. Conclusion

The conclusion of this study is as follows: The creative industry is a business that has a strategic role and position in regional economic development and empowerment through collaborative competitiveness marketing tourism, which is most needed to increase sustainable competitive advantage. Collaborative competitiveness marketing tourism depends on company innovation. Collaborative competitiveness marketing tourism and company innovation are variables that influence sustainable competitive advantage. A study from Gumba *et al.*, (2021), sustainable competitive advantage is determined by company innovation. Muis *et al.*, (2020b), sustainable competitive advantage is determined by industrial clusters, research and development, forecasting trends, innovation, and creativity through Nusantara collaboration, modest fashion, Intellectual Property Rights, and economic partnership agreements. This research examines the influence of collaborative competitiveness marketing tourism, firm innovation, strategic flexibility, organizational agility, ambidexterity, open innovation, and culture innovation, which provides concepts and innovations for models of sustainable competitive advantage that are effective in creative industries in the VUCA era.

Collaborative Competitiveness Marketing Tourism in this case is a form of marketing cooperation between creative businesses and tourism parties to achieve goals. Sustainable competitive advantage cannot be separated from the superior marketing collaboration created between creative businesses and tourism to produce superior products.

The novelty of this research states that collaborative competitiveness marketing tourism has a significant positive effect on sustainable competitive advantage. Increasing collaborative competitiveness marketing tourism, will increase sustainable competitive advantage. Excellent collaboration is not easy, except for companies that innovate products, and the company is registered with the agency. The benefits of collaborative competitiveness marketing tourism must be felt by all elements of society to achieve prosperity.

The results of this research state that company innovation has a significant positive influence on sustainable competitive advantage. The high level of sustainable competitive advantage is demonstrated by the high level of designed innovation and the high value of the designed innovation to achieve excellent service or maximum satisfaction. The high level of organizational innovation is caused by the creativity of each craftsman and the result of awareness of producing environmentally friendly products by utilizing natural resources in the area studied for product modification. Dess *et al.*, (2019), define innovation as the use of knowledge obtained from new technology, experimental results, creative insights, or competitive information to provide added value to customers. Innovation must be able to produce the best products and be able to become a solution to improve people's quality of life and sustainable development.

Innovation has a significant effect on collaborative competitiveness marketing tourism in a positive direction. This research supports research by Kurdve *et al.*, (2020), innovation support programs influence collaboration between universities and small and medium businesses. Through innovation, collaborative competitiveness marketing tourism, will increase which in turn produces new products that suit customer desires.

Organizations that can respond and adapt quickly to environmental changes will have an impact on the level of collaboration. If the organization is flexible in strategy, it will increase collaborative competitiveness marketing tourism. These results are supported by research from Richey *et al.*, (2012). Strategic flexibility has a significant positive influence on sustainable competitive advantage. This study supports the findings from Jedi *et al.*, (2022). If a company wants a quality product, difficult to copy, expanding product network, sustainable growth, product durability, ease of adapting strategy to existing resources and implementing innovation practices, then strategic flexibility is a solution.

Innovation culture has a significant positive influence on innovation. This study supports the findings of Bourdeau *et al.*, (2021). When a culture values creativity, a culture that supports informal interactions, a culture that encourages employee

performance, a culture that motivates employees to share knowledge, and focuses on teamwork, it will increase company innovation which in turn produces new products that have high selling value.

A culture of innovation has a significant positive influence on sustainable competitive advantage. This study supports the findings of Gandotra, (2010), concluding a culture of innovation to maintain sustainable competitive advantage. Through a culture that values creativity, a culture that supports informal interactions, a culture that encourages employee performance, and a culture that motivates employees to share knowledge, and focuses on teamwork, excellence will increase over a long period which in turn will achieve superior performance.

Agility has a significant positive effect on sustainable competitive advantage. This study supports the findings of Kuncoro *et al.*, (2017). If the company improves service to existing customers, accepts demands for defective products, sells genuine products, frequently exploits new opportunities in new markets, uses new distribution regularly, and improves the efficiency of product provision, it will increase sustainable growth.

Open innovation has a significant positive effect on sustainable competitive advantage. This study supports research from Zhang *et al.*, (2023). When a company leverages technology by purchasing from outside, acquiring more technical experience from outside, frequently introducing external ideas and technologies into internal research and development activities, frequently providing engineering services to parties outside the organization, and being proactive in bringing its internal knowledge to the market, will increase sustainable competitive advantage.

Organizational agility has a significant positive effect on sustainable competitive advantage. This study supports research from Zhang *et al.*, (2023). A study from Sambamurthy *et al.*, (2007), explains that entrepreneurial agility (anticipation and proactive) and adaptive agility (sensing and reactive) have a significant influence on sustainable competitive advantage and have different impacts. If a company pursues opportunities from crises, recognizes environmental transitions, increases speed in making decisions, adapts resources in response to environmental changes, and considers new strategies, it will achieve a sustainable competitive advantage.

Strategic flexibility has a significant positive effect on company innovation. This study supports research from Mohsen & Mohammed, (2018). If the company develops new products by using available resources, using the latest strategies to do things, responding to activities involving technology, availability of knowledge to develop new products, continuing to explore new ideas, competence in processing technology, creativity in operating methods, adopting processing technology to meet future needs, frequently selling new products, the strategy must be flexible so that it makes it easier to make breakthroughs or adjust strategies in the face of a dynamic environment.

Innovation and collaborative competitiveness marketing tourism play an important role as mediating variables. Corporate innovation mediates the relationship between strategic flexibility and collaborative competitiveness marketing tourism. Corporate innovation mediates the correlation between strategic flexibility and sustainable competitive advantage. Corporate innovation mediates the correlation between innovation culture and sustainable competitive advantage.

Collaborative competitiveness marketing tourism mediates the correlation between strategic flexibility and sustainable competitive advantage. Collaborative competitiveness marketing tourism mediates the correlation between corporate innovation and sustainable competitive advantage.

6. Managerial Implications

This study provides an overview that practitioners need to understand regarding the role of collaborative competitiveness marketing tourism to increase sustainable competitive advantage in the creative industry. In the VUCA era, managers need to adapt strategies that enable collaboration with tourism to achieve sustainable competitive advantage. This is due to the characteristics of small industries which still have limitations. Also the area studied is a tourist area, which is the right moment to build partnerships with tourism based on mutually beneficial principles and build mutual strength in responding to environmental changes so that they can achieve sustainable competitive advantage.

Naparin (2023) explains that in partnerships, it is necessary to build maximum synergy, namely the ARCTIC framework (*advantage, relevance, communication, trust, integration, and culture-bound*). Collaboration capabilities need to be possessed and developed to integrate competencies between partners effectively and efficiently which in turn achieves success in the long term. Managers must realize that success lies not only in collaboration but also in the ability to increase creative innovation behavior. In uncertain environmental conditions, strategic flexibility may be valuable because it creates real options for the firm and is the best option if the firm faces uncertainty about the specific strategic actions to be taken. J. B. Barney & Hesterly, (2019), Apart from strategic flexibility, innovation culture is also a strategy for responding to rapid environmental changes. Ragazou *et al.*, (2022), concluded that strategies that can be implemented by small and medium businesses during a crisis are ambidexterity, agility, and open innovation to achieve sustainable competitive advantage. Thus, the best business model innovations developed by the creative industry to achieve sustainable competitive advantage are collaborative competitiveness, marketing tourism, corporate innovation, strategic flexibility, innovation culture, ambidexterity, agility, and open innovation.

7. Theoretical Implications

This study provides a theoretical framework for understanding the relationship between collaboration competitiveness, marketing tourism, corporate innovation, strategic flexibility, innovation culture, ambidexterity, agility, and open innovation, and sustainable competitive advantage in the Indonesian crafts sector in the VUCA era. So far the relationship between these variables has not been exploited by experts. This study was developed based on the conceptual model proposed by Ragazou *et al.*, (2022) in facing a rapidly changing environment to increase knowledge regarding the relationship between superior marketing collaboration and tourism, corporate innovation, strategic flexibility, innovation culture, ambidexterity, agility, and open innovation. with contributions including: First, to validate more powerful measurement instruments in analysis, by using different measurement scales in building models. Second, the study analyzes in detail all the latent variables studied, especially endogenous and exogenous constructs. Third, the role of collaborative competitiveness marketing tourism is emphasized to strengthen the existence or presence of creative industries in obtaining sustainable competitive advantages in the VUCA era. Therefore, to fill the existing gaps in the literature, the author considers this.

8. Limitation

Data from 240 company managers used in this research is a relatively small sample. This does not fully represent all small industries in Indonesia, although the results obtained are quite in-depth and describe the conditions in the area studied. Future research may need to consider a larger sample size to increase the generalizability of research results. This research uses a cross-sectional design so the capacity to establish causal relationships between variables is limited. The authors suggest that future research use longitudinal designs to investigate how dynamic collaboration and innovation influence sustainable competitive advantage and performance. Future research will also use the variables strategic leadership capabilities, knowledge management processes, workplace green behavior, green product, green culture, green innovation, green marketing, green behavior strategies, green intellectual capital, corporate social responsibility (CSR) strategic sensitivity, environmental awareness, and ecopreneurship to achieve sustainable competitive advantage.

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Appendix

A. Operational Definition of Variables

Variable	Operational Definition	Indicator	Resource
<i>Strategic Flexibility (X1)</i>	.Strategic flexibility is a strategic choice that can be taken by SMEs that shows the ability to respond to a dynamic environment.	<ol style="list-style-type: none"> 1. If circumstances change, SMEs can adapt to their current plans easily. 2. If circumstances change, SMEs are ready to act 3. If circumstances change, SMEs can adapt by making changes to their strategy. 4. When circumstances change, SMEs have the necessary competencies to modify daily routines 5. When circumstances change, SMEs prioritize projects that have the highest chance of success 	Adapted from Asnawan <i>et al.</i> ((2022)
<i>Innovation Culture (X2)</i>	Shared basic values that exist within MSMEs as supporters of innovation, and real innovation-oriented practices	<ol style="list-style-type: none"> 1. Organizational culture values behavior related to creativity and innovation 2. Organizational culture encourages informal interactions 3. Organizational culture encourages employees to monitor their own performance 4. Organizational culture encourages employees to share knowledge 5. Organizational culture focuses on teamwork 	Adapted from Khattak A (2022)
<i>Ambidexterity(X3)</i>	Ambidexterity is the ability of MSMEs to exploit (utilize resources) and manage exploration activities to achieve sustainable competitive advantage.	<ol style="list-style-type: none"> 1. Accept claims if a product is damaged 2. Commercialize a completely new product 3. Often take advantage of new opportunities in new markets. 4. Regularly use new distributions. 5. Frequently make small adjustments to the product. 6. Increase the efficiency of product supply 7. Expand services for existing clients. 	Adapted from Jaidi <i>et al.</i> ((2022)
<i>Open Innovation (X4)</i>	<i>Open Innovation</i> is the use of knowledge coming in and out of SMEs to accelerate internal innovation and external innovation to expand markets	<ol style="list-style-type: none"> 1. Companies obtain technology by purchasing from outside parties. 2. Companies gain more technical experience from experts outside the company. 3. Companies often introduce external ideas and technologies into internal R&D activities. 4. The company often provides technical services to outside parties; 5. The company is proactive in bringing its internal knowledge to the market 	Adapted from Zhang <i>et al.</i> ((2023)
<i>Organizational Agility (X5)</i>	Organizational agility is the ability of SME managers to take effective action wisely and quickly.	<ol style="list-style-type: none"> 1. SMEs pursue opportunities obtained from the current crisis. 2. SMEs can recognize transitions from a dynamic environment 3. SMEs increase their speed in making decisions 4. SMEs adapt resources to accommodate environmental changes. 5. SMEs consider new strategies 	Adapted from Asnawan <i>et al.</i> ((2022)
<i>Firm Innovation (Y1)</i>	Firm innovation is the use of new knowledge obtained by MSMEs from new technology, experimental results, creative insights, or information related to competition.	<ol style="list-style-type: none"> 1. SMEs develop new products using available resources 2. SMEs use the latest strategies to do things 3. UKN responds to activities involving technology 4. Availability of knowledge to develop new products 5. SMEs continue to explore new ideas 6. Competence in processing technology 7. SME creativity in their operating methods 8. Adopt processing technology to meet future needs 9. SMEs often sell new products 	Asnawan <i>et al.</i> ((2022)
<i>Sustainable Competitive Advantage (SCA): Y2</i>	SCA is the long-term benefit that an SME obtains from implementing some unique value-creation strategy that is not simultaneously implemented by current or potential competitors along with the inability to duplicate the benefits of the strategy that has been created.	<ol style="list-style-type: none"> 1. The products offered by SMEs are quality. 2. The existence of a product distribution network. 3. Sustainable growth of SMEs 4. Imitability (difficult to imitate) 5. Durability (product durability) 6. Ease of adapting strategies to existing resources. 7. SMEs carry out innovation practices 	Adapted from Asnawan <i>et al.</i> ((2022)
<i>Collaborative Competitiveness marketing Tourism. (Y3)</i>	Collaborative Competitiveness Marketing Tourism is a form of marketing cooperation between SMEs and tourism to achieve goals.	<ol style="list-style-type: none"> 1. Collaboration in product marketing 2. Collaboration in training produces unique products 3. Share information to produce valuable products 4. Utilization of an integrated database for various information 	Zahoor et al, 2023, Islan, 2020, Barney 1991, Lu & Bu Yu, 2020, Nurcholis, 2020)

B. Std. Factor Loading, CR and AVE

Variable	Item	Std. Factor Loading	AVE	Information	(α – Cronbach) Construct Reliability	Information
Strategic Flexibility	X1.1	0.897	0.626	Valid	0.892	Reliable
	X1.2	0.661				
	X1.3	0.77				
	X1.4	0.717				
	X1.5	0.885				
Innovation Culture	X2.1	0.831	0.705	Valid	0.923	Reliable
	X2.2	0.825				
	X2.3	0.867				
	X2.4	0.847				
	X2.5	0.826				
Ambidexterity	X3.1	0.778	0.502	Valid	0.876	Reliable
	X3.2	0.668				
	X3.3	0.676				
	X3.4	0.721				
	X3.5	0.681				
	X3.6	0.736				
	X3.7	0.693				
Open Innovation	X4.1	0.842	0.666	Valid	0.909	Reliable
	X4.2	0.81				
	X4.3	0.842				
	X4.4	0.811				
	X4.5	0.775				
Agility	X5.1	0.742	0.611	Valid	0.887	Reliable
	X5.2	0.75				
	X5.3	0.789				
	X5.4	0.851				
	X5.5	0.772				
Firm Innovation	Y1.1	0.795	0.617	Valid	0.935	Reliable
	Y1.2	0.768				
	Y1.3	0.782				
	Y1.4	0.79				
	Y1.5	0.79				
	Y1.6	0.811				
	Y1.7	0.746				
	Y1.8	0.799				
	Y1.9	0.787				
Sustainable Competitive Advantage	Y2.1	0.795	0.601	Valid	0.913	Reliable
	Y2.2	0.747				
	Y2.3	0.759				
	Y2.4	0.788				
	Y2.5	0.788				
	Y2.6	0.793				
	Y2.7	0.757				
CCMT	Y3.1	0.804	0.634	Valid	0.874	Reliable
	Y3.2	0.801				
	Y3.3	0.813				
	Y3.4	0.766				



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