

ABSTRACT

The research aims to build a conceptual model, describe, and prove empirically how relational capital management as a marketing performance lever is based on a resource-based theory perspective to contribute to the body of knowledge. The sample of this research is the owner/manager of MSMEs Furniture or Furniture in Central Java Province. The population collection method in the study uses probability sampling with group techniques or disproportionate sampling. Questionnaires that are feasible to be analyzed are 349 respondents. The variables in this study were 5 variables with 27 reflective indicators. Data analysis used structural equation modeling with AMOS version 24 and the role of mediation testing in the research model following the stages of Baron and Kenny (1986). Based on the seven hypotheses proposed in the study, it shows empirically six (6) hypotheses are supported and one (1) hypothesis is rejected, namely the fourth hypothesis.

Based on the results of testing the role of a mediating variable or a new concept, namely the quality of network orchestration, it gains empirical support as a mediating variable in the relationship between relational capital and marketing performance. The research findings offer two (2) alternative strategies as marketing performance levers. The findings of the research results have implications for theory and managerial so that MSME owners/managers focus on the quality of orchestrating networks to leverage marketing performance. In addition, research findings contribute and offer new experiences in managing the furniture industry.

Keywords: *relational capital, network orchestration quality, entrepreneurial marketing capability, value co-creation capability, marketing performance.*