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Entrepreneurial Orientation And Marketing Performance In Zakat-Based Microenterprises

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Abstract

This study examines the influence of entrepreneurial orientation (EO) on marketing performance in zakat-based microenterprises. The increasing role of zakat as a productive economic instrument highlights the need to understand behavioral factors driving business performance among micro-entrepreneurs. This study offers novelty by extending EO theory into the context of Islamic social finance, where resource constraints are dominant. A quantitative explanatory approach was employed using data from 500 micro-entrepreneurs participating in the ZMart program. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) to evaluate the relationships between proactiveness, innovativeness, risk-taking, and marketing performance.The findings reveal that all EO dimensions positively and significantly affect marketing performance, with proactiveness as the most dominant factor. In contrast, demographic variables such as gender and managerial experience do not significantly influence performance. These results suggest that behavioral capabilities play a more critical role than individual characteristics.This study contributes to entrepreneurship literature by contextualizing EO in Islamic economic empowerment and provides practical implications for enhancing zakat-based programs through behavioral capability development.

Keywords: Entrepreneurial Orientation; Marketing Performance; Zakat; Microenterprises.

INTRODUCTION

Micro, small, and medium enterprises (MSMEs) play a crucial role in economic development, particularly in developing countries. These enterprises contribute

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significantly to employment generation and poverty reduction, accounting for more than 90% of total businesses worldwide and a substantial share of job creation ((Institute, 2024; O.E.C.D., 2022). In emerging economies, MSMEs are also recognized as key drivers of inclusive growth and local economic resilience (Bank, 2023). However, despite their strategic importance, many microenterprises continue to face persistent structural challenges, including limited access to financial resources, weak marketing capabilities, low productivity, and inadequate managerial capacity, which collectively hinder their growth and sustainability (Das & Verma, 2024; Inegbedion et al., 2024). Empirical studies in developing countries further highlight that these constraints often lead to suboptimal business performance, particularly in competitive and dynamic markets (Kraus et al., 2022).

In the context of Islamic economic development, zakat has increasingly evolved from a traditional redistributive mechanism into a productive instrument aimed at empowering micro-entrepreneurs and enhancing economic independence. Contemporary zakat institutions have adopted integrated empowerment models that combine financial assistance with training, mentoring, and market facilitation. This approach aligns with the broader concept of inclusive entrepreneurship, which emphasizes the importance of combining resource provision with capability development (Ferreira et al., 2023). In Indonesia, several zakat-based programs, such as microenterprise empowerment initiatives, have been implemented to strengthen the economic capacity of beneficiaries. However, empirical evidence shows that the performance of microenterprises involved in such programs remains heterogeneous, particularly in terms of marketing performance (Fajarika et al., 2024; Wahyuni et al., 2023). This indicates that financial support alone is insufficient to ensure sustainable business success.

This phenomenon suggests that internal capabilities, particularly those related to entrepreneurial behavior, may play a more decisive role in determining firm performance. One of the most widely discussed concepts in entrepreneurship literature is entrepreneurial orientation (EO), which reflects the strategic posture of firms in terms of proactiveness, innovativeness, and risk-taking (Lumpkin & Dess, 2001). Extensive empirical studies have confirmed that entrepreneurial orientation positively influences firm performance across various contexts (Rauch et al., 2023; Wiklund et al., 2023). In microenterprise settings, entrepreneurial orientation becomes even more critical as it enables entrepreneurs to leverage limited resources and respond effectively to market dynamics (Kraus et al., 2022).

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However, despite its strong theoretical and empirical support, the application of entrepreneurial orientation in the context of Islamic social finance, particularly in zakat-based microenterprises, remains underexplored. Most prior studies have focused on conventional business environments, thereby limiting the generalizability of findings to socially embedded and resource-constrained settings. This represents a significant research gap, especially considering that micro-entrepreneurs in zakat programs often operate under unique conditions, including limited experience, restricted market access, and dependence on institutional support.

In addition, previous research frequently highlights demographic factors, such as gender and managerial experience, as determinants of firm performance. While these variables are theoretically relevant, empirical findings remain inconsistent, particularly in micro and small enterprises (Inegbedion et al., 2024) . Several studies in the context of Indonesian MSMEs, including those published in JMDK, indicate that demographic characteristics do not always significantly explain performance differences, suggesting the need to focus more on behavioral and capability-based factors (Hidayati et al., 2023). This raises an important question regarding whether entrepreneurial orientation plays a more dominant role than demographic attributes in influencing marketing performance.

Based on these issues, this study aims to examine the effect of entrepreneurial orientation on marketing performance in zakat-based microenterprises. Specifically, this research investigates the influence of proactiveness, innovativeness, and risk-taking on marketing performance, while also considering gender and managerial experience as control variables.

Accordingly, the research questions addressed in this study are: (1) Does proactiveness significantly affect marketing performance? (2) Does innovativeness significantly affect marketing performance? (3) Does risk-taking significantly affect marketing performance? and (4) Do demographic factors influence marketing performance in zakat-based microenterprises?

This study is expected to contribute to the development of entrepreneurship literature by extending the application of entrepreneurial orientation within the context of Islamic social finance, particularly in zakat-based empowerment programs. In addition, this study provides practical implications for policymakers and zakat institutions in designing more effective empowerment strategies that focus not only on financial support but also on strengthening entrepreneurial capabilities to improve the sustainability of microenterprises.

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LITERATURE REVIEW

Resource-Based View (RBV)

The Resource-Based View (RBV) provides a fundamental theoretical foundation for understanding firm performance by emphasizing the strategic role of internal resources and capabilities. RBV posits that sustainable competitive advantage is not merely derived from the possession of resources, but from the firm's ability to effectively deploy and transform these resources into valuable, rare, and inimitable capabilities(Barney, 1991; Ferreira et al., 2023). Recent developments in RBV further highlight the growing importance of intangible capabilities such as entrepreneurial behavior, knowledge integration, and strategic orientation in driving firm performance, particularly in uncertain and resource-constrained environments (Kraus et al., 2022; Wiklund et al., 2023).

In the context of microenterprises, especially those operating within zakat-based empowerment programs, structural limitations in financial capital, technology, and market access are prevalent. Consequently, internal capabilities become the primary mechanism through which firms can achieve performance improvements. Empirical evidence from developing economies, including Indonesia, indicates that capability-based strategies are more effective than resource-based interventions alone in enhancing MSME performance (Fajarika et al., 2024; Hidayati et al., 2023). This suggests that the effectiveness of empowerment programs is contingent not only on resource provision but also on the development of entrepreneurial capabilities that enable resource optimization.

Entrepreneurial Orientation

Entrepreneurial orientation (EO) is widely recognized as a key strategic capability that reflects how firms identify opportunities, respond to environmental changes, and manage uncertainty. EO is commonly conceptualized through three core dimensions: proactiveness, innovativeness, and risk-taking (Lumpkin & Dess, 2001). These dimensions collectively represent a firm's strategic posture and its capacity to engage in opportunity-seeking behavior in dynamic markets.

A substantial body of empirical research demonstrates that entrepreneurial orientation has a positive and significant effect on firm performance across various contexts, including SMEs and microenterprises(Rauch et al., 2023). More recent studies further argue that EO functions as a dynamic capability that enables firms to reconfigure resources and adapt to environmental turbulence (Kraus et al., 2022). In resource-constrained environments, such as microenterprises supported by zakat programs, EO

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becomes even more critical as it allows entrepreneurs to leverage limited resources more effectively and to respond strategically to market challenges(Fajarika et al., 2024).

Proactiveness and Marketing Performance

Proactiveness refers to a firm's forward-looking perspective and its ability to anticipate future market demands and act ahead of competitors. This dimension reflects opportunity-seeking behavior, where firms actively scan the environment and initiate actions to capture emerging opportunities. Proactive firms are typically characterized by early market entry, responsiveness to customer needs, and strategic adaptability.

Empirical studies consistently identify proactiveness as one of the strongest predictors of firm performance, as it enhances a firm's ability to exploit market opportunities and respond effectively to environmental changes (Ferreira et al., 2023; Kraus et al., 2022; Wiklund et al., 2023). In microenterprise contexts, proactiveness is particularly important as it compensates for resource limitations by enabling entrepreneurs to act strategically rather than reactively. Studies in Indonesian MSMEs, including those aligned with JMDK research streams, also emphasize that proactive behavior significantly improves market responsiveness and customer engagement, which are critical components of marketing performance (Hidayati et al., 2023). Therefore, proactiveness is expected to have a strong positive influence on marketing performance.

Risk-Taking and Marketing Performance

Risk-taking reflects the willingness of entrepreneurs to engage in decisions involving uncertainty, such as entering new markets, investing in new products, or adopting unfamiliar strategies. From the RBV perspective, risk-taking is considered an exploratory capability that enables firms to pursue opportunities that may yield competitive advantage.

Empirical evidence suggests that risk-taking positively influences firm performance, particularly in dynamic and uncertain environments (Rauch et al., 2023; Wiklund et al., 2023). However, in microenterprise settings, risk-taking behavior is often moderated by resource constraints and survival considerations. Recent studies highlight that the effectiveness of risk-taking depends on the entrepreneur's ability to manage uncertainty and align risk decisions with available resources (Fajarika et al., 2024). This implies that risk-taking in microenterprises tends to be more calculated rather than aggressive. Nevertheless, such calculated risk-taking remains essential in enhancing marketing performance through market expansion and strategic experimentation.

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Innovativeness and Marketing Performance

Innovativeness refers to a firm's ability to generate and implement new ideas, products, or processes that create value for customers. Innovation enhances competitiveness by enabling differentiation and responsiveness to changing market demands. In the context of marketing, innovativeness contributes to improved customer satisfaction, product attractiveness, and market positioning.

Recent empirical studies confirm that innovativeness significantly contributes to firm performance, particularly in SMEs operating in competitive environments (Ferreira et al., 2023; Wiklund et al., 2023). In microenterprises, innovation is often incremental due to limited financial and technological resources. However, even incremental innovations can have a substantial impact on marketing performance by improving product quality and enhancing customer value propositions (Fajarika et al., 2024). This highlights the importance of fostering innovation capabilities even in resource-constrained settings.

Control Variables

In addition to the main independent variables, this study incorporates demographic factors, specifically gender and managerial experience, as control variables to account for potential variations in marketing performance. Prior research suggests that managerial experience may enhance decision-making quality, opportunity recognition, and strategic responsiveness, thereby influencing firm performance (Hidayati et al., 2023; Kraus et al., 2022). Similarly, gender has been associated with differences in entrepreneurial behavior, particularly in terms of risk perception, networking patterns, and management approaches.

However, recent empirical findings indicate that the influence of demographic variables on firm performance is often inconsistent, especially in microenterprise and resource-constrained contexts (Fajarika et al., 2024). Structural limitations tend to reduce performance variability across demographic groups, making behavioral capabilities more salient determinants of success. Therefore, gender and managerial experience are included as control variables to isolate the net effect of entrepreneurial orientation on marketing performance and to ensure a more robust and unbiased estimation of the proposed relationships.

Research Gap and Synthesis

Despite the extensive literature on entrepreneurial orientation and firm performance, most prior studies have been conducted in conventional business

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environments, thereby limiting their applicability to socially embedded and resource-constrained contexts such as zakat-based microenterprises. These enterprises operate under unique structural conditions, including dependency on institutional support, limited managerial experience, and restricted market access, which may alter the way entrepreneurial orientation influences performance outcomes. As a result, existing findings may not fully capture the dynamics of entrepreneurial behavior in such contexts (Kraus et al., 2022; Wiklund et al., 2023).

Furthermore, prior research frequently emphasizes demographic characteristics, such as gender and managerial experience, as key determinants of firm performance. However, empirical evidence remains inconsistent, particularly in micro and small enterprises, where structural constraints tend to reduce the explanatory power of demographic variables (Fajarika et al., 2024; Hidayati et al., 2023). Recent studies also suggest that demographic factors tend to have weaker explanatory power compared to behavioral and strategic capabilities in predicting firm performance in SMEs (Ferreira et al., 2023). This inconsistency indicates that demographic attributes alone are insufficient to explain performance variation, thereby highlighting the need to focus on behavioral capabilities as more robust predictors.

Building on the Resource-Based View, this study argues that in resource-constrained environments, entrepreneurial orientation functions as a dominant internal capability that directly determines how effectively entrepreneurs utilize available resources. Unlike tangible resources, which are often limited or externally provided, entrepreneurial orientation reflects an internal strategic capacity that shapes opportunity recognition, decision-making, and market responsiveness. Even when financial assistance is uniformly distributed through empowerment programs, differences in entrepreneurial behavior can lead to significantly different performance outcomes. Therefore, proactiveness, innovativeness, and risk-taking are conceptualized as key drivers of marketing performance, positioning entrepreneurial orientation as the central explanatory construct in this study.

Conceptual Framework Development

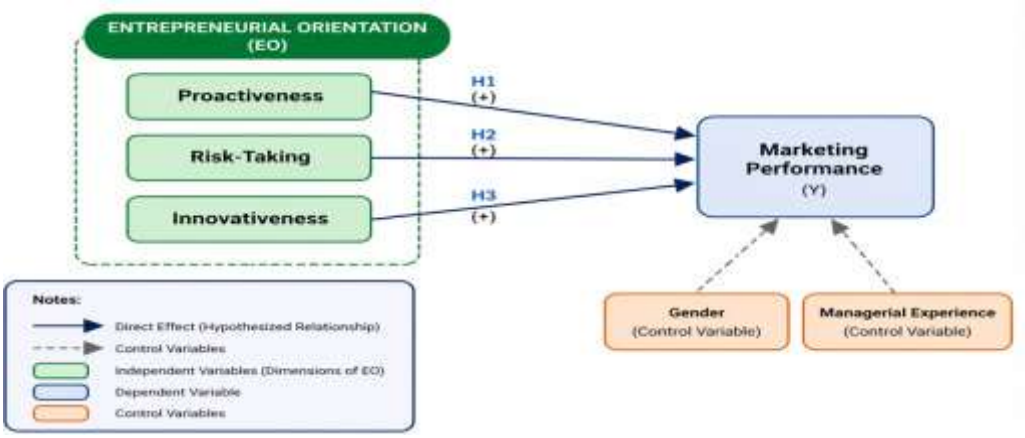
Building upon the Resource-Based View (RBV), this study conceptualizes entrepreneurial orientation as a critical internal capability that enables firms to effectively mobilize and leverage limited resources to achieve superior performance outcomes. In resource-constrained environments, such as zakat-based microenterprises, internal strategic capabilities become more decisive than external resource endowments.

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Entrepreneurial orientation, reflected through proactiveness, risk-taking, and innovativeness, represents a firm's behavioral capacity to identify opportunities, respond to environmental changes, and create value under uncertainty.

Accordingly, this study positions the three dimensions of entrepreneurial orientation as key predictors of marketing performance. In addition, demographic characteristics, namely gender and managerial experience, are incorporated as control variables to account for potential heterogeneity in performance outcomes. The conceptual framework illustrating these relationships is presented in Figure 1.



As depicted in Figure 1, this study proposes that each dimension of entrepreneurial orientation, proactiveness, risk-taking, and innovativeness exerts a direct and positive influence on marketing performance. This proposition aligns with the RBV argument that firm performance is primarily driven by valuable, rare, and inimitable internal capabilities, particularly in environments characterized by resource limitations and market uncertainty.

Furthermore, gender and managerial experience are included as control variables to isolate the net effect of entrepreneurial orientation on marketing performance. While prior studies suggest that demographic factors may influence entrepreneurial behavior, their effects are often inconsistent, especially in microenterprise contexts. Therefore, this study emphasizes behavioral capabilities as the dominant determinants of performance outcomes.

Based on this theoretical foundation, the following hypotheses are formulated:

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HIPOTESIS

Grounded in the Resource-Based View (RBV), firm performance is largely determined by the ability to deploy and leverage internal capabilities rather than merely possessing resources. In resource-constrained environments, such as zakat-based microenterprises, entrepreneurial orientation functions as a critical intangible capability that enables firms to transform limited resources into superior marketing outcomes (Ferreira et al., 2023; Kraus et al., 2022). This perspective suggests that behavioral dimensions of entrepreneurial orientation play a central role in enhancing marketing performance.

Proactiveness reflects a firm's forward-looking orientation and its ability to anticipate future market trends and act ahead of competitors. Proactive firms are more responsive to customer needs, more adaptive to environmental changes, and more capable of identifying and exploiting emerging opportunities. Empirical evidence consistently shows that proactiveness has a strong positive effect on firm performance, particularly in dynamic and competitive environments (Kraus et al., 2022; Wiklund et al., 2023). In the context of microenterprises, especially those supported by zakat programs, proactiveness becomes a key mechanism for overcoming resource limitations by enhancing market responsiveness and opportunity recognition. Studies in Indonesian MSMEs, including those reported in JMDK-related research streams, also indicate that proactive behavior significantly improves marketing effectiveness and customer engagement (Hidayati et al., 2023). Therefore, proactiveness is expected to positively influence marketing performance.

H1: Proactiveness has a positive and significant effect on marketing performance.

Risk-taking represents the willingness of entrepreneurs to engage in decisions involving uncertainty, such as entering new markets, investing in new products, or adopting innovative strategies. From an RBV perspective, risk-taking is an exploratory capability that allows firms to pursue opportunities that may generate competitive advantage. Empirical studies demonstrate that risk-taking positively influences firm performance, particularly in uncertain and rapidly changing environments (Rauch et al., 2023; Wiklund et al., 2023). However, in microenterprise settings, risk-taking tends to be more cautious due to limited resources and higher exposure to failure. Recent research suggests that the effectiveness of risk-taking depends on the entrepreneur's ability to align risk decisions with available resources and strategic goals (Fajarika et al., 2024) .

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In Indonesian MSMEs, controlled and calculated risk-taking has been shown to support business sustainability and market expansion (Hidayati et al., 2023). Therefore, risk-taking is expected to have a positive effect on marketing performance.

H2: Risk-taking has a positive and significant effect on marketing performance.

Innovativeness refers to a firm's capability to develop and implement new ideas, products, or processes that create value for customers. Innovation enables firms to differentiate themselves from competitors and to respond effectively to changing market demands. Empirical evidence confirms that innovativeness significantly contributes to firm performance, particularly in SMEs operating in competitive markets (Ferreira et al., 2023; Wiklund et al., 2023). In microenterprises, innovation is often incremental due to resource constraints; however, even incremental innovations can enhance product quality, customer satisfaction, and market positioning. Recent studies on MSMEs in developing countries, including Indonesia, highlight that innovation capability plays a crucial role in improving marketing performance and long-term sustainability (Fajarika et al., 2024; Hidayati et al., 2023). Therefore, innovativeness is expected to positively influence marketing performance.

H3: Innovativeness has a positive and significant effect on marketing performance.

METHOD

Research Design

This study adopts a quantitative approach with an explanatory research design to examine the causal relationships between entrepreneurial orientation and marketing performance in zakat-based microenterprises. This design is appropriate as it allows for hypothesis testing and empirical validation of theoretical relationships. Quantitative explanatory research is widely used in entrepreneurship and marketing studies to assess the strength and direction of relationships among constructs (Hair et al., 2022) . The study is grounded in the Resource-Based View (RBV), which emphasizes the importance of internal capabilities in determining firm performance.

Population and Sample

The population of this study consists of micro-entrepreneurs participating in the ZMart program managed by Indonesia's national zakat institution. These participants

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represent microenterprises operating under structured empowerment programs that combine financial and non-financial support.

A total of 500 respondents were selected using proportionate stratified random sampling. This technique ensures that the sample adequately represents different regions and business characteristics within the population. Stratified sampling is particularly suitable for heterogeneous populations as it improves representativeness and enhances the generalizability of findings (Sekaran & Bougie, 2019). Prior studies on MSMEs in Indonesia, including those aligned with JMDK research contexts, also recommend this approach to capture diverse entrepreneurial profiles (Hidayati et al., 2023).

Data Collection

Data were collected through a structured questionnaire distributed online to the respondents. Before the main survey, a pilot test was conducted to ensure the clarity, reliability, and validity of the measurement items. The questionnaire uses a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5), which is widely applied in behavioral and entrepreneurship research.

All measurement items were adapted from established and validated scales in previous studies to ensure content validity and reliability (Rauch et al., 2023; Wiklund et al., 2023) . This approach also enhances comparability with prior empirical research.

Measurement of Variables

Entrepreneurial orientation is operationalized as a multidimensional construct consisting of proactiveness, innovativeness, and risk-taking (Lumpkin & Dess, 2001). Proactiveness reflects forward-looking behavior and opportunity anticipation, innovativeness captures the ability to introduce new ideas or processes, and risk-taking represents the willingness to engage in uncertain decisions.

Marketing performance is measured using key indicators such as sales growth, profit growth, and market expansion, which are commonly used in MSME performance studies (Fajarika et al., 2024). These indicators reflect both financial and market-based outcomes.

In addition, demographic variables, including gender and managerial experience, are included as control variables to account for potential differences among respondents. Previous studies, including those in JMDK contexts, highlight the importance of controlling demographic factors to improve model robustness (Hidayati et al., 2023).

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Data Analysis Technique

The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). This method is appropriate for predictive research models, complex relationships, and data that do not require strict normality assumptions (Hair et al., 2022; Sarstedt, M., Ringle, C. M., & Hair, 2020). PLS-SEM is widely used in entrepreneurship and MSME research due to its flexibility and robustness.

The analysis was conducted in two stages. First, the measurement model was evaluated to assess validity and reliability. Convergent validity was assessed using outer loadings and Average Variance Extracted (AVE), while reliability was evaluated using Composite Reliability and Cronbach's Alpha. Discriminant validity was examined using the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio.

Second, the structural model was evaluated by examining path coefficients, coefficient of determination (R^2), effect size (f^2), and predictive relevance (Q^2). Hypothesis testing was conducted using bootstrapping procedures to assess the significance of the relationships among variables.

In addition to the main constructs, this study includes control variables, namely gender and managerial experience, to account for potential heterogeneity in marketing performance. Gender is measured as a dummy variable, while managerial experience is measured based on the number of years the respondent has managed their business. These variables are incorporated into the structural model to ensure that the estimated effects of entrepreneurial orientation are not biased by demographic differences.

RESULT

Descriptive Analysis

This study involved 500 micro-entrepreneurs participating in the ZMart program. The descriptive analysis provides an overview of respondents' characteristics based on gender and managerial experience.

Table 1. Respondent Characteristics

No	Category	Frequency	Percentage (%)
1	Male	210	42.0
2	Female	290	58.0
3	Experience < 3 years	180	36.0
4	Experience ≥ 3 years	320	64.0

Source: Processed Data (2025)

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The results indicate that the majority of respondents are female (58%) and have more than three years of managerial experience (64%). This suggests that most participants possess a relatively adequate level of experience in managing their businesses. The dominance of female entrepreneurs also reflects the inclusive nature of zakat-based empowerment programs, which actively support women's economic participation. Moreover, the relatively high proportion of experienced respondents strengthens the reliability of the data, as the participants are likely to have sufficient knowledge and exposure to business practices.

Measurement Model Evaluation

The measurement model was evaluated to assess the validity and reliability of the constructs. Convergent validity was examined using outer loadings and Average Variance Extracted (AVE), while reliability was assessed using Composite Reliability and Cronbach's Alpha.

Table 2. Measurement Model Assessment

No	Construct	Loading Range	Cronbach's Alpha	Composite Reliability	AVE
1	Proactiveness	0.91–0.93	0.962	0.970	0.842
2	Innovativeness	0.93–0.94	0.962	0.970	0.867
3	Risk-Taking	0.91–0.92	0.963	0.970	0.844
4	Marketing Performance	0.92–0.94	0.950	0.964	0.869

Source: Processed Data (2025)

All constructs demonstrate strong convergent validity, as indicated by outer loadings exceeding the recommended threshold of 0.70 and AVE values above 0.50. Furthermore, the reliability measures, including Cronbach's Alpha and Composite Reliability, are well above the acceptable threshold of 0.70, indicating high internal consistency. These results confirm that the measurement model is both valid and reliable, providing a robust foundation for further structural analysis.

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Structural Model Evaluation

The structural model was evaluated using bootstrapping procedures to test the proposed hypotheses. The results are presented in Table 3.

Table 3. Structural Model Results

No	Hypothesis	Relationship	β	t-value	p-value	Decision
1	H1	Proactiveness → Marketing Performance	0.382	8.999	0.000	Supported
2	H2	Risk-Taking → Marketing Performance	0.190	4.470	0.000	Supported
3	H3	Innovativeness → Marketing Performance	0.222	5.072	0.00	Supported

Source: Processed Data (2025)

The results indicate that all dimensions of entrepreneurial orientation have a positive and statistically significant effect on marketing performance. Among the three dimensions, proactiveness exhibits the strongest effect (β = 0.382), followed by innovativeness (β = 0.222) and risk-taking (β = 0.190). This finding highlights the relative importance of proactive behavior in driving marketing outcomes in microenterprise contexts.

Coefficient of Determination (R^2)

Table 4. Coefficient of Determination

No	Variable	R^2	Interpretation
1	Marketing Performance	0.439	Moderate

Source: Processed Data (2025)

The R^2 value of 0.439 indicates that 43.9% of the variance in marketing performance is explained by entrepreneurial orientation. This suggests that the model has moderate explanatory power, which is considered acceptable in social science

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research. The remaining variance may be influenced by other factors not included in this study, such as market conditions, digital capabilities, or institutional support.

Table 5. Control Variables

No	Variable	β	t-value	p-value	Decision
1	Gender → Marketing Performance	0.052	1.214	0.225	Not Significant
2	Experience → Marketing Performance	0.081	1.785	0.075	Not Significant

Source: Processed Data (2025)

Theresults indicate that gender and managerial experience do not have a significant effect on marketing performance. This suggests that demographic characteristics do not play a substantial role in explaining performance variation among micro-entrepreneurs in this context.

The findings of this study demonstrate that entrepreneurial orientation significantly influences marketing performance in zakat-based microenterprises, thereby providing strong empirical support for the Resource-Based View (RBV). RBV posits that firm performance is primarily driven by internal capabilities rather than the mere possession of resources (Barney, 1991; Ferreira et al., 2023). In resource-constrained environments such as microenterprises, this argument becomes even more relevant, as behavioral capabilities determine how effectively entrepreneurs utilize limited resources. Recent studies further confirm that in MSMEs, intangible capabilities such as entrepreneurial orientation play a more critical role than tangible assets in achieving competitive advantage (Fajarika et al., 2024; Kraus et al., 2022).

Among the three dimensions, proactiveness emerges as the most dominant factor influencing marketing performance. This finding suggests that the ability to anticipate market trends, respond quickly to customer needs, and act ahead of competitors is crucial for microenterprises operating under uncertainty. Empirical evidence indicates that proactive firms are more likely to exploit emerging opportunities and achieve superior performance due to their forward-looking strategic behavior (Kraus et al., 2022; Wiklund et al., 2023) . In the context of zakat-based programs, proactive entrepreneurs are better positioned to transform limited financial support into sustainable business outcomes. Studies in Indonesian MSMEs, including those reported in JMDK-related research streams, also highlight that proactive behavior enhances market responsiveness and

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customer engagement, which ultimately improves marketing performance (Hidayati et al., 2023).

Innovativeness also shows a significant positive effect, indicating that the ability to introduce new ideas and adapt products or services contributes to improved marketing outcomes. Although innovation in microenterprises tends to be incremental rather than radical, it remains a key driver of competitiveness. Recent research demonstrates that even incremental innovation can significantly enhance customer value, differentiation, and business sustainability in SMEs (Ferreira et al., 2023; Fajarika et al., 2024). This finding aligns with studies emphasizing that innovation in developing economies is often resource-driven and adaptive, rather than technology-intensive. Therefore, innovativeness continues to play a vital role in strengthening marketing performance, even under structural limitations.

Risk-taking, while significant, has the smallest effect among the three dimensions. This suggests that micro-entrepreneurs tend to adopt a cautious and calculated approach in decision-making due to limited resources and high vulnerability to failure. Prior studies confirm that the impact of risk-taking on performance is context-dependent, particularly in small-scale enterprises where survival considerations dominate strategic choices (Rauch et al., 2023). In line with recent findings, effective risk-taking in MSMEs is often characterized by controlled experimentation rather than aggressive strategic moves (Fajarika et al., 2024). This explains why its contribution, although significant, is relatively smaller compared to proactiveness and innovativeness.

Overall, these results confirm that entrepreneurial orientation serves as a critical capability in enhancing marketing performance. More importantly, this study provides empirical evidence that differences in entrepreneurial behavior can lead to significantly different performance outcomes, even when financial support is equally distributed through zakat-based programs. This finding strengthens the argument that internal capabilities are the primary drivers of performance heterogeneity in microenterprises. From a theoretical perspective, this study extends the applicability of RBV by integrating it with the context of Islamic social finance, which has received limited attention in prior research.

From a practical standpoint, the findings offer important implications for zakat-based empowerment programs. The results suggest that improving microenterprise performance requires a shift from resource-based assistance toward capability-based development. In addition to providing financial support, zakat institutions should focus on enhancing entrepreneurial competencies, particularly proactiveness, innovation

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capability, and strategic decision-making. This is consistent with recent studies indicating that capability-driven interventions are more effective in ensuring sustainable MSME development compared to purely financial approaches (Fajarika et al., 2024; Hidayati et al., 2023).

The findings also reveal that demographic variables, including gender and managerial experience, do not significantly influence marketing performance. This result indicates that behavioral capabilities, particularly entrepreneurial orientation, play a more dominant role than demographic characteristics in determining business success in resource-constrained environments. This finding challenges the conventional assumption that personal attributes are key determinants of performance and instead highlights that what entrepreneurs do is more important than who they are. In the context of zakat-based microenterprises, where financial resources are relatively standardized across beneficiaries, differences in entrepreneurial behavior become the primary source of performance variation.

These findings also suggest that zakat institutions should systematically integrate capability-based empowerment strategies into long-term program designs to ensure sustainable and scalable impact.

CONCLUSION

This study concludes that entrepreneurial orientation plays a pivotal role in enhancing marketing performance in zakat-based microenterprises. The findings demonstrate that all dimensions of entrepreneurial orientation, proactiveness, innovativeness, and risk-taking have a positive and significant effect on marketing performance, with proactiveness emerging as the most influential factor. This indicates that the ability of micro-entrepreneurs to anticipate market changes, take initiative, and respond strategically to environmental dynamics is more critical than relying solely on financial assistance. In line with the Resource-Based View (RBV), this study confirms that behavioral capabilities function as key intangible resources that enable micro-entrepreneurs to transform limited resources into superior marketing outcomes. Moreover, this study extends the application of RBV into the context of Islamic social finance by demonstrating that entrepreneurial orientation remains a central driver of performance even within zakat-based empowerment programs.

These findings carry important practical implications. For practitioners, particularly zakat management institutions, the results suggest that empowerment programs should move beyond financial support and prioritize the development of entrepreneurial

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capabilities. Training initiatives should emphasize proactive market orientation, opportunity recognition, and adaptive decision-making, while mentoring programs should encourage incremental innovation and calculated risk-taking. For policymakers, this study highlights the need to design more holistic empowerment strategies that integrate financial assistance with capability-building interventions, ensuring the sustainability of microenterprises.

For future research, this study recommends incorporating additional variables, such as digital marketing capability, social capital, or network embeddedness, to provide a more comprehensive understanding of microenterprise performance. Furthermore, future studies are encouraged to adopt longitudinal designs to capture the dynamic nature of entrepreneurial behavior and its long-term impact on performance. Expanding the research context beyond zakat-based programs to other forms of Islamic social finance or different regional settings would also enhance the generalizability of the findings.

Overall, this study underscores that the success of zakat-based microenterprises is not merely determined by the availability of financial resources, but more importantly by the ability of entrepreneurs to utilize these resources effectively through strong entrepreneurial orientation. Therefore, strengthening behavioral capabilities should become a central priority in designing sustainable and impactful microenterprise empowerment programs.

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