Analysis of Supply Chain Performance Factors Achieving Performance Marketing of Processed Coconut Wood in Padang Pariaman District

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Abstract

The purpose of this research is analyze the effect of supply chain performance on the marketing performance of processed coconut wood in district Padang Pariaman. The research used survey method in collecting data from 30 sample that were selected using random sampling. The analysis tool used is Partial Least Square (PLS). The result showed that the perpetrator of processed coconut wood supply chains found in Padang Pariaman regency consisted of coconut farmers, coconut trunk collectors, processing coconut trunk into processed coconut wood, processed coconut wood traders, retailers, and consumers. Variable performance of supply chain of processed coconut wood in Padang Pariaman regency has a significant positive effect on the variable of marketing performance. The magnitude of the effect of the performance of the supply chain of processed coconut wood on marketing performance is 15,121. Based on the results of the research, the advice that researchers can provide is the each member of the supply chain should ensure the availability of supplies and set the appropriate prices and other indicators can be added because the indicators are invalid in measuring each latent variable is discarded.

Keywords: supply chain; processed coconut wood.

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1. Introduction

Plantation subsector is an important part of countries. The plantation subsector which is significant varies greatly in the land allocated to it, both in absolute and relative to the small subsector. There are different economic and social effects when the plantation subsector is a relatively small part of the agricultural sector. One of the plantations that has contributed to supporting the country's economy and especially the region is coconut [1].

Coconut (Cocos nucifera) is a versatile tropical plant and called as the tree of life. This plant is known as the tree of life or also called multipurpose tree because almost all parts of this plant can be used by humans both fruit, stem and leaves for life. In addition, coconut plants (Cocos nucifera) have a very strategic role for the community.

Agro-industry is an industrial activity which made from the main raw materials from agricultural products to add value to the product [2]. Agro-industry as part of manufacturing that processes raw materials. Agro-industry is taken to include producers of food, beverages and tobacco, textiles and clothing, wood products and furniture, paper, paper and printing products, and rubber and rubber products. In turn, agro-industry is part of a broader business concept that includes input suppliers to agricultural, distributors and distributors of food and non-food products placing from agro-industry [3].

One area of coconut agro-industry development in West Sumatra is Kabupaten Padang Pariaman. From coconut palms can be obtained various products including traditional products such as copra, coconut oil, cake and brown sugar. Besides that, with the advanced processing technology various kinds of products and their derivatives can be produced from nata de coco coconuts, virgin oil, vinegar and activated charcoal. In addition, coconut trunks can be used as coconut wood.

Coconut trunks as wood substitutes can be used as building materials, home furnishings, utensils, handicrafts and energy sources in the form of charcoal. The coconut stem also has a unique aesthetic value because of the distinctive shape and texture of the wood type. Traditionally wood from coconut trunks is more widely used as heavy construction wood such as beams and casings, starting to be used as door, window, furniture and flooring components. The specificity of the characteristics of the coconut trunk is the physical properties of wood, especially its density, which are very varied. Wood from coconut trunks is used now and is valuable for furniture production. Coconut trunks are also used for pole construction. Coconut processing also provides practical difficulties. The rate of conversion of whole coconut rods into wood is relatively low.

The value of the product being changed is added value, which is processing coconut stems into processed coconut wood. added value is the process of changing products from the condition of raw materials to better conditions. It is important to identify value-added activities that will support investments needed in processing, and marketing [4].

A product will be assessed according to the added value of the product, causing the coconut wood processing business to develop quite rapidly. The need for quality coconut wood for quality products, in the processed

coconut wood industry requires good control in all processes, starting from the selection of raw materials, processing to the product to the final consumer.

Supply chain management is recognized as the integration of key business processes throughout the supply chain. Supply chain management is providing products, services, and information that adds value to customers and other stakeholders [5]. The benefits of measuring supply chain performance are defeated by the costs of implementation and maintenance. This may be especially true for small businesses that may lack the resources, time or information to carry out the analysis needed to optimize supply chain activities [6].

Within the scope of marketing performance management, problems often seen in practice refer to being able to make an accurate separation between marketing and other functional areas, especially marketing and sales. Marketing performance is used to measure the market performance of a product [7]. Supply chain performance greatly influences marketing performance. In the supply chain involved not only suppliers and manufacturers, but also involved retailers, transportation and even end consumers.

The novelty in this research are to add other variables, namely market orientation and does not include the level of variable supply chain agility. For purposes, methods and data analysis and research objects used are different.

Research purposes

The objectives to be achieved in conducting this research are to

1. Describe the supply chain for processed coconut wood in Kabupaten Padang Pariaman.
2. Analyzing the effect of supply chain performance on the marketing performance of processed coconut wood processing in Kabupaten Padang Pariaman.

2. Research Methodology

2.1 Time and time of study

This research was carried out in Padang Pariaman Regency, West Sumatra. The selection of Padang Pariaman Regency was done intentionally (purposive) on the consideration that Kabupaten Padang Pariaman was the Regency with the largest production in West Sumatra in 2015. The study was conducted for one month from 2 August to 1 September 2018.

2.2 Method of data collection

Data collected in this research consisted of two data, that is primary data and secondary data which have relation with the problem become study in this research.

2.3 Research methods

This research was carried out using quantitative descriptive methods. Descriptive research is a research method used to describe existing phenomena as accurately as possible. The word existing phenomenon makes descriptive research contrary to experimental research which observes not only the phenomena that exist, but also phenomena after a certain period of treatment, accurately about the facts. Collect data available through the use of research instruments such as tests, questionnaires, interviews, or even observation. The main purpose of this descriptive research is to systematically describe the phenomena that exist in this study. Descriptive research includes several subtypes of research methods such as surveys, correlation and qualitative studies [8].

The descriptive method used in this study is a survey method. According to [9] said that the survey method is used for describe a method of gathering information from individual samples. In addition to samples and collection information, other repetitive terms in definitions and descriptions are systematic or organized and quantitative. Survey method is a research strategy in quantitative information that is collected systematically from relatively large samples taken from a population.

This study analyzes the factors that influence the performance of the supply chain in achieving the marketing performance of processed coconut wood in Kabupaten Padang Pariaman by conducting a survey of processed coconut wood processing to obtain facts and information in real terms in accordance with the conditions of the field, in addition to seeing the influence Supply chain performance on the marketing performance of processed coconut wood processing in Kabupaten Padang Pariaman can also be used by survey method by asking directly to the object of research, namely coconut stem traders and processing of processed coconut wood in Kabupaten Padang Pariaman.

3. Results and discussion

3.1 Business Conditions for Processed Coconut Wood Processing

Based on the results of the study and direct interviews with the owners of processed coconut wood, it was found that the processing of coconut trunks into processed coconut wood was the main work of most processed coconut wood processing owners in Padang Pariaman Regency. The processing of coconut wood was mostly established after the 2009 earthquake in West Sumatra. Due to the insistence of demand for wood for building materials after the West Sumatra earthquake. Business owners of processed coconut wood are mostly experienced in censoring coconut trunks that will be processed into processed coconut wood.

The main purpose of processing processed coconut wood is to increase income, profits, improve family life and increase the selling power of processed coconut wood. Sales of processed coconut wood have mostly reached the domestic market and some have reached the export market. For sales of domestic processed coconut wood, the most important sales are to Java Island and sales in the export market, namely Japan, South Korea, Malaysia and Singapore. The owners of processed coconut wood mostly cooperate with suppliers of raw materials and consumers, so that the processing or owners of processed coconut wood benefit.

The method of processing coconut trunks into processed coconut wood uses a wood processing machine with

the help of human labor. Human labor that is used to assist processing in processing coconut trunks is the workforce who want to work together in processing by imitating or seeing friends who work. This means that the processing of processed coconut wood does not carry out special training and formal development from the owners of coconut wood processing or from the government, namely from extension agents to use the processing machines of coconut trunks into processed coconut wood. Manpower processing coconut wood in coconut wood processing activities will be given a wage in accordance with the amount of responsibility given. The responsibilities that are still given in the processing of coconut wood include the operator part, the pull section and the stacking part and the remaining processing of coconut wood.

Coconut wood processing owners do not have a fixed or self-owned processing land, but most processing owners rent land for processing coconut wood. For rent for one year, the average rental price is Rp. 800,000 / year. The average land area is 20 m x 15 m which is 36.67% which is used to process coconut stem processing is empty land, making it easier for processing owners to carry out their processing activities. In addition, the coconut stem obtained is not from the land of the coconut plantation itself, but is imported from suppliers of coconut stems.

3.2 Descriptions of Processed Coconut Wood Supply Chains

1. Chain Structure

a. Chain members and their roles

The main actors in the coconut stem supply chain are called terms with chain members. Members of the main (primary) coconut stem supply chain in Padang Pariaman District consist of coconut farmers, coconut stem collectors, coconut rod processors into processed coconut wood, processed coconut wood traders, retail traders, and consumers.

Coconut farmers are one of the supply chain members who act as the main provider of coconut trunks that will be processed into processed coconut wood. Coconut trunks provided by farmers are coconut trunks that are old or no longer produce. Because the coconut stem has a superior value compared to the coconut stem that is still young or still in production.

Coconut trunk collectors are traders who collect or buy coconut trunks from coconut farmers. Then market it back to the processing of the coconut stem into processed coconut wood. Coconut traders generally work as non-permanent coconut farmers and traders. Being a coconut trader is not fixed due to the age of the coconut stem that can be processed, namely the coconut stem that is not short-lived, but reaches the age of more than thirty years and even reaches the age of more than one hundred years. In the supply chain of processed coconut wood in Kabupaten Padang Pariaman, it is divided into two parts of coconut stem suppliers, namely coconut trunk collectors and coconut wood processors who look for coconut trunks themselves.

Coconut stem processing is a place for processing coconut trunks into processed coconut wood. In addition to processing coconut trunks into processed coconut wood, processing coconut wood also conducts activities to

find coconut trunks that cannot produce and which have reached the age of more than 30 years. The search for coconut trunks that are carried out in non-permanent areas, but still in the Padang Pariaman Regency area and the raw material of coconut trunks does not affect certain regions.

Processed coconut wood traders are coconut wood traders who are ready to be used by other parties. These processed coconut wood traders not only market it in the Padang Pariaman Regency, including the West Sumatra region and even outside Sumatra. In addition, there are coconut wood traders who market it to the export market. This coconut wood trader has limited capital even without capital, so the ability to buy processed coconut wood to be marketed again to retail traders must have a special agreement with the processing of processed coconut wood.
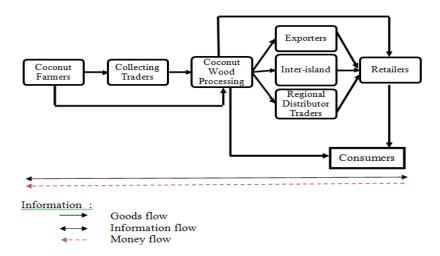
b. Flow patterns in the supply chain

Figure 1: Structure of supply chain for processed coconut wood from Kabupaten Padang Pariaman

The supply chain structure in Figure 1. describes the flow of processed coconut wood in general from farmers to end consumers. The supply chain structure can be translated into several patterns or channels from the flow of processed coconut wood, namely:

Channel 1: Coconut Farmers - Collecting Traders - Coconut Wood Processing - Exporters - Retailers - Consumers

Channel 2: Coconut Farmers - Collecting Traders - Processing Coconut Wood - Inter-island Traders - Retailers - Consumers

Channel 3: Coconut Farmers - Collecting Traders - Coconut Wood Processing - Regional Distributor Traders - Retailers - Consumers

Channel 4: Coconut Farmers - Coconut Wood Processing - Exporters - Retailers - Consumers

Channel 5: Coconut Farmers - Coconut Wood Processing - Inter-island Traders - Retailers – Consumers

Channel 6: Coconut Farmers - Coconut Wood Processing - Regional Distributor Traders - Retailers - Consumers

Channel 7: Coconut Farmers - Coconut Wood Processing - Retailers - Consumers

Channel 8: Coconut Farmers - Coconut Wood Processing – Consumers

Products supplied in this supply chain are processed coconut wood. The processed coconut wood flow is started by coconut farmers. Coconut trunks obtained from farmers are then channeled to coconut trunk collectors, coconut wood processing, processed coconut wood traders, retail traders to the end consumers. In carrying out the activities of selling processed coconut wood, coconut farmers and other supply chain members can experience more than one supply channel above.

In the supply chain of processed coconut wood, a very important flow of information is information about the prices of processed coconut wood on the market. The price of processed coconut wood is not evenly distributed in each sub-district, and not always the same between sub-districts in Padang Pariaman District which makes market participants must continue to get the latest information about prices so as not to be harmed in transactions conducted with other market participants. Based on the direction of the flow, the dissemination of information in the supply chain system for processed coconut wood is divided into two, namely the dissemination of information vertically and horizontally. Vertical information dissemination occurs between different levels of chain members, while horizontal information dissemination occurs between different supply chain members at the same level.

The limited availability of market information causes coconut farmers and coconut stem traders to obtain information from each other from other supply chain members. Coconut farmers obtain information about the price of coconut trunks from fellow farmers. Collector traders also get information on the price of processed coconut wood from fellow coconut trunk collectors. While the processing of coconut wood gets information on the price of processed coconut wood from fellow coconut wood processing, exporters, inter-island traders, regional distributor traders. Retailers get information about the price of processed coconut wood from the prices formed on the market or from other traders.

The flow of information from word of mouth provides high risks such as miscommunication, negative competition, and information fraud that causes transaction costs or the price of processed coconut wood to be higher than the real one. This can lead to a sense of mistrust between members of processed coconut wood supply chains. To overcome this, a good relationship with other supply chain members must be maintained.

Financial flows in the supply chain of processed coconut wood in the form of cash payments for processed coconut wood that are traded. Payment of proceeds from the sale can be used as capital to procure coconut trunks into processed coconut wood. This financial flow starts from consumers of processed coconut wood to coconut farmers. Financial flow from one chain member to another chain member generally runs smoothly. The money payment system from prospective buyers to sellers is generally done in cash or paid in half first, the rest

is paid if the goods have arrived at the buyer.

3.3 Results of Statistical Analysis of the Effect of Supply Chain Performance on Marketing Performance of Processed Coconut Wood Processing in Kabupaten Padang Pariaman

Measurement of supply chain performance, preceded by the determination and weighting of the performance matrix to be used. The SCOR matrix (Supply Chain Operations Reference) is a supply chain performance measurement standard that can describe the conditions or performance of the supply chain and the objectives to be achieved. The results of SCOR in this study are in Appendix 14. The matrix is used in the supply chain performance measurement process that shows quantitative degrees and an attribute. Meanwhile, SCOR (Supply Chain Operations Reference) in this study determined 2 types of performance attributes, including performance related to customers and performance related to internal.
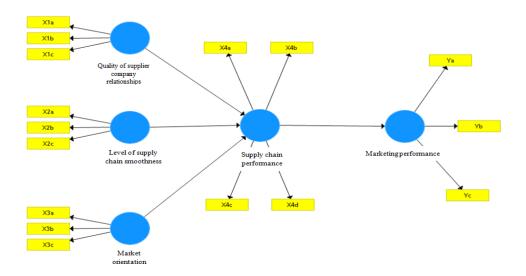
1. Path Diagram

Figure 2: Research Path Diagram

A diagram is one technique to describe a concept that is built using several measurable indicators. The path diagram in this study was carried out on 4 latent variables, namely the quality of the supplier company's relationship (X1), the level of suppression of the supply chain (X2), market orientation (X3) and supply chain performance (X4). Each latent variable has an indicator. X1 variable is measured using 3 indicators, X2 variable is measured using 3 indicators, X3 variable is measured using 4 indicators, X4 variable uses 4 indicators. This analysis was conducted to examine the relationship between the quality of supplier company relationships (X1), the level of supply chain slackness (X2), market orientation (X3) on supply chain performance (X4) and the supply chain performance relationship (X4) to marketing performance (Y). The path diagram in the study is presented in Figure 2.

2. Observable Variable Validity and Reliability

Before the measurement is carried out, it is necessary to test the feasibility of the data by measuring the validity

and reliability of observed variables. According to Hulland (1999) a good measurement model must meet three criteria, namely reliability, convergent validity and discriminant validity. Reliability and validity have similarities and close relationships. In classical theory, both have fundamental differences. Reliability is usually estimated from a single construct / latent variable because it emphasizes consistency or stability while validity often involves more than one construct or latent variable. The results of the validity and reliability test are explained as follows:
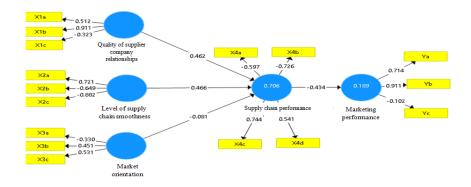
a. Convergent Validity Test

Figure 3: Results of confirmatory-first factor analysis

Convergent validity is indicated by the correlation between indicators with latent variables. Proof of convergent validity can be achieved in two ways, namely through the achievement of criteria and through a model comparison test. In this study convergent validity is proven through the achievement of criteria. Hair and his colleagues (2010) and Koo and his colleagues (2009) stated that in the SEM / PLS approach, a measurement meets convergent validity if it meets the requirements of having a minimum reliability indicator of 0.5. The results of the initial stage factor analysis are presented in Figure 3. These results indicate that there are indicators that have poor convergent validity. Thus, an invalid indicator in measuring each of the latent variables is discarded. The following are the final confirmation results after removing the invalid indicator:
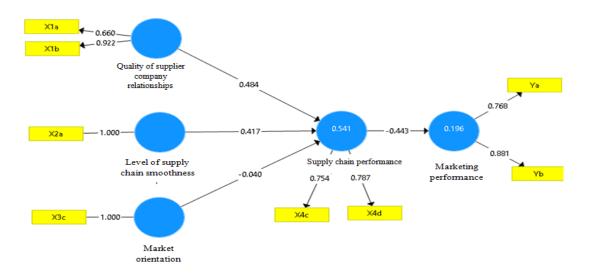

Figure 4: Results of confirmatory-last factor analysis

The factor load value (factor loading) of the final stage is explained in Figure 8, it can be seen that all indicators have a factor loading greater than 0.5. These results indicate that all indicators have good convergent validity. Thus, the indicator is valid in measuring each of the latent variables.

b. Discriminant Validity Test

Table 1: Results of AVE values

	Cronbach's Alpha	rho_A	Composite Realibility	Average Variance Extracted
Marketing performance (Y)	0,543	0,574	0,811	0,683
Supply chain performance (X4)	0,316	0,317	0,745	0,594
Quality of supplier company relationships (X1)	0,482	0,619	0,778	0,643
Market orientation (X3)	1,000	1,000	1,000	1,000
Level of supply chain smoothness (X2)	1.000	1.000	1.000	1.000

Discriminant validity test is done to find out how far the difference in the value of the validity of a variable when compared with other variables. One way to measure discriminant validity is to compare the square root value of the average variance extracted (AVE) obtained through the correlation values between variables (Hair and his colleagues 2010). If the square root value of the average variance extracted (AVE) latent variable is greater than 0.7 and is greater than the correlation value with all other latent variables, then it is said to have good discriminant validity. It is recommended that the AVE measurement value must be greater than 0.50. The results of AVE and square root AVE values are presented in Tables 1 and 2

Table 2: Results of Squared Value

	Marketing performance	Supply chain performance	Quality of supplier company relationships	Market orientation	Level of supply chain smoothness
Marketing performance (Y)	0,826				
Supply chain performance (X4)	-0,443	0,771			
Quality of supplier company relationships (X1)	-0,170	0,615	0,802		
Market orientation (X3)	0,402	-0,168	-0,151	1,000	
Level of supply chain smoothness (X2)	-0,148	0,568	0,301	-0,131	1,000

Table 2 shows the square root value of AVE on variable Y (marketing performance) of 0.826. This value is greater than the correlation value between Y (marketing performance) with other variables that is equal to 0.402. The square root value of AVE on the variable X1 (the quality of the supplier company's relationship) is 0.802. This value is greater than the correlation value between X1 (the quality of the supplier company's relationship) with other variables that is equal to 0.615. The square root value of AVE on variable X2 (level of supply chain slack) is 1. This value is greater than the correlation value between X2 (level of supply chain slack) with other variables that is equal to 0.568. The square root value of AVE on the variable X3 (market orientation) is 1,000. This value is greater than the correlation value between X3 (market orientation) with other variables that is

equal to 0.402. Square root value AVE on variable X4 (supply chain performance) is 0.771. This value is greater than the correlation value between X4 (supply chain performance) with other variables that is equal to 0.615. Thus, the square root value AVE is greater than the correlation value between other variables. That is, that all latent variables in this study have good discriminant validity.

Based on the table below it is known that the value of cross loading between latent variables and the indicator is greater than the correlation value of other latent variables with the indicator variable. The value of cross loadaing variable Y (marketing performance) with the indicator Yes (increase in sales volume) and Yb (customer growth) of 0.768 and 0.881. This value is greater than the cross loading value of other variables. That is, that all variables in this study have good discriminant validity.

Table 3: Cross Loading

	Marketing performance	Supply chain performance	Quality of supplier company relationships	Market orientation	Level of supply chain smoothness
X1a	-0,080	0,317	0,660	-0,187	-0,096
X1b	-0,173	0,614	0,922	-0,094	0,430
X2a	-0,148	0,568	0,301	-0,131	1,000
X3c	0,402	-0,168	-0,151	1,000	-0,131
X4c	-0,261	0,754	0,463	-0,227	0,482
X4d	-0,417	0,787	0,485	-0,038	0,396
Ya	0,768	-0,307	-0,138	0,141	-0,164
Yb	0,881	-0,415	-0,144	0,479	-0,093

3. Model Suitability Test (Goodness of Fit)

Test the suitability of the model based on the specified criteria called the Goodness of Fit. The Goodness of Fit of Inner Model is measured using R-square dependent latent variables with the same interpretation as regression; Q-Square predictive relevance for a structural model, measuring how well the observation value is generated by the model and also its parameter estimation. Q-square value> 0 indicates the model has predictive relevance; on the contrary if the Q-Square value ≤ 0 shows the model lacks predictive relevance. Q-Square calculation is done by the formula:

$Q2 = 1 - (1 - R12) (1 - R22)$ „, $(1- Rp2)$ where R12, R22, ..., Rp2 are R-square endogenous variables in the equation model, Q2 magnitude has a value with a range of $0 <Q2 < 1$, where getting closer to 1 means the model is getting better. The magnitude of Q2 is equivalent to the total determination coefficient in path analysis. The value of R2 is presented in Table 4.

Table 4: Value of R Square

	R Square	R Square Adjusted
Marketing performance	0,196	0,168
Supply chain performance	0,541	0,488

The R-square value is the result (in the form of a percentage) of the representation of the independent variable

on the dependent variable. A good R2 value is above 0.2 (equivalent to 20%).

1. Based on the R2 value shown in Table 4 it can be explained that: X4 variables can be explained by variables X1, X2 and X3 by 19.6%, the rest is explained by other variables not examined.
2. Based on the R2 value shown in Table 11 it can be explained that: The X5 variable can be explained by the X4 variable of 54.1%, the rest is explained by other variables not examined.

Q-Square calculation is done by the formula:

Q2 = 1 - (1 - R12) (1 - R22) „, (1- Rp2)

Q2 = 1- (1- 0.196) x (1-0.541) = 0.6309

Q-square value> 0 indicates the model has predictive relevance; where the value 0.6309 is getting closer to 1 meaning the model is getting better.

4. Pathway Coefficient Model Hypothesis Test

Hypothesis testing is intended to examine the effect of an exogenous variable on an endogenous variable or the influence of an endogenous variable on other endogenous variables. In other words, we want to test the significance of the influence of a variable that affects another variable that is affected. The results of hypothesis testing are presented in Table 5. The hypothesis in this study is

H0: the dependent variable has no significant effect on the independent variable

Ha: the dependent variable has a significant effect on the independent variable

Table 5: Path Coefficients (Mean, STDEV, T-Values)

	Original Sample	Sample Mean	STDEV	T Statistics	p Values
Supply chain performance (X4)	0,344	0,341	0,085	5,212	0,000
Quality of supplier company relationships (X1)	0,484	0,541	0,141	3,439	0,002
Market orientation (X3)	0,405	0,108	0,189	0,412	0,832
Level of supply chain smoothness (X2)	0,417	0,371	0,127	3,291	0,003

The basis of decision making from the hypothesis test is if the value of t statistic <t table then H0 is accepted and if the value if t value of statistics> t table then H0 is rejected. The hypotheses that can be described based on the results in Table 5 are:

a. First Hypothesis

Ho: X1 has no significant effect on Y

Ha: X1 has a significant effect on Y

The statistic value is 3,439> t table (1,960). Means that Ho is rejected and Ha is accepted, this shows that the quality of the company-supplier relationship (X1) has a significant effect on marketing performance (Y). The sample mean value of 0.541 indicates that the quality of the firm-supplier relationship (X1) has a positive relationship to marketing performance (Y). Each increase in the quality score of the company-supplier relationship (X1) 1 unit then the marketing performance (Y) will increase by 0.541 units. The higher the score of respondents 'perceptions about the quality of the firm-supplier relationship (X1), the higher the score of respondents' perceptions of marketing performance (Y). The quality of the company-supplier relationship (X1) which consists of several indicators, honesty, trustworthiness, company profits from cooperative relationships has an influence on marketing performance (Y). According to Bernard (2011: 20) said that the quality of a good relationship will reduce the level of conflict and increase trust, commitment, continued long-term relationships and continued investment.

b. Second Hypothesis

Ho: X2 has no significant effect on Y

Ha: X2 has a significant effect on Y

Statistical t value is 3.291> t table (1.960). Means that Ho is rejected and Ha is accepted, this shows that the level of supply chain thinness (X2) has a significant effect on marketing performance (Y). The sample mean value of 0.371 indicates that the level of supply chain thinness (X2) has a positive relationship to marketing performance (Y). Each increase in the supply chain scoring rate (X2) 1 unit then the marketing performance (Y) will increase by 0.371 units. The higher the score of respondents 'perceptions about the level of supply chain thinness (X2), the higher the score of respondents' perceptions of marketing performance (Y). A good level of supply chain slackage will affect long waiting times, low product unity costs, and clear product quality. The level of supply chain slackness (X2) which consists of several indicators, they are level of product quality, product unity costs, waiting time for each product, has an influence on marketing performance (Y).

c. Third Hypothesis

Ho: X3 has no significant effect on Y

Ha: X3 has a significant effect on Y

Statistical t value is 0.412> t table (1.960). Means that Ho is rejected and Ha is accepted, this shows that market orientation (X3) has a significant effect on marketing performance (Y). The sample mean value of 0.108 indicates that market orientation (X3) has a positive relationship to marketing performance (Y). Each increase in market orientation score (X3) 1 unit then marketing performance (Y) will increase by 0.108 units. The higher the score of respondents 'perceptions about market orientation (X3), the higher the score of respondents' perceptions of marketing performance (Y). Market orientation that is seen as effective and efficient to create the

behaviors needed to create value for buyers that will ultimately affect the sustainable marketing performance of processed coconut wood.

d. Fourth Hypothesis

Ho: X4 has no significant effect on Y

Ha: X4 has a significant effect on Y

The statistic t value is 5.212> t table (1.960). Means that H0 is rejected and Ha is accepted, this indicates that supply chain performance (X4) has a significant effect on marketing performance (Y). The sample mean value of 0.341 indicates that supply chain performance (X4) has a positive relationship to marketing performance (Y). Each increase in supply chain performance score (X4) 1 unit then marketing performance (Y) will increase by 0.341 units. The higher the score of respondents 'perceptions about supply chain performance (X4), the higher the score of respondents' perceptions of marketing performance (Y). High supply chain performance is an important thing for processing processed coconut wood. With the supply chain of processed coconut wood processors can design a supply chain system that is mutually beneficial for each type of customer that it serves.

4.Conclusion

Based on the results of research on Supply Chain Performance Factor Analysis Achieving Marketing Performance of Processed Coconut Wood in Kabupaten Padang Pariaman, it can be concluded that:

1. Supply chain of processed coconut wood from producers to consumers have a long flow and diverse channels. However, the perpetrators of processed coconut wood supply chains in Padang Pariaman Regency consist of coconut farmers, coconut trunk collectors, processing coconut trunks into processed coconut wood, processed coconut wood traders, retail traders, and consumers. Members of the chain, especially coconut farmers, will supply coconut trunks that meet the age criteria or coconut trunks that are no longer able to produce, and coconut collectors will supply coconut trunks according to the amount of capital they have. The pattern of supply channels that are formed generally has been running for a long time and is formed naturally. The condition of physical resources, especially technology and human resources to process coconut trunks into processed coconut wood, has not experienced much development.

2. Performance of supply chain for processed coconut wood in Kabupaten Padang Pariaman has a significant positive effect on marketing performance. The magnitude of the effect of the performance of the supply chain of processed coconut wood on marketing performance is 5,212. This means that the higher performance of the supply chain of processed coconut wood causes the increasing performance of processed coconut wood marketing

5. Suggestion

1. Each member of the supply chain should ensure the availability of supplies and set prices accordingly

by maintaining communication and sharing accurate information and must enhance mutual cooperation and coordination between supply chain members.

2. Performance of supply chain for processed coconut wood in Kabupaten Padang Pariaman using several indicators. Instead, other indicators can be added because the indicator is invalid in measuring each latent variable is discarded.

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