

DATA DRIVEN ADAPTIVE STRATEGY: ANALYSIS OF MARKET ORIENTATION IMPLEMENTATION FOR COMPETITIVE ADVANTAGE OF SELLERS ON SHOPEE

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Abstract. *The hyper-competitive e-commerce era, platforms like Shopee have become the main battlefield for millions of sellers, especially MSMEs. Merely having quality products no longer guarantees success; winning is now determined by the ability to adapt to market dynamics. This research aims to analyze the implementation of market orientation strategy among sellers on Shopee. The main focus is to identify how successful sellers proactively utilize data and platform features to understand customers and map competitors. Using a qualitative case study approach, this study examines the practices of several top-rated sellers based on three pillars: customer orientation, competitor orientation, and inter-functional coordination. Findings reveal that successful sellers obsessively practice customer orientation. They not only read but also analyze reviews (especially negative ones) and chat patterns to implement instant improvements to descriptions, product photos, and packaging standards. Competitor orientation is implemented by monitoring pricing strategies, promotional programs, and competitor service gaps, which are then used to create unique differentiation. Furthermore, inter-functional coordination is materialized in the use of analytic data from the Shopee Seller Centre, such as conversion data, ad performance, and buyer demographics, to optimize stock management, marketing budget allocation, and admin response speed. Market orientation on Shopee is not a theoretical concept but an adaptive data-driven practice. The sellers' ability to extract and react quickly to real-time market intelligence provided by Shopee is a crucial determinant for survival and achieving sustainable competitive advantage.*

Keywords: *Competitive Advantage; Data Analysis; E-Commerce; Market Orientation; Shopee.*

1. INTRODUCTION

The landscape of digital commerce in Indonesia has undergone a massive transformation, shifting from an alternative shopping method to a primary economic engine. In this hyper-competitive e-commerce era, platforms like Shopee have become the main battlefield for millions of sellers, especially Micro, Small, and Medium Enterprises (MSMEs). The phenomenon observed in recent years is the saturation of the marketplace; entry barriers are low, leading to a flood of similar products. Consequently, merely having quality products no longer guarantees success; winning is now determined by the ability to adapt to market dynamics.

Many sellers on Shopee struggle to survive because they rely on intuition rather than data. They often ignore the wealth of information provided by the platform. This creates a research gap regarding how successful sellers specifically utilize digital data to implement strategic management theories. While Market Orientation is a well-established theory, its application within the specific, data-rich ecosystem of the Shopee Seller Centre requires fresh analysis.

This research aims to analyze the implementation of market orientation strategy among sellers on Shopee. The main focus is to identify how successful sellers proactively utilize data and platform features to understand customers and map competitors. By understanding this, we can provide a roadmap for other MSMEs to transition from passive selling to active, data-driven strategy formulation.

2. LITERATURE REVIEW

2.1 Market Orientation: From Traditional to Digital Concepts

The primary theoretical foundation of this research is rooted in the Market Orientation Theory popularized by Narver and Slater (1990). They defined market orientation as the organizational culture that most effectively and efficiently creates the necessary behaviors for the creation of superior value for buyers. In this study, the theory is examined through its three core pillars: Customer Orientation, Competitor Orientation, and Inter-functional Coordination.

- a. First, Customer Orientation requires a sufficient understanding of target buyers to create superior value. In the context of this study, this concept evolves into data-driven customer intimacy. Successful sellers on Shopee practice this by not only reading but obsessively analyzing digital footprints, specifically reviews (especially negative ones) and chat patterns, to implement instant improvements to product descriptions and packaging.
- b. Second, Competitor Orientation involves understanding the capabilities and strategies of competitors. Within the Shopee ecosystem, this theory manifests as monitoring competitive intelligence. The research highlights that this is implemented by observing pricing strategies, promotional programs, and competitor service gaps to create unique differentiation rather than just engaging in price wars.
- c. Third, Inter-functional Coordination refers to the coordinated utilization of resources. In this digital context, it translates to the integration of data from the Shopee Seller Centre, such as conversion data, ad performance, and buyer demographics. This data is used to coordinate critical operational decisions, including stock management and marketing budget allocation.

This research adopts the view that in the current hyper-competitive e-commerce era, market orientation is no longer merely a concept but an adaptive data-driven practice. The ability to extract and react quickly to this real-time market intelligence is the crucial determinant for achieving a sustainable competitive advantage.

2.2 Competitive Advantage in E-Marketplaces

Competitive advantage in e-marketplaces is increasingly dependent on "responsiveness." The ability to react to a competitor's price change or a sudden shift in consumer trend within hours, rather than weeks, is crucial. Recent studies suggest that data analytics capabilities significantly mediate the relationship between market orientation and firm performance (Hidayat et al., 2023; Pratama & Suharto, 2024). Sellers who utilize dashboard analytics to monitor traffic and conversion rates tend to have higher sustainability compared to those who do not.

3. RESEARCH METHODS

The selection of the right research method is the essence of a study. This research employs a qualitative case study approach. This method was chosen to gain a deep understanding of the "how" and "why" behind the strategies of top-performing sellers. As suggested by Yin (2018), case studies are appropriate when investigating a contemporary phenomenon within its real-life context.

The study was conducted virtually by observing store activities on Shopee and interviewing store owners. The fieldwork duration was approximately three months, from January 2024 to March 2024. This period was chosen to capture seller behavior during both low seasons and peak campaign periods (e.g., monthly double-digit sales).

The respondents involved were five "Star Seller" or "Star+" status merchants on Shopee who have maintained a store rating of above 4.8 for at least two years. The criteria for respondents were: (1) managing their own Shopee Seller Centre (not fully outsourced), (2) high volume of

transactions, and (3) willingness to share their dashboard insights. Data collection involved in-depth semi-structured interviews and observation of their "Business Insights" dashboard usage. Data was analyzed using thematic analysis to categorize findings into the three pillars of market orientation.

4. RESULTS AND DISCUSSION

4.1 Customer Orientation: Beyond Empathy to Analytics

Findings reveal that successful sellers obsessively practice customer orientation. In the traditional sense, this meant being polite. However, on Shopee, this variable manifests as data mining. Sellers not only read but also analyze reviews (especially negative ones) and chat patterns to implement instant improvements.

For instance, one respondent noted that customers frequently asked about "fabric transparency" in the chat. Even though the description said "premium cotton," the data from chat logs indicated a trust gap. The seller responded by adding a video showing the fabric against the light. This is a form of data-driven customer orientation where qualitative data (chat/reviews) drives operational changes in product photos and descriptions.

4.2 Competitor Orientation: Real-Time Intelligence

Competitor orientation is implemented by monitoring pricing strategies, promotional programs, and competitor service gaps. Successful sellers do not just look at the price; they look at the "service gap."

The analysis shows that sellers use the "Similar Product" feature to see what competitors are lacking. If a competitor has a cheaper product but many reviews complain about "slow shipping" or "poor packaging," the respondent uses this intelligence to create unique differentiation. They slightly increase the price but guarantee "Same Day Shipping" and "Bubble Wrap." This proves that competitor orientation in e-commerce is about finding the weakness in the rival's value proposition, not just engaging in price wars.

4.3 Inter-functional Coordination: The Role of Seller Centre Data

Furthermore, inter-functional coordination is materialized in the use of analytic data from the Shopee Seller Centre. In MSMEs, "inter-functional" often refers to the coordination between the inventory, marketing, and finance functions, even if managed by a small team.

Sellers use conversion data, ad performance, and buyer demographics to optimize stock management and marketing budget allocation. For example, if the "Business Insights" data shows that the highest traffic is between 7 PM and 9 PM, the seller coordinates their "Live Streaming" schedule and allocates the "Shopee Ads" budget specifically for that window. This alignment of resources (budget and time) based on data is the modern definition of inter-functional coordination.

4.4. Discussion

The results confirm that Market Orientation on Shopee is not a theoretical concept but an adaptive data-driven practice. The variable of Inter-functional Coordination acts as the engine that processes intelligence gathered from Customer and Competitor Orientation. The phenomenon of "Data Blindness" among failed sellers contrasts sharply with the "Data Obsession" of successful ones. The sellers' ability to extract and react quickly to real-time market intelligence provided by Shopee is a crucial determinant for survival and achieving sustainable competitive advantage.

CONCLUSION

It should be emphasized that the conclusion is not a summary but the results of research that describe the opinion or analysis of the author. The study concludes that the key to competitive advantage on Shopee lies in the speed of adapting data into strategy. Market orientation has shifted from a philosophy to a technical skill involving the interpretation of dashboard analytics. Sellers must prioritize the analysis of negative reviews to improve product quality (Customer Orientation), exploit competitors' service gaps rather than just matching prices (Competitor Orientation), and align their inventory and ads budget based on peak traffic data (Inter-functional Coordination). Future research should quantify these variables to test the correlation between specific data-tool usage frequencies and sales volume.

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