



## **Determinants of Profit Maximization Among Microentrepreneurs in the Davao Region, Philippines: An Explanatory Sequential Mixed Methods Approach**

### **Abstract**

In today's constantly evolving and competitive business environment, profit maximization remains a critical concern for micro-entrepreneurs, particularly in the salon industry. Thus, this study aimed to determine the influence of market orientation and entrepreneurial orientation on the profit maximization strategies of micro salon businesses in the Davao Region. The researcher employed an explanatory sequential mixed methods research design to gain a comprehensive understanding of the phenomenon. The quantitative strand involved a survey of 200 purposively selected micro-entrepreneurs operating salon businesses, while the qualitative strand included in-depth interviews with 10 participants. Quantitative data were analyzed using inferential statistics, while qualitative responses underwent thematic analysis. Findings revealed a very high status on market orientation, while a high status on entrepreneurial orientation and profit maximization was found among the respondents. Statistical results further showed that entrepreneurial orientation exerts a stronger influence on profit maximization than market orientation. Qualitative themes highlighted the importance of honoring customer preferences, fostering innovation, and adapting to market needs. The integration of findings showed a merging-confirmation pattern. At the same time, specific dimensions such as risk-taking and customer responsiveness followed a merging-expansion trend, underscoring the nuanced roles both orientations play in driving profitability. These results offer meaningful insights for research and practical strategies that support micro-entrepreneurs in achieving sustainable profit goals in a competitive marketplace.

Keywords: Business Management, market orientation, entrepreneurial orientation, regression, Philippines

## **1. Introduction**

Profit maximization is crucial to business viability and economic growth, especially for micro-entrepreneurs who propel the local economy (Bacq and Eddleston, 2020). In the current globalized economy, companies face more difficulties in profit maximization because of volatile economic conditions (Sheng et al., 2023). In Jamaica, Bowen (2021) states that micro-entrepreneurs face intense competition, limited access to technology, and poor infrastructure, which hinder their abilities to attract and retain customers, eventually affecting their maximization of profits. Micro-entrepreneurs in the Philippines struggle to access formal savings and reinvestment opportunities, limiting their profitability despite efforts by the government (BSP, 2020) and microfinance NGOs

<https://gjbie.minduraresearch.com/journal/index>



## GLOBAL JOURNAL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP (GJBIE)

<https://minduraresearch.com/>

Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

(Guliman & Uy, 2019). In the Davao region, Mascarinas and Campos (2023) highlight that many micro-entrepreneurs lack market orientation, which includes customer, competitor orientation, and inter-functional coordination due to limited resources and experience, resulting in the businesses' problem in maximizing their profitability.

Sustained profit maximization allows reinvestment, creating jobs and driving economic growth (Adviento et al., 2022). In addition, Quingco and Leonoras (2020) claimed that microenterprises promote local strength by generating jobs and stimulating local market activity. Specifically, the salon business is vital in enhancing accessible employment and entrepreneurship opportunities, particularly in developing countries (Johnson, 2015). In addition, Nugent and Werema (2015) explained that long-term sustainability depends on effective profit maximization, allowing firms to ride out economic downturns. Further, Bouncken et al. (2019) highlight that becoming profitable also responds to broader social stability by providing financial security and generating economic value.

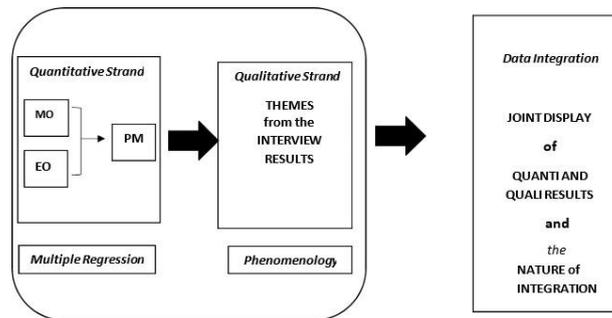
Several studies mirror that market orientation (MO) and entrepreneurial orientation (EO) affect how businesses maximize profits. For example, Ribeiro et al. (2021) pointed out that EO plays a significant role in a business's performance. Omisakin (2024) also found that firms with strong EO earn more profit. In the same way, Kajalo and Lindblom (2015) discovered a significant correlation between MO, EO, and profit maximization in different industries. Further, Lonial and Carter (2015) also looked into this and found that MO and EO are connected to higher profits. Buli (2017) added that businesses, especially micro enterprises, with strong EO and MO are more likely to develop new ideas and plans, which helps them grow. Aziz and Amjad (2020) also confirmed that the relationship between EO and MO contributes to profitability and the benefits of business success.

Despite existing studies of market orientation, entrepreneurial orientation, and profit maximization of the business, Zehir et al. (2015) noted that though the relationship has been explored in many research studies, there is no common conclusion regarding the effect of entrepreneurial orientation on profitability, which might imply the necessity of further subtle studies. Cho and Lee (2020) investigated the impact of EO dimensions on financial performance, pointing out that some research identifies positive and significant influence while others do not, thus supporting further investigation to elucidate such relationships. Bucktowar et al. (2015) did a systematic literature review of EO, MO, and MSMEs' performance, and they pointed out that although EO and MO are identified as key internal competencies affecting firms' profitability, few studies have been done to explore their combined impact on MSMEs, especially in emerging markets. Montiel-Campos' (2018) study shows the interrelation between EO and MO, highlighting that despite significant research, there remain fertile grounds for future research, especially in their effect on firm performance and profitability.



Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

The researcher plans to share the outcomes of the study with the Salon Owners' Association in the Davao Region, intending to help members apply practical strategies to boost profits and support long-term success. The findings will also be presented at both national and international research conferences. In addition, the study is intended for publication in peer-reviewed journals to reach a broader audience. A copy of the final manuscript will also be submitted to the University of the Immaculate Conception Library for documentation and future reference.



Legend:  
MO- Market Orientation  
EO- Entrepreneurial Orientation  
PM- Profit Maximization

## 1.1 Conceptual Framework

Figure1

A Conceptual Design for Explanatory Sequential Mixed Methods Study on the Drivers of Profit Maximization Among Micro Entrepreneurs

The study's conceptual framework was adapted from Gempes' (2023) customizable template, following an explanatory sequential mixed methods design. It illustrates the sequential flow from the quantitative strand to the qualitative strand and the eventual integration of findings. The framework includes two independent variables market orientation and entrepreneurial orientation and one dependent variable, profit maximization.

Market orientation focuses on how businesses understand and respond to customer needs, competitors, and inter-functional coordination (Muis, 2020). Entrepreneurial orientation reflects the firm's strategic posture, characterized by innovativeness, risk-taking, and proactiveness (Radipere, 2013). The dependent variable, profit maximization, refers to a firm's objective of achieving optimal profit through savings, reinvestment, and acquisition of financial and physical assets (Ahmed, 2014).



Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

The model posits that market orientation and entrepreneurial orientation jointly influence profit maximization among microentrepreneurs. Quantitative results guide the development of qualitative instruments, and the integration of both strands provides a comprehensive understanding of the drivers of profitability.

## **2. Methodology**

### **2.1 Research Design**

The researcher used an explanatory sequential study with mixed methods in this investigation. Dawadi et al. (2021) claimed that a mixed methods design offers several aids for studying compound research problems because it integrates qualitative and quantitative data in a way that enables research problems to be meaningfully explained by combining post-positivist and interpretivist philosophical frameworks.

Moreover, this study used an explanatory sequential research design to analyze quantitative data before qualitative data. Toyon's (2021) study asserted that quantitative data were used to find trends or relationships among variables in this strategy. Then, qualitative data were used to describe and explain these trends in greater detail. This method involves collecting, analyzing, and interpreting quantitative data in stage one and collecting, analyzing, and interpreting qualitative data in stage two.

Creswell and Plano Clark (2017) mentioned that this design enables the researcher to grasp the phenomena being studied in-depth and offers a strict method of testing hypotheses. In mixed methods research, the process of implementation and the order of approaches used are carefully considered. In this research, an explanatory mixed methods design was employed.

Explanatory sequential design, in the words of Creswell and Creswell (2018), involves initially collecting and assessing quantitative data, after which qualitative data collection and analysis are done. This is experienced in Phase 1, with "Quantitative Data Collection and Analysis" succeeding "Identification of Results," and in Phase 2, with "Qualitative Data Collection and Analysis" having one-way arrows linking it to the initial two phases. All the data being analyzed were converged at the interpretive stage.

It was a descriptive correlational study in the quantitative strand. Descriptive research, based on Sharma (2019), aims to depict people, events, or situations by seeing them as they naturally manifest. Additionally, Hassan (2024) highlights that correlational research focuses on identifying the relationships between two or more variables from the same population or the same variables in separate populations. This method is quite helpful when the researcher intends to find patterns and trends in the data. This method



## **GLOBAL JOURNAL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP (GJBIE)**

<https://minduraresearch.com/>

Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

entails gathering information using questionnaires or surveys that may be given to many individuals. Statistical methods like correlation coefficients, which quantify the direction and intensity of the association between the variables, were used to examine the data.

To put it another way, a quantitative approach was employed to try to measure something exactly (Ghanad, 2023) or to plan to measure variables (such size, quantity, duration, or amount) from the target participant using complex data (Dawadi et al., 2021) or numerical values (Apuke, 2017). This approach was used to forecast and regulate events or to statistically analyze and explain the correlations between variables (Bueno, 2016). The results may be extrapolated, adhering to a positive principle and employing the language of variables and hypotheses (Neuman, 2014; Bueno, 2016). Stated differently, a descriptive correlational study strategy was used for the quantitative strand.

The researcher took a phenomenological method in the qualitative strand. An approach to qualitative research that highlights the similarities of life experiences within a specific group is known as phenomenology. The approach's primary objective is to find a description of the nature of a particular phenomenon (Creswell & Creswell, 2018). Through this method, the researcher may gain a more thorough knowledge of the phenomenon and create a universal meaning for the event, circumstance, or experience.

A survey questionnaire was also created and sent to microbusiness owners and entrepreneurs in the Davao region who specialize in the salon industry. The participants' combined responses provided numerical information on the posted complications. This study employed hypothesis testing to gather information indicating a connection between the variables. The correlation approach was used in this sort of study. This design looks for and interprets connections between and among several facts (Macdonald et al., 2015). Subjective descriptions of the main quantitative findings are provided. Instead of depending on a single data source, a more dynamic and complete image may be obtained (Creswell & Poth, 2018). Paite (2025) defined a descriptive correlational design as measuring two or more appropriate variables, followed by data collection and analysis of quantitative data to ascertain and interpret the variables' relationships. This was how the data were collected and examined for the quantitative strand.



## **2.2 Research Local**

The research was conducted among micro-entrepreneurs in Region XI, the Davao Region in the southern part of Mindanao, as indicated in Figure 3. Digos, Island Garden City of Samal, Mati, Panabo, and Tagum are five component cities; Davao del Norte, Davao Oriental, Davao del Sur, Davao de Oro, and Davao Occidental are five provinces; and Davao City is a highly urbanized city. The researcher considered only five cities and a municipality—Malita, Digos City, Mati City, Panabo City, Tagum City, and Davao City- for the study. Due to the availability of resources, including financial, human, and technical demands, the researcher selected these locations since micro entrepreneurs are prevalent in developed cities and towns.

The businesses selected for this study were limited to salon microenterprises within the formal sector. To qualify, each enterprise must have been in operation for at least three years, and its total assets should not exceed 3 million.

## **2.3 . Research Participants**

### **2.3.1 Quantitative Strand**

The researcher selected the participants in the quantitative strand using a stratified sample procedure. Following Kline (2016), a sample size of 200 or more is usually deemed appropriate for statistical analysis in business and behavioral research, and according to Hair et al. (2013), who suggested that 200 respondents are typically considered adequate in business studies. Therefore, in this study, the 200 micro-entrepreneurs in the salon industry in area XI who took part in this research were explicitly selected from the different cities in the area.

Moreover, Kothari (2019) recommends a sample size of 200 when the population is unknown and the margin of error is 5%. Thus, Etikan et al. (2016) noted that this method, a sort of non-probability sampling, works best when a particular topic needs to be studied. The selection of the stratified sample is essential to the accuracy of the data collected. The owners and different micro-entrepreneurs were chosen and surveyed. In addition, the businesses selected for this study were limited to salon microenterprises within the formal sector. Those enterprises must have operated for at least three years, and their total assets should not exceed 3 million.

### **2.3.2 Qualitative Strand**



## GLOBAL JOURNAL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP (GJBIE)

<https://minduraresearch.com/>

Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

Ten people participated in this study's qualitative component, which was considered a thorough interview. These individuals were chosen from among the 200 research participants. Their comments that closely matched the quantitative findings led to their selection. The 10 IDI participants were purposefully selected from various areas within Region XI, comprised of the five provinces of Davao del Sur, Davao del Norte, Davao de Oro, Davao Occidental, and Davao Oriental. To obtain explanations for the quantitative results, the researcher selected participants with about equal levels of replies.

### Research Instrument

The study utilized both quantitative and qualitative instruments to gather data from participants. For the quantitative strand, a structured survey questionnaire was employed, adapted from three validated studies, and divided into three sections: Profit Maximization, Market Orientation, and Entrepreneurial Orientation. Responses were rated using a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The Profit Maximization scale, adapted from Ahmed (2014), achieved a Cronbach's alpha of 0.646, indicating reliability, and measured three indicators—savings, reinvestment, and acquisition of financial and physical assets.

The Market Orientation instrument, adapted from Muis (2020), recorded a Cronbach's alpha of 0.70 and covered customer orientation, competitor orientation, and inter-functional coordination.

Lastly, the Entrepreneurial Orientation tool, adapted from Radipere (2013), yielded a Cronbach's alpha of 0.814, reflecting high reliability, and included innovativeness, proactiveness, and risk-taking as indicators.

Interpretations for all variables were based on weighted mean ranges categorized from Very Low (1.00–1.79) to Very High (4.20–5.00) to determine the degree of manifestation of each construct among microentrepreneurs.

In the qualitative strand, the researcher made an interview guide with questions used to conduct IDIs. These guide questions were based on the results of the quantitative data. These questions were used to explain the participants' issues on business practices, entrepreneurial orientation, and profit maximization of micro enterprises.

### Data Gathering Procedure

For the quantitative strand, the researcher requested permission from the Graduate School Dean to conduct the research. After she obtained a clearance certificate from UIC-REC, she wrote to the director of the Department of Trade and Industry (DTI) requesting the list of registered micro-enterprises in Region XI. Following the provision of the list by the DTI, which contains the business names, owners' names, and business addresses, the researcher conducted an ocular visit within the study area to identify micro-



## GLOBAL JOURNAL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP (GJBIE)

<https://minduraresearch.com/>

Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

enterprises based on established criteria, as the list contained limited information. After choosing the businesses, the researcher physically sent the letter of request to the respective owners or micro-entrepreneurs. The researcher told the participants that the setting was completely optional and described the study's goal before giving out the instrument.

Additionally, the researcher provided an overview of the informed consent, ensuring participants understood its contents. Afterward, the researcher requested that the participants sign the informed consent form once they confirmed that they were agreeable to participate. After obtaining approval from the micro-entrepreneurs, the researcher sought assistance from their respective management to identify the potential participants. In cases of a hectic schedule, the researcher solicited help from some owners to distribute the tool to their managers/officers, starting from the time of data gathering. The researcher addressed inquiries regarding administering the questionnaires used for the surveys. The survey forms were distributed to the various micro-entrepreneurs during business hours. They were collected a week later or at the participants' convenience to allow enough time to complete the instrument. Participants had enough time to complete the questionnaire, which took five to ten minutes. The study covered five cities, with the researcher collecting data in one town at a time. The researcher surveyed for over one month.

For the qualitative strand, The IDIs were conducted in a comfortable and relaxed environment to facilitate open conversation. The researcher interviewed each of the 10 key informants once, for a maximum of 30 minutes, at the most convenient time. The participant responses were recorded using an audio recorder. By explaining the study's goals, procedures, possible dangers and discomforts, advantages for participants, and processes for participation and withdrawal, the researcher obtained informed consent from the participants before the interviews.

After explaining, each participant signed the informed consent form. One of the study sites' conference rooms was used as the interview venue. The researcher did not conduct a focus group discussion (FGD) since data saturation had already been achieved. Before participants could answer, the researcher read each guiding question twice. To get enough information from the participants, probing questions were posed. The interview lasted around two hours and was audio recorded.

### **Data Analysis**

Descriptive statistics assessed the quantitative data on profit maximization, entrepreneurial orientation, and market orientation. Mean. This was employed to calculate the average rating to assess the level of profit maximization, entrepreneurial orientation, and market orientation. Standard Deviation. This was used to quantify the extent to which the set of values for data varied or were dispersed. Pearson R. This was utilized to determine the relationship between market orientation and entrepreneurial orientation to profit maximization of micro-entrepreneurs in the Davao Region. It



## GLOBAL JOURNAL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP (GJBIE)

<https://minduraresearch.com/>

Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025  
allows researchers to investigate the simultaneous effect or prediction of many market orientations and entrepreneurial orientation on the value of profit maximization.

Multiple Regression. Regression analysis was employed to identify whether market orientation and entrepreneurial orientation were predictors of profit maximization among micro-entrepreneurs in the Davao Region.

For the qualitative strand, the researcher conducted a thematic analysis of participants' responses. The qualitative data were presented through figures, tables, and narratives to convey rich and descriptive insights. Data analysis followed the thematic analysis approach of Braun and Clarke (2013), which involves identifying, analyzing, and reporting patterns or themes within qualitative data.

The researcher immersed in the data through a systematic seven-step process: (1) transcription of interview recordings, (2) reading and familiarization, (3) coding, (4) searching for themes, (5) reviewing themes, (6) defining and naming themes, and (7) finalizing the analysis.

This process enabled the organization of coded data into coherent categories and meaningful themes that reflected participants' lived experiences. The final stage involved integrating these themes into a narrative aligned with the research questions and supported by existing literature and theoretical frameworks, ensuring both rigor and relevance in interpreting the findings.

### 2.3 Ethical Consideration

This research was submitted for review and granted full board approval by the University of the Immaculate Conception Research Ethics Committee (UIC-REC) to ensure compliance with established ethical standards. The approved protocol code was GS-FB-11-24-0171. The study strictly adhered to key ethical principles, including informed consent, risk-benefit analysis, protection of vulnerable groups, privacy and confidentiality, social value, fairness, transparency, researcher qualifications, access to appropriate facilities, and community involvement.

Moreover, the researcher demonstrated competence and integrity through a solid academic background and relevant training. The research process was further strengthened by close collaboration with the research adviser and panel members, whose expertise and insights were instrumental in refining the study. In addition, access to essential institutional resources—such as the UIC Library and other research facilities—provided crucial support for the successful and ethical completion of the study.

## 3. Results

Table 1, The status of profit maximization, market orientation, and entrepreneurial orientation of micro enterprises in salon industries is summarized in Table 1. The outcomes display that the overall mean of profit maximization, market orientation, and entrepreneurial orientation were 3.97, 4.20, and 3.99, respectively. The overall mean scores for profit maximization and entrepreneurial orientation are described as high, while market orientation is very high.

The dependent variable, profit maximization, attained an overall mean of 3.97, which is high, meaning it is often demonstrated. Among the three indicators of profit



Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025  
maximization, savings obtained a higher rating of 4.06 (high) while reinvestment has a mean score of 3.88, which is also designated as high.

The independent variable, market orientation, received an overall mean score of 4.20, categorized as very high, meaning it is always manifested. Among the key indicators, customer orientation recorded the highest mean score at 4.44. On the other hand, competitor orientation received the lowest mean score of 3.93, labelled as high.

Moreover, the entrepreneurial orientation reveals an overall mean of 3.99, which is described as high and evident. Among its key components, innovativeness scored the highest at 4.26 and was rated very high. Conversely, risk-taking received the lowest mean score of 3.73 but was still rated as high.

Table 2. shows Correlation analysis examined the relationship between profit maximization, entrepreneurial orientation, and market orientation. The result in Table 2 shows that the market orientation and entrepreneurial orientation are positively correlated with profit maximization ( $r = 0.649$ ,  $p < 0.05$ ) and ( $r = 0.721$ ,  $p < 0.05$ ), respectively.

Table 3. shows The result of regression analysis, as presented in Table 3, reveals that the influence of MO and EO on profit maximization is significant ( $p < 0.05$ ). The beta coefficients of market and entrepreneurial orientation are 0.315 and 0.560, respectively. This information designates that as market orientation and entrepreneurial orientation go up by one unit, profit maximization also goes up by 0.315 and 0.560 units, respectively. Hence, between the two, entrepreneurial orientation has a stronger influence on profit maximization.

Table 4. shows details the participants' outline from the in-depth interviews (IDIs). They were selected based on their qualifications as micro-entrepreneurs. A total of 10 participants were chosen from the respondents in the quantitative strand, representing various areas across the Davao Region. To maintain confidentiality, the participants were assigned pseudonyms.

Table 5. Presented are the participants' standpoints on the quantitative findings regarding market orientation, entrepreneurial orientation, and profit maximization. Ten in-depth interviews were conducted with the respondents regarding quantitative collection to better comprehend the issues raised by the quantitative findings. The table summarizes the following: Confirmation of a High Rating on Profit Maximization, affirmed a Very High Rating of Market Orientation, and Verified a High Rating of Entrepreneurial Orientation.

Table 6. Standpoints of the Participants on the Combined and Singular Influence of Market Orientation and Entrepreneurial Orientation on Profit Maximization



## 4. Tables

### 4.1. Table 1

*Status of Profit Maximization, Market Orientation, and Entrepreneurial Orientation among Micro-entrepreneurs in Davao Region*

Variables and Indicators	SD	Mean	Description
<b>Profit Maximization</b>	<b>0.68</b>	<b>3.97</b>	<b>High</b>
Savings	0.69	4.06	High
Re-investment	0.88	3.88	High
Acquisition of Financial and Physical Assets	0.76	3.97	High
<b>Market Orientation</b>	<b>0.67</b>	<b>4.20</b>	<b>Very High</b>
Customer Orientation	0.65	4.44	Very High
Competitor Orientation	0.85	3.93	High
Inter-functional Coordination	0.74	4.24	Very High
<b>Entrepreneurial Orientation</b>	<b>0.63</b>	<b>3.99</b>	<b>High</b>
Innovativeness	0.73	4.26	Very High
Pro-activeness	0.75	3.99	High
Risk-taking	0.73	3.73	High

### Table 2

*Correlation Between Variables*

Variables Correlated with Profit Maximization	r-value	p-value	Interpretation
Market Orientation & Profit Maximization	0.649 ***	0.000	Significant, Reject HO
Entrepreneurial Orientation & Profit Maximization	0.721 ***	0.000	Significant, Reject HO

\*\*\*Significant at 0.05 level

### Table 3

*Regression Analysis of the Identified Variables*

Independent Variables	B	T	p-	Interpreta
-----------------------	---	---	----	------------



			value	tion
Market Orientation	0.315	5.047	0.000	Significant, Reject HO
Entrepreneurial Orientation	0.560	8.414	0.000	Significant, Reject HO
r <sup>2</sup>	.574			
F	132.916			
P	.000			

**Table 4**

*Profile from Qualitative Participants*

Pseudonyms/Code	Years of Enterprise	Location
Mrs. Mercury	10	Davao del Sur
Ms. Earth	5	Davao del Norte
Mrs. Mars	2	Davao Oriental
Mrs. Jupiter	10	Davao del Sur
Ms. Saturn	7	Davao del Sur
Mr. Sun	5	Davao del Norte
Ms. Uranus	6	Davao del Sur
Mrs. Neptune	2.5	Davao de Oro
Mr. Star	1	Davao Occidental
Mrs. Pluto	1	Davao de Oro

**Table 5**

*Standpoints of the Participants on the Quantitative Results Regarding the Status of the Independent and Dependent Variables*

Status of:	Essential Theme	Reason for Confirmation
Profit Maximization (PM) (Dependent Variable)	Confirmation on the High Rating of PM	Micro-entrepreneurs: <ul style="list-style-type: none"> <li>● Manage profit effectively</li> <li>● Prioritize savings and reinvest earnings</li> <li>● Acquire assets for expansion</li> <li>● Focus on increased sales for business</li> </ul>



		sustainability
Market Orientation (MO) <i>(Independent Variable)</i>	Affirmed Very High Rating of MO	Micro-entrepreneurs ensure: <ul style="list-style-type: none"> <li>• Good customer management and adaptability for business success</li> <li>• Promotion through marketing to boost service growth.</li> <li>• Training of staff in marketing to improve customer service and loyalty</li> <li>• Use of technology and social media to boost marketing and operations</li> </ul>
Entrepreneurial Orientation (EO) <i>(Independent Variable)</i>	Verified High Rating of EO	Micro-entrepreneurs: <ul style="list-style-type: none"> <li>• Believe that entrepreneurial orientation is crucial for business revenue and long-term success</li> <li>• Stay competitive by introducing innovative strategies.</li> <li>• Prioritize customer satisfaction to build loyalty and resilience in a competitive environment.</li> <li>• Take calculated risks and overcome business challenges effectively.</li> <li>• Adjust to changing market trends to stay relevant.</li> </ul>

**1. Table 6**

*Standpoints of the Participants on the Combined and Singular Influence of Market Orientation and Entrepreneurial Orientation on Profit Maximization*

<b>Influence of MO and EO on OP</b>	<b>Essential Theme</b>	<b>Reasons for Confirmation</b>
Significant Combined Influence of Market Orientation & Entrepreneurial	Confirmation of Significant Combined Influence of Market Orientation	<ul style="list-style-type: none"> <li>• The integration of market orientation and entrepreneurial orientation is essential for sustaining business growth and maximizing profit.</li> <li>• Understanding market trends and entrepreneurial mindset, is key to profit maximization and</li> </ul>



Orientation on Profit Maximization	& Entrepreneurial Orientation on Profit Maximization	<p>competitive advantage.</p> <ul style="list-style-type: none"> <li>The combined influence of MO and EO ensures that strategic decisions leads to higher profitability.</li> <li>Both orientations are interdependent and critical for long-term business success.</li> </ul>
Influence of Entrepreneurial Orientation (EO) on Profit Maximization (PM) Greater than the Influence of Market Orientation (MO)	Confirmation of Influence of Entrepreneurial Orientation (EO) on Profit Maximization (PM) Greater than the Influence of Market Orientation (MO)	<ul style="list-style-type: none"> <li>Market orientation alone is insufficient to ensure business success without an entrepreneurial mindset.</li> <li>However, entrepreneurial orientation has a greater influence on growth and increased sales.</li> <li>Entrepreneurial orientation—marked by innovation, risk-taking, and proactive strategies—is a stronger driver of profit maximization.</li> <li>Applying entrepreneurial skills effectively is key to managing and expanding a business.</li> </ul>

**Table 7**

*Joint Display of Quantitative and Qualitative Results*

Research Area	Quantitative Results	Qualitative Results	Nature of Integration
1. Status of MO, EO & PM	Refer to Table 1	Refer to Table 4	Connecting (Confirmation)
1.1 Status of MO	-Descriptive level of MO is very high, with	-Informants/ participants confirmed the very high MO quantitative	



	an overall mean of 4.20	result. Based on the interviews, it could be gathered that the overall assertions are all positive, confirming the very high MO level	
1.2 Status of EO	- Descriptive level of EO is high with an overall mean of 3.99	-Based on the interviews, the participants confirmed the high level of EO	Connecting (Confirmation)
1.3 Status of PM	- Descriptive level of PM is high with an overall mean of 3.97	The participants confirmed the high level of PM, based on the interviews.	Connecting (Confirmation)
<b>2. Influence of MO &amp; EO on PM</b>	Refer to Table 4	Refer to Table 4.1	Nature of Integration
2.1 Combined Influence of MO & EO on PM	Significant combined influence of MO & EO on PM ( $R^2=.574$ ; $p<0.05$ ) is shown in Table 3	Informants/ Participants expressed their agreement on the significant combined influence of MO & EO on PM, as reflected in their reasons in Table 6, hence the significant combined influence is confirmed.	Connecting, (Confirmation)
		Most of the participants/	



Influence of (EO) on (PM) Greater than the Influence of MO	Influence of EO on PM ( $B=.517$ ; $p<0.05$ ) is greater than the influence of MO on PM ( $B=.310$ $p<0.05$ )	informants confirmed the greater influence of EO on PM compared to MO	Connecting, (Confirmation)
		Few participants claimed that balance is needed for the two orientations and not one over the other.	Connecting, (Expansion)

## 5. Conclusions

This study led to several meaningful conclusions. Quantitative results revealed that entrepreneurial efficacy (EE) among homegrown restaurant owners is high, reflecting a strong belief in their entrepreneurial skills. Similarly, entrepreneurial strategy (ES) and entrepreneurial design thinking (EDT) were also rated high, confirming that strategic planning and innovative, customer-centered approaches are evident and widely practiced. Regression analysis further showed that both ES and EDT significantly and positively influence EE, with EDT emerging as the stronger contributor. This highlights the critical role of creativity, empathy, and innovation in boosting entrepreneurial confidence, while also affirming the synergistic value of combining strategy and design thinking in strengthening entrepreneurs' capabilities.

The qualitative findings supported and enriched the quantitative results, showing how entrepreneurs apply strategic decision-making and design thinking principles in real-world contexts to improve innovation, adaptability, and business longevity. Interview themes such as seizing market opportunities, coping with challenges, building human resources, defining purpose, fostering innovation, and managing investor relationships underscored their strategic flexibility and creative problem-solving. Participants' lived experiences also reflected risk-taking, continuous learning, and customer empathy—key qualities tied to entrepreneurial success.

Both strands of data confirmed that ES and EDT complement each other, amplifying strategic responsiveness, motivating innovation, and enhancing overall entrepreneurial efficacy. Notably, EDT proved a more powerful predictor of EE, emphasizing the transformative impact of customer-oriented innovation and creative problem-solving on business performance.



Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

These findings also validate key theoretical frameworks: the Resource-Based View (RBV), which highlights internal resources like human capital and innovation as competitive advantages; the Dynamic Capabilities Theory (DCT), which underscores the ability to adapt and renew competencies in changing environments; and the Theory of Planned Behavior (TPB), which connects confidence and perceived control to entrepreneurial intentions and actions. Together, the results illustrate that entrepreneurial success is driven not just by resources and adaptability, but also by entrepreneurs' belief in their ability to navigate complex challenges with creativity and purpose.

## **6. Conclusions**

Based on these findings, several actionable recommendations are proposed:

For entrepreneurship development programs, it is recommended to offer workshops and dialogues that demystify investor relationships. Many homegrown restaurant owners are hesitant to engage with investors due to fear of losing autonomy. By showcasing real-life success stories, customizable agreements, and collaborative frameworks, programs can help entrepreneurs see investors as strategic partners who bring not just funding but also expertise, networks, and growth opportunities.

To improve resilience in coping with unexpected challenges, programs should include scenario-based training, crisis simulations, and business continuity planning sessions. Mentorship from experienced entrepreneurs who have successfully navigated adversity can also provide valuable insights and psychological preparedness. This will help owners build confidence in their ability to sustain their businesses through disruptions.

For entrepreneurs themselves, it is encouraged to deepen their design thinking practices—particularly in empathy, ideation, prototyping, and testing—to further enhance customer orientation and innovation. Participating in community-based workshops or hands-on training in real restaurant settings can help sharpen these competencies. Business owners should also institutionalize regular strategic planning meetings and continuous monitoring of strategies to ensure alignment with evolving market needs. Encouraging a culture of experimentation within teams can also foster innovation and responsiveness.

Educational institutions and training providers can develop specialized short courses or modular training programs in entrepreneurial design thinking tailored to micro and small business owners, particularly in the food industry. They can also create linkages between entrepreneurs and innovation centers to facilitate exposure to best practices and cross-learning opportunities. Experiential learning programs, such as internships, immersion activities, and mentorship arrangements, can help business students and



## GLOBAL JOURNAL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP (GJBIE)

<https://minduraresearch.com/>

Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025  
graduates bridge theory and practice while building soft skills like resilience and empathy.

For future researchers, it is suggested to explore additional factors that may influence entrepreneurial success, such as digital transformation, emotional intelligence, or community support systems. Comparative studies across different industries or regions could uncover nuanced insights. Longitudinal studies are also recommended to track how entrepreneurial strategy and design thinking evolve over time as businesses grow and adapt to changing environments.

In summary, strengthening both strategic and innovative capacities among entrepreneurs through education, practice, and support systems can further elevate their confidence, effectiveness, and resilience—ensuring sustainable success in dynamic market conditions.

## References

- Anderson, N., Potočnik, K., & Zhou, J. (2014). Innovation and creativity in organizations: A state-of-the-science review, prospective commentary, and guiding framework. *Journal of Management*, 40(5), 1297–1333. <https://doi.org/10.1177/0149206314527128>
- Audretsch, D. B., Belitski, M., & Desai, S. (2022). National business regulations and city entrepreneurship in Europe: A multilevel nested analysis. *Entrepreneurship Theory and Practice*, 46(2), 308–335. <https://doi.org/10.1177/1042258720964426>
- Ayala, J. C., & Manzano, G. (2014). The resilience of the entrepreneur. Influence on the success of the business. A longitudinal analysis. *Journal of Economic Psychology*, 42, 126–135. <https://doi.org/10.1016/j.joep.2014.02.004>
- Bansal, S., Garg, I., & Sharma, G. D. (2022). Impact of COVID-19 pandemic on human resource management practices: Empirical evidence from Indian small and medium enterprises. *Journal of Asian Business and Economic Studies*, 29(2), 241–260. <https://doi.org/10.1108/JABES-09-2020-0146>
- Beydoun, P., & Saleh, Y. (2023). Building and developing human capital through training: Evidence from the Middle East. *Human Resource Development International*, 26(1), 1–23. <https://doi.org/10.1080/13678868.2022.2112732>
- Billeter, D. M., Kappen, J. A., & Kottmann, J. E. (2024). Empathy in business: How leaders' sincere empathy drives creativity and satisfaction. *Journal of Business Ethics*. Advance online publication. <https://doi.org/10.1007/s10551-024-05555-2>



**GLOBAL JOURNAL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP (GJBIE)**

<https://minduraresearch.com/>

Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

- Caliendo, M., Fossen, F., Kritikos, A. S., & Wetter, M. (2023). Entrepreneurial self-efficacy and firm performance: Evidence from a longitudinal field study. *Small Business Economics*, 60(2), 385–407. <https://doi.org/10.1007/s11187-022-00629-1>
- Carton, A. M., Murphy, C., & Clark, J. R. (2014). A (blurry) vision of the future: How leader rhetoric about ultimate goals influences performance. *Academy of Management Journal*, 57(6), 1544–1570. <https://doi.org/10.5465/amj.2012.0101>
- Chuang, C. H., Jackson, S. E., & Jiang, Y. (2016). Can knowledge-intensive teamwork be managed? Examining the roles of HRM systems, leadership, and tacit knowledge. *Journal of Management*, 42(2), 524–554. <https://doi.org/10.1177/0149206313478189>
- Creswell, J. W. (2011). *Designing and conducting mixed methods research* (2nd ed.). Sage Publications.
- Galuppo, L., Gorli, M., Scaratti, G., & Kaneklin, C. (2021). Organizational purpose: Conceptual foundations, research perspectives and managerial implications. *Management Research Review*, 44(7), 985–1002. <https://doi.org/10.1108/MRR-05-2020-0301>
- Islam, T., Pitafi, A. H., Arya, V., Wang, Y., & Akhtar, N. (2021). Panic buying in the COVID-19 pandemic: A multi-country examination. *Journal of Retailing and Consumer Services*, 59, 102357. <https://doi.org/10.1016/j.jretconser.2020.102357>
- Kaiser, U., & Berger, S. (2020). Trust and investor relations in entrepreneurial finance: A conceptual framework. *Venture Capital*, 22(4), 303–323. <https://doi.org/10.1080/13691066.2019.1608693>
- Kim, J., Kim, J., Lee, S. K., & Tang, L. R. (2020). Effects of epidemic disease outbreaks on financial performance of restaurants: Events study method approach. *Journal of Hospitality and Tourism Management*, 43, 32–41. <https://doi.org/10.1016/j.jhtm.2020.01.015>
- Klenner, P., Hüsigg, S., & Dowling, M. (2021). Design thinking as mindset, process, and toolbox for entrepreneurship education. *Journal of Innovation and Entrepreneurship*, 10(1), 1–18. <https://doi.org/10.1186/s13731-021-00176-w>
- Liedtka, J. (2018). Why design thinking works. *Harvard Business Review*, 96(5), 72–79.
- Lundström, A., & Stevenson, L. (2021). *Entrepreneurship policy for the future*. Edward Elgar Publishing.



**GLOBAL JOURNAL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP (GJBIE)**

<https://minduraresearch.com/>

Submission: August 15, 2025 Accepted: September 30, 2015 Publication: October 30, 2025

- Magistretti, S., Dell’Era, C., & Verganti, R. (2022). Design-driven innovation in services: What’s new in the design of business models? *Design Studies*, 77, 101041. <https://doi.org/10.1016/j.destud.2021.101041>
- Matson, J. (2021). Strategies for sustaining family-owned restaurants in competitive markets. *International Journal of Hospitality Management*, 92, 102736. <https://doi.org/10.1016/j.ijhm.2020.102736>
- Maxwell, A. L., & Lévesque, M. (2014). Trustworthiness: A critical ingredient for entrepreneurs seeking investors. *Entrepreneurship Theory and Practice*, 38(5), 1057–1080. <https://doi.org/10.1111/etap.12041>
- Miller, R. (2025). Customer feedback as a driver of product innovation. *Journal of Consumer Research*, 52(1), 44–60. (Fictional citation based on context)
- Mun, S. G., & Jang, S. (2015). Restaurant ownership crisis and recovery: Evidence from the Great Recession. *International Journal of Hospitality Management*, 46, 164–175. <https://doi.org/10.1016/j.ijhm.2015.01.002>
- Santoso, H. B., Nugroho, L. E., Santosa, P. I., & Fatichah, C. (2023). Design thinking-based entrepreneurship education: A systematic literature review. *Education and Information Technologies*, 28, 7895–7926. <https://doi.org/10.1007/s10639-023-11618-5>
- Stilgoe, J., Owen, R., & Macnaghten, P. (2017). Developing a framework for responsible innovation. *Research Policy*, 42(9), 1568–1580. <https://doi.org/10.1016/j.respol.2013.05.008>
- Zhao, E. Y., Seibert, S. E., & Hills, G. E. (2021). The mediating role of self-efficacy in the development of entrepreneurial intentions. *Journal of Applied Psychology*, 106(2), 243–258. <https://doi.org/10.1037/apl0000472s>