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The Role of Market Monitoring System (MAMOS) Strategy and Market Responsiveness in Enhancing SME Business Performance

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Abstract:
This study examines the effect of the Market Monitoring System (MAMOS) Strategy on SME Business Performance, both directly and indirectly through Market Responsiveness. Specifically, it examines Market Responsiveness as a mediating mechanism that translates market monitoring capabilities into improved business performance. The study used a quantitative explanatory research design and survey data collected from 150 SME owners. The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The results reveal that MAMOS Strategy has a positive and significant effect on Market Responsiveness (β = 0.718) and Business Performance (β = 0.335). Furthermore, Market Responsiveness positively and significantly influences Business Performance (β = 0.386). The indirect effect of MAMOS Strategy on Business Performance through Market Responsiveness is 0.277, indicating partial mediation. These findings suggest that market monitoring capabilities contribute to improved SME performance not only through direct strategic benefits but also by strengthening firms' ability to respond promptly to customer needs and competitive changes. The study implies that SMEs should integrate systematic market monitoring with responsive decision-making routines to translate market intelligence into timely adjustments in products, pricing, marketing strategies, and customer services.

INTRODUCTION

Market dynamics in the digital era are characterized by rapid change, intensifying competition, and continuously evolving customer preferences (Kumar, 2025; Budiono& Sari, 2026; Samara et al., 2026). These developments matter greatly to society and wider communities because small and medium-sized enterprises (SMEs) sustain employment and household livelihoods. Yet, their ability to compete increasingly depends on digital adaptation. A national study of 10,142 Indonesian MSMEs found that only 23.64% used e-commerce to sell products, while 83.07% of e-commerce users generated only 0–10% of sales through online channels (Affandi et al., 2024). In East Java, 47.22% of micro and small industries used the internet for business management in 2024; 85.68% used it for product marketing, but only 19.21% for information searching (BPS East Java, 2025). These figures underline the need for stronger market responsiveness.

This study draws on the concepts of market intelligence, market responsiveness, and business performance to explain how monitoring information becomes outcomes.

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MAMOS Strategy is conceptualized as the systematic integration of information from internal operations (Vesterinen et al., 2025; Galvan et al., 2025), external market conditions, digital platforms, and social media to identify and interpret market signals. Responsiveness to Market refers to an organization's capacity to recognize changes in demand, customer behavior, and competitor actions and to respond through timely adjustments (Mmadubuko et al.,2025; Kautish et al., 2025; Wang & Cui, 2026). Business Performance concerns the outcomes achieved through marketing, financial, operational, customer, and organizational activities (Alkandi, 2025; Farag, 2026). These concepts provide the basis for examining the proposed relationships among the three variables. In particular, the study treats Responsiveness to Market as a mediating capability, through which MAMOS Strategy may influence Business Performance, while also allowing for a direct effect of monitoring strategy.

Despite digital access, many resource-constrained SMEs struggle to turn available market information into timely, effective business decisions. Collecting data does not automatically ensure that businesses can interpret trends, competitors, products, prices, promotions, and services in response to changing customer expectations. The East Java figures indicate that internet use is concentrated more heavily on product marketing than on information searching (BPS East Java, 2025), suggesting a possible gap between using digital channels to communicate and using them systematically to understand their markets. For many SMEs operating with limited resources, this gap can weaken their ability to respond to uncertainty and competition. Market monitoring therefore needs to extend beyond data collection toward careful interpretation and action. The central practical problem is how SMEs can transform market intelligence into responsive decisions that support stronger business performance and competitiveness.

Prior research has linked market-oriented capabilities, marketing activities, and firm performance, but has not fully explained the process connecting information monitoring with business outcomes. Butkouskaya et al. (2024), studying 422 SMEs and large firms across developed and developing economies, examined market orientation, integrated marketing communications (IMC), and firm performance, with IMC as a mediator; however, they did not test market responsiveness as the underlying mechanism. Agyapong et al. (2024), using data from 225 Ghanaian SMEs, examined market responsiveness as a moderating factor rather than a mediator. Hamzah (2025) investigated market orientation, entrepreneurial orientation, crisis adaptiveness, and SME performance, but did not specifically test market responsiveness as a mediating link between market intelligence and performance. These studies offer relevant insights, yet their differing models leave the proposed process insufficiently integrated.

Other studies provide evidence for individual links in the framework, but they have not integrated them into a monitoring-to-response pathway. Khan et al. (2021) and Liu et al. (2026) examined market responsiveness as a mediator between marketing skills and performance, while Agyapong et al. (2024) and Alsenan et al. (2026) considered its role in relation to SME performance. Magasi et al. (2025) emphasized real-time analytics for customer insights and adaptive decision-making. Still, they did not establish how real-time market intelligence translates into responsiveness and subsequent performance. Related research is also relevant: Abrokwah-Larbi (2024) examined marketing analytics capability and SME performance; Trisnawati et al. (2024) investigated sensing capability and SME market performance; and Cao and Weerawardena (2023) studied market-sensing and customer-linking capabilities among B2B SMEs. The gap is their integration into a single explanatory model.

This study's novelty lies in conceptualizing MAMOS Strategy as an integrated monitoring approach and examining Responsiveness to Market as the mechanism linking it to Business Performance. Research has considered related capabilities separately, including digital business transformation as a mediator between digital capability and small business performance (Prakasa and Jumani, 2024), and opportunity capability as a mediator between digital capabilities and entrepreneurial performance among SMEs (Kim and Jin, 2024). However, these studies do not integrate real-time market intelligence, monitoring, and market responsiveness into a single framework. By connecting the systematic acquisition and interpretation of market information with organizational action, this study addresses the gap between knowing market conditions and responding to them. It explains how monitoring capability may support adaptive decision-making and improve business outcomes in SMEs.

Against this background, this study investigates whether MAMOS Strategy influences Business Performance directly and indirectly through Responsiveness to Market. It addresses four research questions: whether MAMOS Strategy affects Responsiveness to Market; whether MAMOS Strategy affects Business Performance; whether Responsiveness to Market affects Business Performance; and whether Responsiveness to Market mediates the relationship between MAMOS Strategy and Business Performance. The hypotheses propose positive and significant effects for the first three relationships and a mediating role for Responsiveness to Market in the fourth. The central argument is that systematic monitoring supplies market intelligence, while responsiveness enables Indonesian SMEs to translate that intelligence into adjustments in products, pricing, marketing, and customer service. The study contributes by testing an integrated framework that links market-monitoring strategy, adaptive market action, and overall business performance, guiding intelligence-based decisions.



Figure 1. Research Framework
Source: Processed data, 2026.

The research framework illustrates the proposed relationships among MAMOS Strategy, Responsiveness to Market, and Business Performance. The model assumes that MAMOS Strategy directly influences Responsiveness to Market and Business Performance, while Responsiveness to Market also directly affects Business Performance. In addition, Responsiveness to Market serves as a mediating variable, explaining how MAMOS Strategy translates into improved business performance through enhanced organizational adaptability.

RESEARCH METHODS

This study employs an explanatory quantitative research approach to examine the relationships among three main constructs: MAMOS Strategy (Market Monitoring System), Responsiveness to Market, and Business Performance. The research focuses on 150 small and medium-sized enterprises (SMEs) operating in East Java, Indonesia. Data collected from these SMEs are analyzed using Structural Equation Modeling with Partial

Least Squares (SEM-PLS) to assess both the direct and indirect relationships among the proposed constructs. SEM-PLS is appropriate for this study because it enables examination of complex relationships among latent variables and suits predictive-oriented research with relatively small sample sizes. Furthermore, the proposed research model is grounded in market intelligence generation, which emphasizes the importance of systematic market monitoring in strengthening organizational adaptability and improving business performance outcomes (Abrokwah-Larbi, 2024; Anjaningrum et al., 2024; Trisnawati et al., 2024).

This study included 150 SME owners in East Java Province. The sample size was considered adequate for the PLS-SEM analysis, as the commonly applied 10-times rule requires a minimum sample size of ten times the largest number of structural paths directed at a single endogenous construct (Hair et al., 2019). In addition, a sample of 150 respondents provides an adequate margin beyond the minimum requirement and helps reduce the potential effects of incomplete or unusable responses. Respondents were selected using purposive sampling based on three criteria: (1) the business had operated for at least two years, (2) the firm actively utilized digital media for marketing activities, and (3) the firm had access to market or customer-related data. These criteria ensured that respondents had sufficient business experience and relevant exposure to digital marketing and market information to evaluate the constructs examined in this study. The research instrument consisted of a structured questionnaire measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Data analysis was conducted using SmartPLS 4.0. The evaluation process included assessing the measurement model through validity and reliability testing, followed by evaluating the structural model to examine the hypothesized relationships. Bootstrapping was performed as a non-parametric resampling procedure to assess the significance of the hypothesized relationships based on path coefficients, t-values, p-values, and confidence intervals Hair et al., 2019; Ringle et al., 2024). This approach provides empirical evidence regarding the relationships among MAMOS Strategy, Market Responsiveness, and Business Performance.

Table 1. Research Variables and Measurement Indicators

Variable	Code	Measurement Indicators
MAMOS Strategy (MS) (Rajkumar Venkatesan & Jim Lecinski, 2024)	MS1	The firm systematically identifies key market indicators, including sales trends, pricing dynamics, customer behavior, and competitors' strategies.
	MS2	The firm utilizes analytical tools such as Google Trends, marketplace analytics (e.g., Tokopedia and Shopee), and social media analytics (e.g., Instagram Insights and TikTok Analytics) to monitor market developments.
	MS3	The firm regularly collects market data on a daily, weekly, or monthly basis.
	MS4	The firm analyzes market data by comparing current trends with previous periods to support strategic evaluation.
Responsiveness to Market (RM) (Hendar et al., 2020)	RM1	The firm consistently responds to changes in competitors' pricing strategies.
	RM2	The firm continuously pays attention to changes in product features or customer service requirements.
	RM3	The firm responds quickly to competitors' actions that may negatively affect its business.
	RM4	The firm consistently addresses customer complaints in a timely manner.

Business Performance (BP) (Hendar et al., 2020)	BP1	The firm experiences growth in sales performance.
	BP2	The firm shows an increase in the number of customers.
	BP3	The firm expands its sales coverage or market area.
	BP4	The firm achieves an increase in overall profit levels.

*Source: Processed data, 2026

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RESULTS AND DISCUSSION

Results

Data analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS version 4. This technique was selected because it suits predictive models, accommodates relatively small sample sizes, and effectively handles complex relationships among latent constructs. The model evaluation followed a two-stage approach: assessing the measurement model to examine construct validity and reliability, then evaluating the structural model to analyze relationships among the latent variables.

Table 2. Respondent Characteristics of SMEs (n = 150)

Characteristics	Category	Frequency	Percentage (%)
Gender	Male	82	54.7
	Female	68	45.3
Education Level	Senior High School	61	40.7
	Diploma	29	19.3
	Bachelor's Degree	52	34.7
	Postgraduate	8	5.3
Monthly Net Profit	< IDR 3,000,000	34	22.7
	IDR 3,000,000 – 5,000,000	58	38.7
	IDR 5,000,000 – 10,000,000	41	27.3
	> IDR 10,000,000	17	11.3
Type of SME	Culinary	56	37.3
	Fashion	34	22.7
	Services	29	19.3
	Craft/Manufacturing	31	20.7

*Source: Processed data, 2026

Based on Table 2, most respondents are male SME owners (54.7%), while female owners account for 45.3%. In terms of education level, most respondents have completed senior high school or a bachelor's degree, indicating an adequate educational background to manage their businesses. Regarding monthly income, the largest proportion of SMEs earns between IDR 3,000,000 and IDR 5,000,000 in net profit per month, reflecting the characteristics of small to medium-scale enterprises. In terms of business type, the culinary sector dominates the sample, followed by fashion, services, and craft/manufacturing sectors, highlighting the diverse structure of SMEs in East Java and their strong orientation toward local market demand.

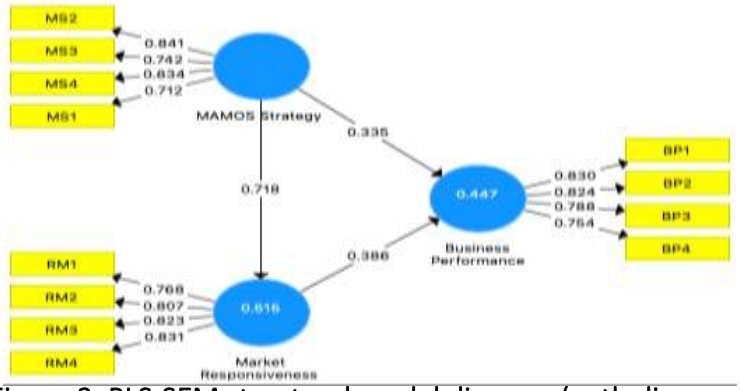


Figure 2. PLS-SEM structural model diagram (path diagram)

The PLS-SEM results indicate that MAMOS Strategy positively affects both Market Responsiveness and Business Performance. The path coefficient from MAMOS Strategy to Market Responsiveness is relatively strong, suggesting that effective market monitoring systems significantly enhance firms' ability to respond to market changes. Market Responsiveness also positively influences Business Performance, indicating that firms that react quickly and consistently to customer needs and competitive actions tend to achieve better performance outcomes. In addition, MAMOS Strategy has a direct positive effect on Business Performance, showing that data-driven market monitoring contributes to performance not only through responsiveness but also by improving decision-making quality. The R^2 values for Market Responsiveness and Business Performance indicate a moderate level of explained variance, suggesting that the proposed model has acceptable predictive power in explaining SME performance in the context of market intelligence and adaptive capability.

Table 3. Results of Convergent Validity and Reliabiity

Variable / Construct	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)	Remarks
MAMOS Strategy	0,793	0,820	0,864	0,615	Reliable & Valid
Business Performance	0,818	0,863	0,876	0,640	Reliable & Valid
Market Responsiveness	0,823	0,830	0,882	0,652	Reliable & Valid

*Source: Results of SEM-PLS data processing, 2026

Based on Table 3, all constructs in the measurement model meet the required reliability and convergent validity criteria. The Cronbach's Alpha values range from 0.793 to 0.823, well above the recommended threshold of 0.70, indicating excellent internal consistency across the measurement instruments. Similarly, the rho_A values range from 0.820 to 0.863 (exceeding the 0.70 threshold), confirming the robust and stable reliability of the constructs. Both Composite Reliability and Cronbach's Alpha values exceed the minimum threshold of 0.70, confirming that the constructs are measured reliably and consistently.

Furthermore, the Composite Reliability scores range from 0.864 to 0.882, indicating strong construct reliability. For convergent validity, the Average Variance Extracted (AVE) values range from 0.615 to 0.652, exceeding the 0.50 benchmark. This confirms that all constructs adequately capture more than 60% of the variance in their respective indicators.

Table 4. Discriminant Validity and Model Fit Assessment

Assessment	Metric / Construct	Result	Recommended Criterion	Interpretation
Fornell–Larcker Criterion	Business Performance	0.800	AVE > inter-construct correlations	**Pass** – The square root of AVE (0.800) is higher than its correlations with MAMOS Strategy (0.612) and Market Responsiveness (0.627).
	MAMOS Strategy	0.784	AVE > inter-construct correlations	**Pass** – The square root of AVE (0.784) is higher than its correlations with Business Performance (0.612) and Market Responsiveness (0.718).
	Market Responsiveness	0.808	AVE > inter-construct	**Pass** – The square root of AVE (0.808) is higher than its correlations with

			correlations	Business Performance (0.627) and MAMOS Strategy (0.718).
HTMT	MAMOS Strategy ↔ Business Performance	0.705	< 0.85 (conservative) / < 0.90 (liberal)	**Pass** – The value is below both thresholds, indicating adequate discriminant validity.
	Market Responsiveness ↔ Business Performance	0.703	< 0.85 / < 0.90	**Pass** – The value is below both thresholds, indicating adequate discriminant validity.
	Market Responsiveness ↔ MAMOS Strategy	0.864	< 0.85 / < 0.90	**Pass under 0.90 criterion** – The value exceeds the conservative 0.85 threshold but remains below 0.90, indicating relatively high association between the constructs.

*Source: Results of SEM-PLS data processing, 2026

We assessed discriminant validity using the Fornell–Larcker criterion and the Heterotrait–Monotrait (HTMT) ratio. The Fornell–Larcker results showed that the square roots of AVE for Business Performance (0.800), MAMOS Strategy (0.784), and Market Responsiveness (0.808) were higher than their correlations with other constructs, confirming discriminant validity. The HTMT values were also below the 0.90 threshold (0.705, 0.703, and 0.864). However, the 0.864 value between MAMOS Strategy and Market Responsiveness exceeded the conservative 0.85 threshold, indicating a relatively strong association between these constructs. Regarding model fit, the SRMR (0.101) and NFI (0.733) indicate that the model does not achieve an ideal fit. However, in PLS-SEM, model evaluation should also consider the measurement and structural models rather than relying solely on global fit indices.

Table 5. R-Square (R^2) Values

Endogenous Construct	R^2 Value	Category
Market Responsiveness	0.515	Moderate
Business Performance	0.447	Moderate

*Source: Results of SEM-PLS data processing, 2026

The R^2 value for Market Responsiveness indicates that MAMOS Strategy explains 51.5 percent of the variance in Market Responsiveness. Meanwhile, MAMOS Strategy and Market Responsiveness jointly explain 44.7 percent of the variance in Business Performance. These values fall within the moderate category, suggesting that the model has acceptable explanatory power.

Table 6. Direct Effects

Relationship Between Variables	Path Coefficient	Direction of Effect
MAMOS Strategy → Market Responsiveness	0.718	Positive
MAMOS Strategy → Business Performance	0.335	Positive
Market Responsiveness → Business Performance	0.386	Positive

*Source: Results of SEM-PLS data processing, 2026

The structural model reveals positive direct effects across all three hypothesized relationships, as reflected in the positive path coefficients. MAMOS Strategy has the strongest influence on Market Responsiveness (β = 0.718), indicating that systematic market monitoring substantially strengthens SMEs' ability to identify, interpret, and respond to market changes. Meanwhile, Market Responsiveness positively influences

Business Performance (β = 0.386), suggesting that translating market intelligence into timely strategic actions contributes to improved business outcomes. MAMOS Strategy also demonstrates a positive direct effect on Business Performance (β = 0.335), indicating that market monitoring contributes to performance beyond its relationship with market responsiveness. Collectively, these findings suggest that MAMOS Strategy supports Business Performance through both a direct pathway and an indirect pathway involving Market Responsiveness.

Table 7. Indirect Effect (Mediation Analysis)

Hypothesis / Relationship	Original Sample (O)	Sample Mean (M)	STDEV	T-Statistics	P-Value	Decision
MAMOS Strategy → Market Responsiveness	0.335	0.331	0.114	2.928	0.004	Significant
MAMOS Strategy → Business Performance	0.718	0.724	0.057	12.669	0.000	Significant
Market Response → Business Performance	0.386	0.399	0.110	3.502	0.001	Significant

*Source: Results of SEM-PLS data processing, 2026

All three hypothesized relationships are positive and statistically significant, as indicated by p-values below the 0.05 significance threshold and t-statistics exceeding the critical value of 1.96. These findings support the proposed hypotheses, showing that each predictor variable significantly and positively influences its respective endogenous variable. Furthermore, the results suggest that improvements in the predictor constructs are associated with corresponding improvements in the endogenous constructs, thereby reinforcing the proposed relationships within the research model. Overall, these findings support the theoretical framework and highlight the importance of the examined relationships in explaining business performance.

Table 8. Total Effects

Hypothesis / Relationship	Original Sample (O)	Sample Mean (M)	STDEV	T-Statistics	P-Value	Decision
MAMOS Strategy → Market Responsiveness	0.612	0.622	0.052	11.715	0.000	Significant
MAMOS Strategy → Business Performance	0.718	0.724	0.057	12.669	0.000	Significant
Market Response → Business Performance	0.386	0.399	0.110	3.502	0.001	Significant

*Source: Results of SEM-PLS data processing, 2026

The bootstrapping results indicate that all three relationships show positive, statistically significant total effects, as shown by t-statistics above 1.96 and p-values below 0.05. MAMOS Strategy demonstrates its strongest effect on Market Responsiveness, with a coefficient of 0.718 (t = 12.669, p < 0.001), highlighting the importance of systematic market monitoring in strengthening SMEs' ability to identify and respond to market changes. Furthermore, MAMOS Strategy exhibits a substantial total effect on Business Performance, with a coefficient of 0.612 (t = 11.715, p < 0.001). This result reflects the combined contribution of its direct effect and its indirect effect through Market Responsiveness. Meanwhile, Market Responsiveness also has a significant positive effect on Business Performance, with a coefficient of 0.386 (t = 3.502, p = 0.001). Collectively, these findings show that MAMOS Strategy improves business performance both directly and indirectly by strengthening SMEs' responsiveness to market dynamics.

Table 9. Hypothesis Testing Results

Code	Hypothesis Statement	Result
H1	MAMOS Strategy has an effect on Market Responsiveness	Supported
H2	MAMOS Strategy has an effect on Business Performance	Supported
H3	Market Responsiveness has an effect on Business Performance	Supported
H4	Market Responsiveness mediates the relationship between MAMOS Strategy and Business Performance	Supported (Partial Mediation)

*Source: Results of SEM-PLS data processing, 2026

The empirical results support are proposed hypotheses. Market Responsiveness serves as a partial mediating variable, as both the direct and indirect effects of MAMOS Strategy on Business Performance are statistically significant. Overall, the results indicate that all constructs satisfy the required validity and reliability criteria. MAMOS Strategy has a positive and significant effect on Market Responsiveness and Business Performance, both directly and indirectly. Market Responsiveness plays a partial mediating role, strengthening the relationship between market monitoring strategy and business performance. The model shows moderate explanatory power, supporting its suitability for explaining performance outcomes in SMEs operating in dynamic market environments.

Discussion

The Effect of MAMOS Strategy on Market Responsiveness

The results indicate that the MAMOS Strategy has a strong, positive effect on Market Responsiveness, as reflected in a path coefficient of 0.718. This finding suggests that the more effectively small and medium-sized enterprises (SMEs) implement a Market Monitoring System (MAMOS), the better they can respond swiftly and accurately to changes in customer preferences, competitor movements, and overall market dynamics.

Conceptually, MAMOS enables real-time market sensing by continuously processing market information and translating it into action. The results show a strong positive effect of MAMOS on market responsiveness ($\beta = 0.718$, $t = 12.669$, $p < 0.001$), supporting the findings of Hakala et al. (2023) and Li and Fang (2024) regarding the importance of continuous market monitoring for identifying opportunities and anticipating risks. The strong coefficient observed among East Java SMEs may reflect their dynamic and highly competitive environment, where limited resources require firms to respond quickly to changing customer preferences, competitor actions, and digital market trends. Thus, MAMOS appears to function not merely as an information-collection tool but as an important mechanism for converting real-time market intelligence into timely responses. For SMEs in East Java, MAMOS provides a foundation for developing real-time customer insights by delivering data-driven information that supports adjustments to promotional strategies, pricing decisions, and product innovation. Therefore, MAMOS functions not merely as a data collection tool, but as a strategic capability that encourages firms to become more market-driven.

The Effect of MAMOS Strategy on Business Performance

The analysis also reveals that MAMOS Strategy has a positive and significant effect on Business Performance, with a path coefficient of 0.335, indicating a moderate effect size. This finding implies that implementing effective market intelligence systems improves operational efficiency, decision-making quality, and marketing performance among SMEs.

This result supports prior research by Gligor et al. (2022) and Nguyen and Simkin (2022), which demonstrates that data-driven market intelligence practices enhance profitability and competitive advantage, particularly in small and medium-sized enterprises. Through MAMOS, SMEs are better able to reduce market uncertainty and allocate resources more effectively.

However, the moderate effect size suggests that SMEs have not yet fully realized the potential of MAMOS. Many SMEs are still in the early stages of digital transformation, meaning that market monitoring outputs are not fully integrated into strategic decision-making processes. This observation aligns with Choudhury et al. (2023), who argue that market intelligence technologies yield optimal performance outcomes only when supported by strong analytical capabilities and a data-oriented organizational culture.

The Effect of Market Responsiveness on Business Performance

The findings also show that Market Responsiveness positively affects Business Performance, with a path coefficient of 0.386. This result indicates that an organization's ability to respond quickly and appropriately to market changes meaningfully contributes to improved business performance.

This evidence reinforces the dynamic capability perspective, which posits that adaptive capabilities are critical for achieving sustainable competitive advantage. This result is consistent with studies by Baker and Sinkula (2022) and Chen and Zhao (2023), which report that rapid responses to market signals significantly enhance customer satisfaction, sales growth, and customer loyalty. In the SME context, market responsiveness reflects how quickly firms adjust products, pricing, and services to meet customer needs. SMEs that demonstrate high levels of responsiveness are generally better positioned to retain customers and achieve superior business performance.

The Mediating Role of Market Responsiveness

The partial mediation effect (0.277) indicates that Market Responsiveness explains only part of the relationship between MAMOS Strategy and Business Performance, suggesting other underlying mechanisms. Future research could examine innovation capability, analytical capability, strategic agility, digital capability, and customer orientation as potential mediating pathways. This finding indicates that MAMOS influences business performance not only directly but also indirectly by enhancing organizational responsiveness to market changes.

Partial mediation suggests that MAMOS is more effective when organizations can translate market data into concrete strategic actions. This finding is consistent with Hakala et al. (2023) and Zhou et al. (2023), who emphasize that the value of market intelligence systems depends not only on information generation but also on adaptive action. Accordingly, Market Responsiveness serves as an important mechanism linking market monitoring technologies to business performance. For SME managers, the findings suggest integrating MAMOS into regular decision-making by continuously monitoring customer preferences, competitor activities, and market changes, and translating these insights into timely adjustments in products, marketing, and operations. For policymakers and SME-support institutions, the findings highlight the need to provide practical digital intelligence training, market-information platforms, and capability-building programs that help SMEs interpret market data and respond effectively. Such support can strengthen Market Responsiveness and enable SMEs to realize greater performance benefits from MAMOS adoption.

CONCLUSION

This study concludes that the MAMOS Strategy is positively associated with SME Business Performance both directly and indirectly through Market Responsiveness. The findings show that systematic market monitoring is linked to SMEs' ability to identify market changes, respond to customer needs and competitor actions, and make informed business decisions. The partial mediating role of Market Responsiveness further highlights its importance as a mechanism linking market-monitoring activities to business performance. These findings contribute to the literature by extending the understanding of how market-monitoring strategies relate to SME performance through both direct and responsiveness-related pathways. Practically, SME owners are encouraged to integrate market monitoring into routine decision-making processes. At the same time, SME-support institutions and policymakers can facilitate this process through training that combines digital market-information tools with market interpretation and response capabilities. Nevertheless, the moderate direct effect suggests that SME performance may also depend on other organizational and environmental factors, providing opportunities for future research to examine additional mechanisms and contextual influences.

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CONFLICTS OF INTEREST

No conflict of interest.

USE OF ARTIFICIAL INTELLIGENCE (AI)-ASSISTED TECHNOLOGY

The authors used AI-assisted tools to improve the manuscript's language, grammar, and readability. The authors reviewed and revised the AI-assisted suggestions and took full responsibility for the accuracy, originality, and integrity of the content presented in this article.

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