

Analysis Of The Influence Of Marketing Techniques And Ways Of Business Management On The Income Level Of Micro Small And Medium Enterprises (MSME's) In Kediri City

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Research aim: This study aims to analyze the influence of marketing techniques and business management methods on the income level of Micro, Small, and Medium Enterprises (MSMEs) in Kediri City, focusing on Tahu Village in Tinalan District.

Design/Method/Approach: Quantitative research methods were employed for this study, utilizing observation, interviews, and questionnaires for data collection. Statistical analyses, including hypothesis testing, coefficient of determination, t-test, and F-test, were conducted using SPSS 25.

Research Finding: The research revealed that both marketing techniques and business management methods significantly influence the income levels of MSMEs in Tahu Village. Marketing techniques were found to have a coefficient value of 0.149, while business management methods had a coefficient value of 0.309. The F-test indicated a joint positive influence of these variables on income levels.

Theoretical contribution/Originality: The study contributes to existing literature by demonstrating the significance of marketing techniques and business management methods in enhancing MSME income. It aligns with previous research emphasizing the importance of factors such as price, place, promotion, and product quality in marketing success.

Practitioner/Policy implication: The findings underscore the importance of implementing effective marketing strategies and sound business management practices for MSMEs to thrive. Policy implications suggest the need for targeted assistance and training programs to enhance MSMEs' understanding and implementation of these techniques.

Research limitation: This study was limited to Tahu Village in Tinalan District, Kediri City, thus its generalizability to other contexts may be constrained. Additionally, the sample size was small, potentially limiting the representativeness of the findings.

Keywords: Marketing techniques, Business management methods, Income level

Introduction

Micro, Small and Medium Enterprises or often MSMEs are stand-alone productive business units, which are carried out by individuals or business entities in all economic sectors (Trisnawati, 2019). MSMEs have also been regulated in Law No. 20 of 2008 concerning Micro, Small and Medium Enterprises (MSMEs). MSMEs can be one of the businesses that can survive in the midst of a pandemic or global crisis, so that they receive attention from the government so they can increase their ability to develop their business. Apart from that, according to Widyayanti & Insiatiningsih, 2021 MSMEs will also have quite an important role in the economy because MSMEs absorb labor, increase Gross Domestic Product (GDP) income, increase the value of exports and national investment.

MSMEs are simple and traditional businesses, both in terms of organization, management, production patterns, technology, workforce, products and business location. The products produced are also simple, such as statues, carvings, furniture and others. Apart from that, MSMEs also make goods for consumption purposes such as food and drinks, apparel and household furniture. The products produced have their own marketing area by serving certain groups of buyers, the general public and some also penetrate the global market.

In their efforts to develop MSMEs, MSME actors still often experience various kinds of problems so that this causes their MSME development to not be able to run optimally. In this case, as explained by Minarni & Santi, in 2022 the government has made various efforts to optimize and help MSMEs. One of the ways used by the government to encourage the development of MSMEs is through assistance and training provided to MSME players with the aim of ensuring that MSME players can understand well how to manage a business with appropriate marketing techniques. Marketing techniques are needed to make their products attractive to customers so that customers are interested in using the product. With good marketing techniques, you can not only attract buyers' interest but also increase the income of MSMEs. According to Elys Sastika Tambunan, 2020 Good and appropriate marketing techniques are supported by competent marketers so that great opportunities will be created to get maximum results. Not only marketing techniques, but the right way of managing a business will also help MSMEs develop their business and increase their income.

Based on the description above, researchers are interested in conducting research on the efforts of the government and MSME players to increase their business income, which in this case is related to marketing techniques and how to manage their business. It is hoped that this research can help MSMEs develop their business and find out the impact on increasing their business income. This research is entitled "**Analysis of the Influence of Marketing Techniques and Business Management Methods on the Income Level of Micro, Small and Medium Enterprises (MSMEs) in Kediri City (Case Study in Tahu Village, Tinalan District, Kediri City)**"

Research Theory

Marketing Techniques

Marketing strategy (marketing techniques) according to Kurniawan (2020), namely marketing logic and based on it, business units are expected to achieve their marketing targets. According to Lestari & Latifah, 2022 Marketing strategy consists of making decisions about the company's marketing costs, marketing mix, and marketing allocation. Marketing facilitates the process of exchange and developing relationships with consumers by carefully observing consumer needs and desires, followed by developing a product that satisfies consumer needs, offering the product at a certain price and distributing it to make it available in various places. place) which is the market for the product in question. For this reason, it is necessary to carry out a promotion or communication to create consumer awareness and interest in the product concerned. This process is called the marketing mix or marketing mix which consists of elements, namely: *product, price, place (distribution) and promotion*, which is abbreviated as "four Ps" (Morissan, 2010: 5).

How to Manage a Business

According to Murti, 2022 Business management is a business activity carried out by individuals or companies in their business in establishing a business, preparing financial budgets, and running a company related to aspects of production, marketing, human resources and financial management. This way of managing a business will also have a positive impact on business people if it is managed in the right way. However, not everyone can manage their business well, so this causes the level of income in the business to decline. Business management as explained by Tinneke, 2020 includes several stages, starting from planning, organization, mobilization and also supervision or control which is Syambudi's theory.

Many business actors cannot manage their businesses well and one of them is Micro, Small and Medium Enterprises (MSMEs). The problems faced by MSMEs in the way they manage their business are caused by several factors, as stated by (ARTINI, 2019), namely the lack of human resource capacity to organize and manage their business, the low level of education of human resources, the lack of technological understanding for business actors. and so forth. According to Amalia, in 2018, adaptive efforts that MSMEs can use during the pandemic are by participating in training activities, carrying out product innovations and strengthening online marketing. By carrying out these efforts, it is hoped that it can increase the knowledge and experience of MSME players to be able to manage their businesses well and increase the income of the businesses they run.

Income

The Indonesian Institute of Accountants (2019:22) reveals that in the Financial Accounting Standards for Entities Without Public Accountability (SAK ETAP) it defines Income as income that arises in the implementation of ordinary entity activities and is known by different names such as sales, fees, interest, dividends, royalties and rent. . According to Harini, 2022 wrote that income is "an increase or increase in assets and a decrease or decrease in company liabilities which is a result of operational activities or the procurement of goods and services to the public or consumers in particular. According to Wibawa, 2021 income can be interpreted as the amount of input obtained for services provided by a company which can include the sale of products and/or services to customers obtained in a company's operational activities to increase the value of assets and reduce liabilities arising in the delivery of goods or services.

According to Fatin Laili & Hendra Setiawan, 2020 A business's income, apart from being obtained from its main activities, can also be obtained from other transaction activities. Income itself is divided into two (2) groups, namely, Operational Income (Operating Revenue) and Non-Operating Income (Non Operating Revenue). Operating income is the result obtained directly from the operational activities of a company as a result of the main business carried out by the company. Operating income is a measure that shows how much a company will make a profit. According to Arinda, 2012, non-operating income is income received by the company which has nothing to do with the main business carried out by the company in its activities.

There are four bases for assessing income, namely historical costs, current costs, realization or completion value, and present value, as follows:

- a. Historical Cost, that is, assets are recorded at the expense of cash (or cash equivalent) paid at the fair value of the consideration given to acquire the asset at the time of acquisition.
- b. Current Cost, namely, assets valued in the form of cash (or cash equivalents) that would have to be paid if the same or equivalent assets were acquired now.
- c. Realization or Settlement Value (Realization/Settlement Value), that is, assets are stated in the amount of cash (or cash equivalent) that is the same or equivalent to current assets by selling the assets in a normal disposal.
- d. Present Value, that is, assets are stated at net cash inflows in the future discounted to the present value of items that are expected to provide results in the normal course of business.

Statements of Problem

From the background discussion above, a number of problems can be identified that will later be carried out as research, namely:

1. Knowing the effect of marketing techniques applied to MSMEs on the income of Micro, Small and Medium Enterprises (MSMEs)
2. Find out how much influence business management has on the income of Micro, Small and Medium Enterprises (MSMEs)

Apart from that, based on the background of the problem described above, the problem formulation in this research is:

1. What is the influence of marketing techniques on the income level of Micro, Small and Medium Enterprises (MSMEs) in Kediri City?
2. How does business management influence the income level of Micro, Small and Medium Enterprises (MSMEs) in Kediri City?

Research Purposes

Based on the problem formulation above, the objectives of this research are:

1. To analyze the influence of marketing techniques on the income level of Micro, Small and Medium Enterprises (MSMEs) in Kediri City
2. To determine the influence of business management methods on the income level of Micro, Small and Medium Enterprises (MSMEs) in Kediri City

Research Objectives

In this research, the researcher took the research object as the income level of the Tahu Village MSMEs in Tinalan Village, Pesantren District, Kediri City. The aim of this research is to determine the influence of the use of business capital, marketing techniques, reducing MSME tax rates and business management methods on the income level of Tahu Village MSMEs in Tinalan Village, Kediri City.

Research Methods

This research uses quantitative research methods. Quantitative research is often referred to as a scientific or scientific method because it meets scientific principles, namely

concrete, empirical, objective, measurable, rational, and systematic. Meanwhile, for data collection methods, researchers used observation, interview, and questionnaire data collection methods. Observation is a direct observation carried out by researchers at the location of the research being carried out. Interviews are a method used by researchers to meet informants directly to obtain information from many questions asked at the research location related to the research being researched. Meanwhile, questionnaires are carried out by providing a list of questions or statements that will be answered by the respondent. In this case, the qualifications of the respondents and their number are determined by the sampling method.

Result and Discussion

Hypothesis Testing

Analysis of The Coefficient of Determination

According to Ghozali (2017: 21) the coefficient of determination aims to measure how far the model can explain variations in the dependent variable. A small R² value means that the ability of the independent variables to explain variations in the dependent variable is very limited. There are assumptions regarding the coefficient of determination as follows:

The R² value is between 0 and 1 or ($0 < R^2 < 1$), so:

1. An R² value that is close to 1 means that the independent variable provides almost all the information needed to predict variations in the dependent variable
2. An R² value that is close to 0 means that the ability of the independent variable to provide information about variations in the dependent variable is very limited.

F Test and t Test

In research, hypothesis testing uses partial tests (t tests) and simultaneous tests (f tests). This partial test (t test) aims to test how far the influence of one independent variable has on the dependent variable by assuming the other independent variables are constant (Ghozali, 2017:23). This partial test uses the t distribution. This is done by using the SPSS statistical tool by comparing the calculated significant value with the significant $\alpha = 5\%$. If the calculated significance is $\leq \alpha$ (5%), then H₀ is rejected and H_a is accepted, meaning that the independent variable has an effect on the dependent variable.

Simultaneous test (f test) is carried out to find out whether all independent variables have the same influence on the dependent variable. The hypothesis for the F test, the null hypothesis (H₀) is accepted and the alternative hypothesis (H_a) is rejected, meaning that there is no influence between the independent variables (X₁ and X₂) together on the dependent variable (Y).

The alternative hypothesis (H_a) is accepted and the null hypothesis (H₀) is rejected, meaning that there is an influence between the independent variables (X₁ and X₂) together on the dependent variable (Y).

Discussion

The coefficient of determination is used to detect the extent of the relationship and the ability of the regression model to explain the dependent variable.

Table 1 Coefficient of Determination Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,898 ^a	,970	,951	,12986

a. Predictors: (Constant), X1, X2

Based on the results of the table above, it can be seen that the R square value is 0.898. This shows that 89.8% of the increase in income in MSMEs in Tahu Tinalan Village was influenced by independent variables, namely marketing techniques and business management methods. Meanwhile, the remaining 1.1% is influenced by other variables not examined in this research.

T Test Results

The T test is basically used to find out how much influence each independent variable (X) has on the dependent variable (Y). The T test is carried out by comparing the calculated t value with the t table with a significance level of 5%. If the calculated t value > t table then H₀ is rejected and H_a is accepted, meaning there is a significant influence between each independent variable and the dependent variable. If the calculated t value < t table then H₀ is accepted and H_a is rejected, meaning there is no significant influence between each independent and dependent variable.

Table 2 T Test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12,555	,602		21,009	,000
	X1	,149	,048	,599	2,889	,021
	X2	,309	,041	1,301	8,799	,001

a. Dependent Variable: Y (Pendapatan)

1) Influence of marketing technique variables (X1) on increasing income (Y)

From the results of the partial t test analysis, the sig value of the marketing technique variable (X1) is $0.021 < 0.05$ and the calculated t value is $2.889 > t$ table 1.812, so it can be concluded that partially H₀ is rejected and H_a is accepted, which means there is a significant influence between marketing techniques to increase income.

2) The influence of the business management variable (X2) on increasing income (Y)

From the results of the partial t test analysis, the sig value of the business management variable (X2) is $0.001 < 0.05$ and the calculated t value is $8.799 > t$ table 1.812, so it can be concluded that partially H_0 is rejected and H_a is accepted, which means there is a significant influence between how to manage a business and increasing income.

F Test

The F test is used to show whether all the independent variables in this regression have a joint influence on the dependent variable.

Table 2. 3 F Test Results

		ANOVA ^a				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3,701	3	1,322	61,454	,000 ^b
	Residual	,129	7	,018		
	Total	3,699	10			

a. Dependent Variable: Y

b. Predictors: (Constant), X1, X2

Based on the table above, it is known that the significant value for marketing techniques (X1) and business management methods (X2) together at the income level (Y) is 0.000. It is also known that the calculated f is 61,454 and the f table value is 3.708, so the calculated f is $61,454 > f$ table 3.708 with a significance value of $0.000 < 0.05$, so H_0 is rejected and H_a is accepted. It can be concluded that X1 and X2 together have a positive effect on income levels.

The results of this research are based on filling out a questionnaire by 11 respondents which was carried out with the help of the SPSS 25 program. It can be seen that marketing techniques and business management methods have a significant influence, both partially and simultaneously, on increasing MSME income in Kampung Tahu, Tinalan District, Kediri City.

Effect of Marketing Techniques on Income Levels

The results of this research show that the marketing technique variable is declared significant with a significance value greater than 0.05 for the level of income as indicated by a coefficient value of 0.149 and the hypothesis in this research is accepted because the statistical results of the t test show that the t count is 2,889 and the t table is 1.812 which means t count is greater than t table. This shows that there is a significant influence between marketing techniques on the income level of MSMEs in Kampung Tahu, Tinalan District, Kediri City.

The results of this research are in accordance with research conducted by Evi Rosalina Widyayanti and Insiatiningsih (2021) which shows that marketing techniques have a positive and significant influence on the income level of MSMEs. This is supported by the theory of Morissan (2010) which states that good marketing techniques must pay attention to factors such as price, place, promotion and product quality. Research conducted on MSMEs in Kampung Tahu, Tinalan Subdistrict, Kediri City shows that by fulfilling the factors in marketing

techniques, it has been proven to be able to increase the income obtained from the business that has been run.

Influence of Business Management Methods on Income Levels

The results of this research show that the business management method variable is declared significant with a significant value of greater than 0.05 on the level of income as indicated by a coefficient value of 0.309 and the hypothesis in this research is accepted because the statistical results of the t test show that the t count is 8,799 and the t table is 1.812 which means t count is greater than t table. This shows that there is a significant influence between the way business is managed on the income level of MSMEs in Kampung Tahu, Tinalan Subdistrict, Kediri City.

The results of this research are in accordance with previous research conducted by Novalien Carolina Lewaherilla, Victor Ernest Huwae, Agusthina Risambessy (2021), which stated that good business management means having knowledge and internal motivation as well as planning carried out before running a business. This is supported by Syamsi's (2018) theory which states that a good way to manage a business is to fulfill the criteria, namely planning, organizing, mobilizing and controlling or evaluating. With this research, it has been shown that the factors of business management have been fulfilled as a positive influence in increasing income.

Influence of Marketing Techniques and Business Management Methods on Income Levels

From the results of the F test, the calculated f is 61,454, where the calculated f value is greater than the f table, namely 3.708 ($61,454 > 3.708$). This shows that jointly or simultaneously business capital assistance, marketing techniques and business management methods have a positive and significant influence on increasing MSME income in Kampung Tahu, Tinalan District, Kediri City.

The results of this research are in accordance with previous research conducted by Elys Sastika Tambunan (2020) which shows that the variables of business capital assistance, marketing techniques and business management methods simultaneously influence income levels.

Conclusion

Based on the results of the research that has been carried out, the researchers concluded that the influence of marketing techniques and business management methods in Kampung Tahu, Tinalan District, Kediri City is as follows:

1. Based on partial testing (t test), the research results prove that the marketing technique variable (X1) has a significant influence on the dependent variable, namely income level (Y).
2. Based on partial testing (t test), the research results prove that the business management variable (X2) has a significant influence on the dependent variable, namely income level (Y).

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