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Analysis of business capital, financial management, and marketing technology on the performance of micro, small, and medium enterprises (MSMEs) in Kotabumi, North Lampung

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Abstract

Purpose: This study examines how business capital, financial management, and marketing technology affect MSME performance in Kotabumi, North Lampung, highlighting their strategic economic role and the challenges they face in sustaining and developing their businesses.

Methodology: This research uses a quantitative survey approach by distributing questionnaires to MSME actors. The collected data were analyzed using multiple linear regression to determine the partial and simultaneous effects of business capital, financial management, and marketing technology on MSME performance.

Result: The findings indicate that business capital, financial management, and marketing technology positively and significantly influence MSME performance, both partially and simultaneously. This result highlights the essential role of capital accessibility, managerial financial capability, and the effective utilization of marketing technology in enhancing competitiveness and sustainability.

Conclusion: The study concludes that strengthening financial resources, improving financial literacy, and optimizing the use of marketing technology are crucial strategies for MSMEs to improve performance and sustain growth.

Limitation: The research is limited to MSMEs in Kotabumi, North Lampung, and uses a survey method with a relatively small sample size, which may reduce the generalizability of findings to other regions or contexts.

Contribution: This study highlights how capital, financial management, and marketing technology jointly enhance MSME performance, offering valuable insights for policymakers and practitioners to design targeted empowerment strategies that strengthen local economic resilience.

Keywords: *Business Capital, Financial Management, Kotabumi, Marketing Technology, MSME Performance*

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1. Introduction

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of Indonesia's economy. Amidst the rapidly changing global dynamics and the intense market competition, MSMEs remain the most adaptable and resilient sector of the economy (Fridayani, Hakim, Hanif, & Darumurti, 2024). MSMEs are the most favored type of business due to their flexible nature and continuous growth over time. According to the Republic of Indonesia's Law No. 20 of 2008 on Micro, Small, and Medium Enterprises, MSMEs are classified into three main categories: micro, small, and medium enterprises (Henryanto, Hanifah, Cahyadin, & Kaihatu, 2025). According to data from the Ministry of Cooperatives and Small and Medium Enterprises (SMEs), MSMEs contribute more than 60% to the national Gross Domestic Product (GDP) and absorb nearly 97% of the workforce. To date, the number of MSMEs in Indonesia exceeds 64 million business units, making them the primary drivers of the economy in various regions. The existence of MSMEs not only contributes economically but also strengthens the social structure by empowering local communities, reducing economic disparities, and improving the quality of life for society. Therefore, if each MSME is committed to improving its services, the performance of the MSME sector will improve (Salsabillah et al., 2023).

Better MSME performance will result in high-quality products and services, as well as the ability to compete in both local and global markets. Moreover, improving the quality of services and MSME performance will strengthen consumer trust, expand business networks, and promote business sustainability(Saad, Elgazzar, & Mlaker Kac, 2022). Sustainability is an effort to ensure that businesses continue to operate despite high financial costs and declining market demand (Puteri, 2022). In business, capital plays a significant role. Without capital, a business will struggle to grow. Therefore, knowledge about capital management is essential so that business capital can circulate effectively (Rindrayani, 2016). The more capital a business owner has, the greater the opportunity to increase the volume of business and develop.

In addition to business capital, another important factor in improving MSME performance is knowledge about financial management. MSME entrepreneurs need to manage and account for their business finances properly. Poor financial management is a weakness that affects the performance of many MSMEs (Sifwah, Nikhal, Dewi, Nurcahyani, & Latifah, 2024). MSME entrepreneurs must be ready to compete in an increasingly developing market by paying attention to their business performance. Previous research (Diana, Hakim, & Fahmi, 2022) shows a positive influence of financial management on MSME performance, while Lailia and Habib (2024) highlights the benefits of digital marketing. This research gap indicates unresolved issues in Kotabumi regarding these three factors and their simultaneous impact on MSME performance. Although many previous studies have shown the impact of business capital, financial management, and marketing technology on MSME performance improvement, most of these studies were conducted in urban areas with more advanced infrastructure. This creates a gap in the literature, particularly regarding the implementation of these three variables in MSMEs in areas with limited information, capital, and technology, such as Kotabumi, North Lampung.

An initial survey conducted by the author shows that many MSME entrepreneurs in Kotabumi have not separated their business capital from personal expenses. Most of the capital comes from limited personal funds, which are often used for daily needs. As a result, business owners face difficulties in developing their businesses due to limited funds for purchasing raw materials or expanding production. The application of marketing technology, especially digital marketing, has not been fully utilized by MSME entrepreneurs in Kotabumi. The lack of understanding of technology and the minimal training are the main factors hindering the adoption of modern marketing technologies. In this digital era, utilizing social media and e-commerce platforms has become a key to expanding markets and enhancing business competitiveness.

This research is urgent as it brings a new perspective on the importance of integrating business capital, financial management, and marketing technology to improve MSME performance, especially in areas that have not been optimally touched by technology and modern financial systems. This research also provides novelty by examining these three variables in the context of MSMEs in Kotabumi, North Lampung, which has not been widely explored in academic studies. Most previous research only

discusses the variables separately and has not examined the factual conditions in areas with limited resources and digital infrastructure. Therefore, the results of this study are expected to serve as a foundation for developing more applicable MSME development programs that can have a real impact on improving business performance sustainably.

2. Literature review

2.1. Basic Theories

The capital theory states that capital is a primary factor in the production process and business growth. According to Piketty (2014), capital includes non-human wealth such as land and financial assets that can be owned and generate income. Economic inequality occurs when the rate of return on capital (r) is higher than economic growth (g), leading to wealth accumulation concentrated in the hands of large capital owners. In the context of MSMEs, this theory shows that limited access to capital is one of the main obstacles in improving business performance, thus requiring policy support for a more equitable and fair distribution of capital.

Sufficient capital is a key factor in MSME growth because the presence of capital allows entrepreneurs to invest in production and business development. Based on the scale of their business, MSMEs typically require less capital than large companies. MSMEs with limited capital are often hindered from accessing opportunities to expand their businesses, either for purchasing raw materials or increasing production capacity (Herawaty & Yustien, 2019). Without adequate capital, a business cannot develop optimally and can only survive at a small or medium scale, which limits the market and revenue growth (Trisnadewi & Dewi, 2023).

2.2. Financial Management

Proper financial management is crucial for the sustainability and growth of MSMEs. Financial management refers to the planning, organizing, directing, and controlling of financial activities such as the procurement and utilization of business funds (Purba & Sianturi, 2021). According to Anwar (2019), financial management is the discipline of finding sources of funds, allocating funds, and distributing company profits. Efficient financial management helps entrepreneurs plan the use of funds properly, avoid bankruptcy, and make better business decisions. However, many MSME entrepreneurs still face significant challenges in managing their business finances effectively. One of the main issues is the inability to create adequate financial reports, which in turn affects decision-making. Lack of knowledge about financial management is often a barrier for MSMEs, which can affect their overall business performance (Wati, Syafina, & Nurwani, 2024).

2.3. Marketing Technology

According to Sharabati et al. (2024), digital marketing is the use of digital technologies to create more personal and interactive communication between companies and consumers. In today's digital era, marketing technology provides great opportunities for MSMEs to expand their markets at more efficient costs. According to Philip Kotler in Marketing 4.0, digital technology brings a transformation in marketing approaches that are more data-driven and consumer-centric. Technology-based marketing can help MSMEs introduce their products to a wider market, including international markets, through various digital platforms such as social media, marketplaces, and websites. Digital marketing allows MSMEs to reach a wider audience at more affordable costs, which was previously unattainable with traditional marketing methods. The use of social media platforms such as Instagram, Facebook, and Twitter allows MSMEs to market their products directly to consumers in a more personalized and cost-effective manner. Furthermore, the use of e-commerce platforms gives MSMEs the opportunity to open new markets that were previously closed due to limitations in time, communication methods, and distance (Gustika, Suharmiyati, & Corrina, 2021; Larasati, Pradiptya, & Mawardani, 2022).

2.4. MSME Performance

The performance of MSMEs can be measured by several indicators, including revenue growth, profit improvement, customer satisfaction, and product innovation (Richard, Devinney, Yip, & Johnson, 2009). Good MSME performance is reflected in the competitiveness of their products or services in the

market. Improving business performance is closely related to optimizing internal resources and implementing the right strategies. Therefore, performance improvement does not only depend on financial resources but also on the entrepreneur's ability to manage business operations efficiently and adapt to new technologies.

The definition of MSME performance, according to Hasibuan (2003) in Malikhah, Nst, and Sari (2024), is the results achieved by an individual or organization in carrying out assigned tasks, based on competence, experience, and diligence. Meanwhile, Rivai (2006) defines performance as the level of success an individual achieves in carrying out their tasks over a certain period, compared with the established goals.

2.4.1. MSME Performance Indicators

Performance refers to the achievements or accomplishments of a company over a certain period. The variables in this study are developed from performance research by Minuzu (2010). The indicators used to measure performance are as follows:

1. Sales growth
2. Capital growth
3. Additional workforce each year
4. Market and marketing growth

2.5. Theoretical Framework

A theoretical framework is a description or plan that contains an explanation of everything that is used as research material based on research findings. Nawawi (2001) defines the theoretical framework as "a basis useful for thinking as support for problem-solving." The theoretical structure used to answer the research question contains the main ideas that describe the perspective from which the research question will stand out. In this study, the following theoretical framework is used to support problem-solving in the research:

a) Business Capital is the money or assets used to carry out business activities. Sufficient capital is crucial for the continuity of business operations, increasing business volume, and supporting expansion (Farhan, Eryanto, & Saptono, 2022).
b) Financial Management involves planning, organizing, and controlling the use of funds to assist in making appropriate decisions and ensuring business continuity. Proper management contributes to efficiency and avoids bankruptcy (Purba & Sianturi, 2021).
c) Marketing Technology (Digital Marketing) is the use of digital technology to expand the market and enhance competitiveness. It allows MSMEs to reach a wider consumer base at a more efficient cost through platforms like social media and e-commerce (Gustika et al., 2021; Larasati et al., 2022).

MSME Performance is measured by the results achieved in carrying out tasks, involving competence, experience, and time. Improving MSME performance heavily depends on the proper use of resources and strategies.

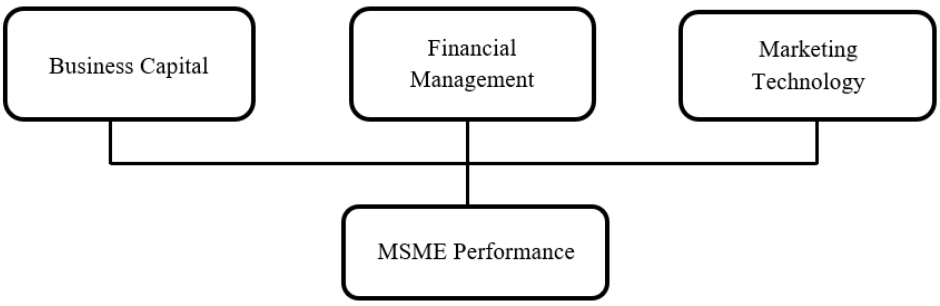

Figure 1. MSME Performance

2.6. Hypothesis

Sugiyono (2013) defines a hypothesis as a temporary statement to answer the formulated research problems that have been determined in the form of a question. It is considered temporary because it is

based on theory and not on facts obtained from data collection. The hypotheses in this study are as follows:

2.6.1. The Effect of Business Capital on MSME Performance

All MSMEs require capital for operations such as purchasing raw materials and equipment. Adequate capital is crucial for improving efficiency and business success. The lack of capital can hinder MSME growth, while sufficient capital can improve business performance (Abbas, 2018). Previous research indicates that working capital has a positive impact on MSME performance (Daud, Niswatin, & Taruh, 2023). Based on the theoretical foundation and empirical findings, the hypothesis that can be developed is:

H1: It is suspected that there is an effect of working capital on MSME performance

2.6.2. The Effect of Financial Management on MSME Performance

Effective financial management is critical for business stability and improving MSME performance. Good financial management includes budgeting, controlling expenditures, and risk protection. As a factor influencing business performance, proper financial management helps MSMEs avoid bankruptcy and improve efficiency. Research by Habibi, Sudirman, and Wulandari (2022) and Tio, Yadewani, Wijaya, and Yerizal (2025) indicates that financial management has a positive effect on MSME performance. Based on these findings, the hypothesis developed is:

H2: It is suspected that there is an effect of financial management on MSME performance.

2.6.3. The Effect of Marketing Technology on MSME Performance

Digital marketing, as a form of marketing through digital media, allows MSMEs to reach consumers more widely and efficiently. This marketing strategy is highly effective, as it can expand the MSME market network at lower costs, as well as increase interaction and brand awareness. Research by (Maharani & Nazmah, 2023) shows that digital marketing contributes to the sustainability of MSMEs and enhances their competitiveness. Based on this, the hypothesis developed is:

H3: It is suspected that there is an effect of marketing technology on MSME performance

3. Research methodology

3.1. Research Design

This study uses a quantitative research method, which is based on positivist philosophy. Quantitative research is typically used to study a population or sample in a specific study. The sampling technique is usually random, data collection uses research instruments, and data analysis is quantitative/statistical with the aim of testing established hypotheses (Sugiyono, 2013). This research adopts a field research approach by directly gathering data through surveys or questionnaires. After assessing the influence of business capital, marketing strategies, and product innovation on MSME development, the researcher will present the findings using a descriptive approach.

3.1.1. Conceptual Framework

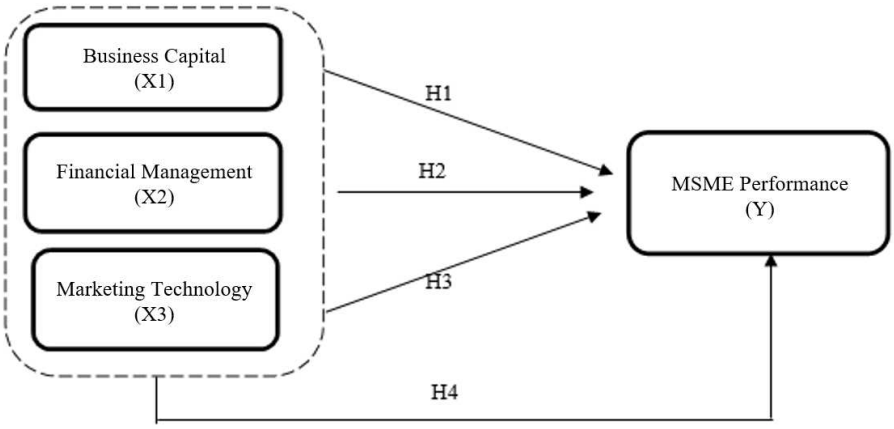

Figure 2. Conceptual Framework

Explanation:
⟶ = Indicates that variable X partially influences variable Y.
----- = Indicates that variable X simultaneously influences variable Y.

3.2. Data Types and Sources

3.2.1. Data Types

This study uses quantitative data. According to (Sugiyono, 2013), quantitative data meet scientific standards and consist of numbers. Quantitative research, based on positivist philosophy, is used to study a population or sample, and the data analysis aims to test established hypotheses.

3.2.2. Data Sources

Primary data is obtained through field surveys using original data collection methods directly from sources. In this case, the data was collected through observations and interviews with MSME owners in Kotabumi, North Lampung.

3.3. Population and Sample

3.3.1. Population

Suharyadi and Purwanto. (2016) states that population refers to a set of all possibilities of objects, people, or other possibilities, which then becomes the set of all objects to be studied. According to (Sugiyono, 2013), population is a generalization area consisting of objects or subjects that have certain quantities and characteristics established by the researcher for study and later conclusions. The population represents the scope or size of characteristics of all objects being studied. A sample is a subset of characteristics of the population that shares the same characteristics as the population.

In this study, the population used consists of all Micro, Small, and Medium Enterprises (MSMEs) that are officially registered with the Cooperatives and MSME Office in 2024. According to the latest data, the population reaches 29,567 MSME units, spread across various business sectors and administrative regions. This population is selected because it is considered capable of representing the dynamics of the MSME sector, which is the primary focus of the study, especially in examining the relationship between the variables being researched, such as digital marketing, financial management, and business performance.

3.3.2. Sample

According to Sugiyono (2013), a sample refers to a portion of the population that possesses the same characteristics. When the population is large, and studying the entire population is not feasible, a sample is taken that truly represents the population.In this study, the researcher foc uses on micro-businesses engaged in clothing sales (Fashion) that have been operational for over a year, with a sample size of 100 business owners. To determine the number of questionnaires to be distributed, the researcher employed a probability sampling technique using Slovin's formula. Slovin’s formula, according to Sugiyono (2013), is used to determine the sample size that can adequately represent the entire population. The Slovin formula is as follows:

$$n = \frac{N}{1 + N\,(e)^2}$$

Explanation:
n = Sample size / number of respondents
N = Population size
e2 = tolerance level of sampling error that can be tolerated, where e = 0.1.
In Slovin’s formula, the following criteria apply:
e = 0,1 (10%) for large populations
e = 0,2 (20%) for small populations

Therefore, the sample size from Slovin’s method can range between 10% and 20% of the population. Given the MSME population of 29,567, applying the Slovin formula yields:

$$n = \frac{29.567}{1 + 29.567(0,1)^2}$$

$$n = \frac{29.567}{1+ 295,67}$$

$$n = 99,6$$

Thus, the sample size used was 100 business owners.

3.4. Data Collection Techniques

Sugiyono (2013) explains that data collection techniques are methods employed in research to gather the necessary data. Without knowing which techniques are used in data collection, a researcher would face difficulty in obtaining data that meets the established standards. In this study, data was obtained from questionnaire responses. A questionnaire is a data collection technique that provides a set of written questions or statements to respondents for their answers. A questionnaire is suitable for gathering data from a large number of respondents spread over a wide area. In this study, the researcher used a Likert scale for measurement. The Likert scale is used to measure attitudes, opinions, and perceptions of individuals or groups regarding social phenomena (Sugiyono, 2013).

The questionnaire contains questions regarding financial literacy, financial management, and MSME performance, which will be distributed to 95 MSME respondents with the hope of receiving responses to the questions posed. Measurement for the independent and dependent variables in this study uses the Likert scale, which measures variables such as Business Capital, Financial Management, and Marketing Technology's impact on MSME Performance, with a scoring system ranging from 1 to 5 as follows:

Table 1. Likert Scale Model

No	Description	Score
1	Strongly Disagree / Never	1
2	Disagree / Rarely	2
3	Neutral	3
4	Agree / Often	4
5	Strongly Agree / Always	5

3.5. Variables and Operational Definitions

3.5.1. Research Variables

Sugiyono (2013) states that a research variable is a value derived from an object that has various types, determined by the researcher so that it can be understood and lead to conclusions. Based on the relationships among variables, this study uses several variables, namely:

a) Dependent Variable
   Sugiyono (2013)defines a dependent variable as one that is affected or included in the result variable, meaning it is influenced by the independent variable. In this study, the dependent variable is MSME performance (Y).
b) Independent Variables
   Sugiyono (2013) defines an independent variable as one that influences the dependent variable. In this study, the independent variables are Business Capital (X1), Financial Management (X2), and Marketing Technology (X3).

3.6. Analysis Tools

1. Descriptive Analysis
   This study uses questionnaires (surveys) and interviews to obtain data related to working capital, financial management, and marketing technology's impact on MSME performance.

2. Validity Test
   According to Sugiyono (2013), validity refers to how well an instrument measures what it is supposed to measure. The validity test checks whether the obtained data is valid based on the measuring instrument used. The validity test is conducted using the SPSS (Statistical Package for the Social Sciences) program, with the following criteria:
   a.) A statement is considered valid if r-count ≥ r-table.
   b.) A statement is considered invalid if r-count ≤ r-table.

3.7. Reliability Test

The reliability test is used to measure a questionnaire, which is a source of the indicator variable. Reliability measurement is done by measuring once and then comparing the results with other statements or by measuring correlations between the answers to statements. According to Joko Widiyanto (2010), the decision-making basis for the reliability test is as follows:
a.) If Cronbach's Alpha > r table, the questionnaire is reliable.
b.) If Cronbach's Alpha < r table, the questionnaire is unreliable

Reliability measurement using the Cronbach Alpha method will produce an alpha value in the scale range of 0 – 1, which can be categorized into five classes. The class values and their corresponding reliability levels are as shown in the following table (Sugiyono, 2011).

Table 2. Reliability Level

Cronbach Alpha	Percentage
0.0 ≤ r < 0.20	Very Unreliable
0.20 ≤ r < 0.40	Unreliable
0.40 ≤ r < 0.60	Quite Reliable
0.60 ≤ r < 0.80	Reliable
0.80 ≤ r < 1.00	Very Reliable

Source: Sugiyono, 2011

3.7.1. Classical Assumption Test

According to Manullang (2014), the classical assumption test in multiple regression analysis aims to analyze whether the regression model used in the study is the best model. The commonly used classical assumption tests include normality test, multicollinearity test, and heteroscedasticity test.

a. Data Normality Test
   The purpose of the normality test is to determine whether the distribution of data follows and approximates a normal distribution. According to Manullang (2014), the normality test is conducted to see whether the dependent and independent variables in the regression model have a normal distribution or not. The normality test can be seen through statistical tests such as the Kolmogorov-Smirnov value, by comparing the obtained probability (p) with the significance level (α) of 0.05. If p > α, the data is normally distributed, otherwise, it is not.
b. Multicollinearity Test
   According to Rusiadi (2015), the multicollinearity test is conducted to examine whether there is any correlation between the independent variables in the regression model. A good regression model does not have correlations between the independent variables. If the independent variables are correlated, the variables are not orthogonal. Orthogonal variables are independent variables where the correlation among them is zero. The statistical tool used in this research to test multicollinearity is tolerance and variance inflation factor (VIF). If tolerance > 0.1 and VIF < 10, multicollinearity is not present.
c. Heteroscedasticity Test
   Heteroscedasticity refers to unequal residual variance across all observations within a regression model. This test aims to examine whether there is unequal variance in the residuals from one observation to another in the regression model. A good regression model should not exhibit heteroscedasticity. The heteroscedasticity test is conducted using graphical methods, which involves observing the pattern of the data points in the regression plot. The decision criteria are as follows:

a) If a specific pattern is formed, such as data points following a regular pattern (wavy, widening, then narrowing), heteroscedasticity occurs.
b) If no clear pattern is evident, such as points scattered above and below the zero line on the Y-axis, heteroscedasticity does not occur.

3.7.2. Multiple Linear Regression Analysis

Multiple linear regression analysis can be conducted once the classical assumption tests for regression are met. This study uses multiple linear regression for hypothesis testing. It aims to explain the effect of independent variables financial literacy and financial management on the dependent variable, MSME performance. The model is represented by the equation:

$$Y = \alpha + \beta 1\ X1 + \beta 2\ X2 + \beta 3\ X3 + e$$

Where:
Y = MSME Performance
α = Constant value
β1,β2 β3 = Regression coefficients
X1 = Business Capital
X2 = Financial Management
X3 = Marketing Technology
e = Standard Error

3.7.3. Coefficient of Determination (R^2) Analysis

The coefficient of determination (R^2) analysis aims to quantify the effect of independent variables on the dependent variable. It shows the percentage of total variation in the dependent variable explained by the independent variables. R^2 ranges from 0 to 1 ($0 \leq R^2 \leq 1$), with values close to 1 indicating that the independent variables explain most of the variation in the dependent variable.

3.8. Hypothesis Testing

Hypothesis testing is used to examine the relationships between variables and how they affect the research outcomes. In this study, hypothesis testing aims to determine the impact of financial literacy and financial management on MSME performance. Multiple regression analysis is used to test this hypothesis with a significance level of 5% (0.05).

1. Partial Test (T Test)

This test is used to examine the significance of each regression coefficient to determine whether the influence of independent variables on the dependent variable is significant or just occurs by chance. The t-test is used to determine if each regression coefficient is significant against the dependent variable while holding the other independent variables constant. Hypothesis acceptance and rejection are based on the following criteria:

a) If the significance value (sig.) < 0.05, the hypothesis is accepted. This means there is a significant partial effect of Business Capital (X1), Financial Management (X2), and Marketing Technology (X3) on MSME Performance (Y).
b) If the significance value (sig.) > 0.05, the hypothesis is rejected. This means there is no significant partial effect of Business Capital (X1), Financial Management (X2), and Marketing Technology (X3) on MSME Performance (Y).

2. Uji Simultan (Uji F)

The F-test in this study aims to determine the collective effect of working capital, financial management, and marketing technology on MSME performance. The test is performed by examining the F column and the significance value in the ANOVA table.

a. If the F test significance value < 0.05, the regression model is accepted.
b. If the F test significance value > 0.05, the regression model is rejected.

3.9. Data Processing

Syofian Siregar (2017) states that data processing is used in research for a quantitative approach, which involves obtaining the required data using specific methods. Various data processing methods include:

a. Editing
   Editing refers to the process of checking the data collected in the field to ensure its accuracy and completeness. This is done to identify any data that does not meet the criteria or is unnecessary for the research. The purpose of editing is to check for any errors or missing data.
b. Tabulation
   Tabulation organizes data into tables to facilitate analysis, providing a simplified and structured way to interpret the findings.
c. Data Processing
   In this study, the collected data from the questionnaires is processed using SPSS (Statistical Product and Service Solutions), and the results are analyzed to draw conclusions based on the research objectives.

4. Result and discussion

4.1. Data Description

The socio-economic characteristics of MSME actors in Kotabumi, North Lampung: The research data used in this study are primary data collected through questionnaires distributed to the research respondents, who are micro, small, and medium enterprises (MSMEs) in Kotabumi, North Lampung. The questionnaires were distributed from June 2, 2025, to July 2, 2025. The questionnaires were filled out and returned by both MSME owners and employees. A total of 100 completed questionnaires were returned from a population of 29,567 MSMEs in Kotabumi. The data collected were further processed by the researcher. The data represents 100 MSME units in the clothing (fashion) sector from various MSMEs in the Kotabumi market. The data can be described in tabular form to make it easier to understand and interpret. The characteristics of the respondents are classified as follows:

Table 3. Respondents Based on Age Group

Age Group	**Number**	**Percentage**
15-27 years	30	30%
28-37 years	17	17%
38-47 years	36	36%
48-57 years	17	17%
Total	**100**	**100%**
Average	**39 years**	
Gender	**Number**	**Percentage**
Female	60	60%
Male	40	40%
Total	**100**	**100%**
Average	**Female**	
Education Level	**Number**	**Percentage**
Elementary or equivalent	1	1%
Junior High or equivalent	6	6%
Senior High or equivalent	68	68%
Higher Education	25	25%
Total	**100**	**100%**
Average	**Senior High or equivalent**	
Experience Level	**Number**	**Percentage**
Less than 1 year	5	5%
1-5 years	16	16%
5-10 years	54	54%
More than 10 years	25	25%
Total	**100**	**100%**
Average	**5 years**	

Income Range	Number	Percentage
< 1,500,000	2	2%
1,500,000-2,499,000	37	37%
2,500,000-3,499,000	44	44%
> 3,500,000	17	17%
Total	**100**	**100%**
Average	**2,580,000**	

4.2. Instrument Testing

4.2.1. Validity Test

The validity test aims to measure the validity of each item in the questionnaire. This test is conducted by correlating the scores obtained for each item with the comparison between the calculated r-value and the r-table value, determined by the degree of freedom (df) = n-2, where n is the sample size. In this study, the significance level used is 5% or 0.05, and the df is calculated as df = 100-2 = 98, resulting in an r-table value of 0.1654. A questionnaire is considered valid if the calculated r-value > r-table; otherwise, it is invalid. The results of the validity test are as follows:

Table 4. Validity Test Results

Indicator	r Calculated	r Table	Remarks
X1	.702	0.1654	Valid
X2	.796	0.1654	Valid
X3	.699	0.1654	Valid
X4	.772	0.1654	Valid
X5	.599	0.1654	Valid
X6	.577	0.1654	Valid
X7	.472	0.1654	Valid
X8	.582	0.1654	Valid
X9	.760	0.1654	Valid
X10	.572	0.1654	Valid
X11	.777	0.1654	Valid
X12	.780	0.1654	Valid
X13	.867	0.1654	Valid
X14	.819	0.1654	Valid
X15	.555	0.1654	Valid
X16	.551	0.1654	Valid

Source: Data processed, SPSS 2025

Based on Table 4, all statement items have positive values and r calculated > r table (0.1654), so all items are valid.

4.2.2. Reliability Test

The reliability test is used to assess the consistency of measurement results. If measurements are repeated and yield relatively consistent results, the measurement can be considered reliable. A variable is considered reliable if its Cronbach's Alpha value is greater than 0.60. Reliability is measured using Cronbach's Alpha, which yields a value between 0 and 1.

Table 5. Reliability Test Results

Reliability Statistics	
Cronbach's Alpha	N of Items
.937	16

Source: Data processed, SPSS 2025

According to Table 5, each variable has a Cronbach's Alpha value greater than 0.6 (0.937 > 0.6), indicating that the variables for business capital, financial management, and marketing technology are reliable.

4.3. Data Processing Results

4.3.1. Hypothesis Testing

4.3.1.1. F Test

The simultaneous significance test (F test) is used to determine the collective effect of independent variables on the dependent variable. The test is conducted by comparing the significance level of 5% (0.05) with the calculated F-value and F-table value. If the calculated F-value > F-table and the significance value < 0.05, then H0 is rejected and H1 is accepted, meaning there is a significant collective effect between the independent variables and the dependent variable. The F-table value is obtained from the degrees of freedom (df1 = k, number of independent variables; df2 = n - k, where n is the sample size). With df1 = 3 and df2 = 98, the F-table value is 2.72.

Table 6. F Test Results

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	244.422	3	81.474	41.424	.000[b]
	Residual	188.818	96	1.967		
	Total	433.240	99			

a. Dependent Variable: Kinerja UMKM
b. Predictors: (Constant), teknologipem, Modalusaha, pengelolaankeu

Source: Data processed, SPSS 2025

Based on Table 6, the calculated F-value is 41.424 > 2.72, and the significance value is 0.000 < 0.05, meaning H4 is accepted. This indicates that business capital, financial management, and marketing technology collectively have a significant impact on MSME performance in Kotabumi, North Lampung.

4.3.1.2. T Test

The T-test is used to assess the effect of each independent variable on the dependent variable while holding the other variables constant. If the calculated t-value > t-table and the significance value < 0.05, the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted, indicating a significant effect. The t-table value is calculated as t (α/2; n-k-1), yielding a t-table value of 1.661. With a significance level of 0.05 and the specified degrees of freedom, the t-table value is 1.661. If the calculated t-value is greater than 1.661 and the significance value is less than 0.05, it can be concluded that the independent variables significantly affect the dependent variable.

Table 7. T Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations
		B	Std. Error	Beta			Zero-order
1	(Constant)	2.920	1.372		2.128	.036	
	Business capital	.405	.084	.423	4.795	.000	.671
	Financial management	-.129	.139	-.114	-.929	.355	.564
	Marketing technology	.539	.132	.508	4.081	.000	.678

Source: Data processed, SPSS results, 2025

Based on Table 7, it can be concluded that:

1. Business Capital Variable on MSME Performance: From the data, the t-value for business capital is 4.795 > 1.661, and the significance value is 0.000 < 0.05, so H1 is accepted. This means that business capital significantly and positively affects MSME performance in Kotabumi, North Lampung.

2. Financial Management Variable on MSME Performance: From the data, the t-value for financial management is -0.929 < 1.661, and the significance value is 0.355 > 0.05, so H2 is rejected. This means that financial management has no significant effect on MSME performance in Kotabumi, North Lampung.
3. Marketing Technology Variable on MSME Performance: From the data, the t-value for marketing technology is 4.081 > 1.661, and the significance value is 0.000 < 0.05, so H3 is accepted. This means that marketing technology significantly and positively affects MSME performance in Kotabumi, North Lampung.

4.3.1.3. Coefficient of Determination (R^2) Test

The R^2 test is used to determine the proportion of the variance in the dependent variable explained by the independent variables. A larger R^2 value indicates that the independent variables have a better ability to explain the dependent variable (Y).

Table 8. R^2 Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.751[a]	.564	.551	1.40245	.564	41.424	3

Source: Data processed, SPSS results, 2025

Based on Table 8, the Adjusted R Square value is 0.551, or 55.1%. This indicates that the independent variables explain 55.1% of the variation in MSME performance. The remaining 44.9% is explained by other variables not included in the model.

4.3.1.4. Multiple Linear Regression Test

Multiple linear regression analysis is used to assess the relationship between multiple independent variables and the dependent variable. This test will show whether business capital, financial management, and marketing technology affect MSME performance. The results of the multiple regression analysis are shown in the table below:

Tabel 9. Multiple Linear Regression Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations
		B	Std. Error	Beta			Zero-order
1	(Constant)	2.920	1.372		2.128	.036	
	Business capital	.405	.084	.423	4.795	.000	.671
	Financial management	-.129	.139	-.114	-.929	.355	.564
	Marketing technology	.539	.132	.508	4.081	.000	.678

Source: Data processed, SPSS results, 2025

From the regression calculations, the equation for MSME performance (Y) based on the independent variables is:

$$Y = 2{,}920 + 0{,}405(X1) - 0{,}129(X2) + 0{,}539\ (X3)$$

The interpretation of the multiple linear regression equation is as follows:

1. The constant value of 2.920 indicates that when the independent variables (business capital, financial management, and marketing technology) are held constant, the average MSME performance score (Y) is 2.920.
2. The coefficient for business capital of 0.405 indicates that a 1-unit increase in business capital, with other variables held constant, will lead to a 0.405 unit increase in MSME performance. This positive coefficient signifies a positive relationship between business capital and MSME performance.

3. The coefficient for financial management of -0.129 indicates that a 1-unit increase in financial management, with other variables held constant, will result in a 0.129 unit decrease in MSME performance. This negative coefficient signifies a negative relationship between financial management and MSME performance.
4. The coefficient for marketing technology of 0.539 indicates that a 1-unit increase in marketing technology, with other variables held constant, will lead to a 0.539 unit increase in MSME performance. This positive coefficient signifies a positive relationship between marketing technology and MSME performance.

5. Conclusion

5.1. Conclusion

Based on the data analysis and discussion presented in the previous chapter, the following conclusions can be drawn:

1. The research shows that business capital has a t-value of 4.795 > 1.661 and a significance value of 0.000 < 0.05, so H0 is rejected and H1 is accepted. This means that business capital significantly and positively influences MSME performance. The hypothesis development is accepted, as business capital is essential for business success.
2. The financial management variable has a t-value of -0.929 < 1.661 and a significance value of 0.355 > 0.05, so H2 is rejected. This means that financial management does not have a significant impact on MSME performance in Kotabumi, North Lampung.
3. The marketing technology variable has a t-value of 4.081 > 1.661 and a significance value of 0.000 < 0.05, so H3 is accepted. This means that marketing technology significantly and positively influences MSME performance in Kotabumi, North Lampung.
4. Based on the F-test results, the F-value is 41.424 > 2.722, and the significance value is 0.000 < 0.05, so H4 is accepted and H0 is rejected. This means that business capital, financial management, and marketing technology collectively have a significant effect on MSME performance.

5.2. Suggestions

Based on the research results and discussion regarding the influence of business capital, financial management, and marketing technology on MSME performance in Kotabumi, North Lampung, the following recommendations are provided:

1. MSME actors are encouraged to manage their business capital more efficiently and optimally by allocating funds to productive activities and avoiding unplanned expenditures. Additionally, improving financial literacy is essential to manage cash flow, bookkeeping, and financial reporting accurately.
2. MSMEs in Kotabumi should leverage digital technology for promotion and marketing, such as social media, marketplaces, and websites. The use of marketing technology has been proven to significantly expand market reach and increase sales. Therefore, training and support in digital marketing are crucial.
3. Local governments, through the Cooperatives and MSMEs Office, should continue to provide support in the form of training programs, capital assistance, and access to information and technology to help MSMEs grow competitively in the digital era.
4. Future research could explore other factors that may influence MSME performance, such as product innovation, human resource quality, and partnership networks. Expanding the geographical scope of the study would also provide a more comprehensive view.

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