

## The Influence of Digital Marketing on The Income of Micro, Small, and Medium Enterprises (MSMEs) at The Food Court of Grand City Balikpapan

Kety Lulu Agustin <sup>1</sup>, Endang Sri Apriani <sup>2</sup>, Dessy Handa Sari <sup>3</sup>, Nurul Musfirah Khairiyah <sup>4</sup>

<sup>1,2,3,4</sup> Balikpapan State Polytechnic, Soekarno hatta st, Balikpapan, 76129, Indonesia

	<b>Abstract</b>
<p><b>Keywords:</b>          Digital Marketing; Income; MSMEs, Grand City food court; SPSS</p>	<p><i>The number of MSMEs in Balikpapan increased in 2021 but declined in 2022, possibly due to their inability to market digitally. Currently, many marketing activities utilize digital media, including social media and marketplaces. The purpose of this study is to determine whether digital marketing influences the revenue of MSMEs at the Grand City Balikpapan Food Court and how this influence is achieved. This research is descriptive, using a combination of qualitative and quantitative methods. The data source is primary data, i.e., data obtained directly from the market. The data was then processed using SPSS with simple regression analysis techniques. The qualitative data was obtained through interviews and concluded by the researcher. The results of this study indicate that digital marketing significantly influences revenue. The interviews also confirm that digital marketing helps increase revenue. However, the obstacle is that not everyone has access to digital marketing. It is hoped that the results of this study will encourage MSMEs to utilize digital marketing.</i></p>
	<b>Abstraks</b>
<p><b>Kata Kunci:</b>          Digital Marketing; Pendapatan; UMKM; food court Grand City; SPSS</p> <p><b>DOI:</b></p>	<p><i>UMKM di Balikpapan mengalami kenaikan pada tahun 2021 namun mengalami penurunan di tahun 2022 yang kemungkinan terjadi dikarenakan UMKM kurang bisa memasarkan secara digital. Saat ini pemasaran banyak yang menggunakan media digital salah satunya seperti media sosial &amp; marketplace. Tujuan penelitian ini untuk mengetahui apakah Digital Marketing berpengaruh terhadap pendapatan Umkm Di Food Court Grand City Balikpapan dan bagaimana pengaruhnya. Jenis dari penelitian ini adalah penelitian deskriptif dengan metode gabungan kualitatif dan kuantitatif. Sumber data dalam penelitian ini merupakan data primer yaitu data yang bersumber secara langsung. Kemudian data diolah menggunakan SPSS dengan teknik analisis regresi sederhana. Sedangkan untuk yang kualitatif diperoleh dengan wawancara dan disimpulkan oleh peneliti. Hasil penelitian ini digital marketing berpengaruh signifikan terhadap pendapatan. Hasil wawancara juga menegaskan bahwa pemasaran digital membantu meningkatkan pendapatan. Sedangkan untuk hambatannya yaitu tidak semua orang memiliki akses untuk menggunakan digital marketing. Diharapkan dari hasil penelitian ini, para UMKM dapat menggunakan digital marketing.</i></p>
<p><b>Correspondence:</b>          Name: Kety Lulu Agustin          Email: <a href="mailto:kety.lulu@poltekba.ac.id">kety.lulu@poltekba.ac.id</a></p>	<p>ISSN: 2355-9543 (Print)          ISSN: 2460-3775 (Online)</p>

# The Influence of Digital Marketing on The Income of Micro, Small, and Medium Enterprises (MSMEs) at The Food Court of Grand City Balikpapan

## INTRODUCTION

One of the goals of economic policy is prosperity, and its benchmark is income. Increasing income leads to increased prosperity and improved economic conditions. According to Sochib (2018), income is the inflow of assets arising from the delivery of goods or services by a business unit during a specific period. Revenue can be increased through effective marketing. Increasing sales and revenue is a top priority for most companies. Focusing on customers and how they respond to various sales and marketing strategies can help determine the best way to increase sales and revenue. Marketing and advertising campaigns can attract new customers and retain current ones, increasing your profits.

As time goes by, technology also evolves. This is due to the numerous innovations that have emerged, ranging from hardware, software, and other devices. The value of these innovations can be found in all fields and help facilitate human activities, for example in marketing. One such innovation is the emergence of digital marketing, such as social media, websites, and marketplaces. With the advent of digital media, marketing has become easier and more accessible, and costs have also been reduced. Digital marketing represents a form of innovation and a shift from traditional marketing.

Digital or online advertising has experienced phenomenal growth since its inception in 1994 (Robinson et al., 2007). The internet has become the fastest growing advertising medium in this decade (Ha, 2008). In line with the development of the internet, a new understanding of the marketing paradigm has emerged in the form of a modern market/consumer-oriented marketing concept or a marketing revolution in the form of an electronic marketplace (Arnott & Bridgewater, 2002).

## METHOD

Regarding MSMEs, Balikpapan is one of the cities with relatively good MSME growth. This can be seen in Table 1 below:

Table 1. MSME Growth Percentage

Year	Number of MSMEs	Percentage of MSME Growth
2020	27.542	50.18
2021	47.054	70.84
2022	60.959	29.55

Source : Satu data Kalimantan timur

Table 1 shows that MSMEs in Balikpapan experienced an increase in 2021 but a decline in 2022. Several previous studies have found positive results indicating that digital marketing impacts revenue. However, these studies only used quantitative methods, which lacked in-depth understanding of digital marketing's impact and the challenges it faces. Therefore, this study will employ a combined method for more in-depth analysis.

From Tam's theory, it is also explained that technology can influence a person's psychology, one of which is desire, which means that digital marketing can influence a person's desire to buy. This is the reason the researcher chose to focus on MSMEs. In this study, the MSMEs studied are those located at the Grand City Balikpapan food court. Many MSMEs at the Grand City food court use social media channels such as Facebook, WhatsApp, and Instagram to seek prospects or identify opportunities. Based on this, the author intends to conduct a study entitled "The Influence of Digital Marketing on the Revenue of Micro, Small, and Medium Enterprises (MSMEs) at the Grand City Balikpapan Food Court."

This research is a descriptive mix method research, combining quantitative and qualitative approaches

(Plano Clark & Creswell, 2014). For quantitative data, data was obtained from questionnaires and processed using SPSS simple regression (Subana & Sudrajat, 2005). For qualitative data, data was obtained from interviews and concluded by the researcher (Sugiyono, 2017). The population in this study was 32 MSMEs, and the sampling technique used was saturated sampling, where the entire population was used as a sample. the data source in this study is primary data, namely data sourced directly. the data source for this study is the owner of the msme in the grand city balikpapan food court. consistently, the data in this study consists of monthly data and also interviews that the author obtained from the business owner directly who is considered capable and competent in providing the data used. the data collection techniques used in

this study were direct interviews with the business owner and documentation. the data analysis technique carried out several steps, namely descriptive statistical analysis, classical normality assumption test, and hypothesis testing with simple regression.

## RESULTS

The validity and reliability tests confirmed the questionnaire's validity and reliability. Furthermore, the Monte Carlo normality test yielded a value of 0.518, which is above 0.05, indicating that the data being tested is normally distributed (Ghozali, 2018). This variable passed the multicollinearity test, and the data in this study did not exhibit heteroscedasticity.

Table 2 Simple Linear Regression Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	6.058	6.942		.873	.390
Digital Marketing	.497	.094	.702	5.312	<.001

Sumber : SPSS versi 30 (diolah oleh peneliti)

a. Dependent Variable: Pendapatan UMKM

The multiple linear regression equation can be found as follows:

$$Y = a + \beta_1 X_1 + e$$

$$Y = 6.058 + 0.497 X_1 + e$$

The analysis of the multiple linear regression equation above is as follows:

1) The constant ( $\alpha$ ) in this regression is 6.058 and is positive. This indicates that if the digital marketing variable is set to 0, the constant value can increase revenue by 6.058.

2) The regression coefficient for the social marketing variable ( $X_1$ ) is 0.497. This indicates that if the other variables are stable, each unit increase in the digital marketing variable will result in a 0.497 increase in revenue.

Tabel 4 T Test (Hipotesis)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	6.058	6.942		.873	.390
Digital Marketing	.497	.094	.702	5.312	<.001

a. Dependent Variable: Pendapatan UMKM

Based on table 4 above, it can be concluded that digital marketing on income, with a

Table 3 Coefficient of Determination Test  
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.702 <sup>a</sup>	.493	.476	4.827

Sumber : SPSS versi 30 (diolah oleh peneliti)

a. Predictors: (Constant), Digital Marketing

Based on Table 3 above, the adjusted R-square value is 0.476, equivalent to 47.6%. This indicates that the independent variable, digital marketing ( $X_1$ ), influences the dependent variable, income ( $Y$ ), by 47.6%. The remaining 52.4% of the income variable is influenced by other variables not included in this study (Ghozali, 2021).

significance level of <0.001, is smaller than 0.05, meaning that partially there is a significant

## **The Influence of Digital Marketing on The Income of Micro, Small, and Medium Enterprises (MSMEs) at The Food Court of Grand City Balikpapan**

influence between digital marketing and income.

while the qualitative results obtained from the results interviews revealed that digital marketing is very helpful in increasing sales. Through social media, websites, and digital advertising platforms like Google Ads and Instagram Ads, products or services can reach a wider audience with a more specific target audience. Furthermore, digital marketing allows us to interact directly with customers, obtain feedback, and build loyalty. However, there are barriers to using digital marketing, such as not everyone has access, perhaps due to a lack of information or a lack of understanding. MSMEs themselves suggest that there should be someone who can help business owners, especially parents, get started with digital marketing. Because not everyone is immediately familiar with technology, they need guidance. For example, helping them create an Instagram account, teaching them how to upload product photos, or setting up WhatsApp Business. The most frequently used digital marketing platform is Instagram. MSMEs recommend that businesses focus more on building a strong social media presence and leveraging data to understand consumer behavior. Engaging, consistent, and relevant content is crucial for attracting attention. Furthermore, it's important to learn the basics of SEO and use paid advertising efficiently to reach the right target market. Finally, regular evaluation and analysis are essential to ensure that the digital strategy remains effective and can be continuously improved.

### **DISCUSSION**

The results of the first hypothesis test the digital marketing variable (X1)'s effect on the revenue variable (Y). This study shows that digital marketing (X1) has a positive effect on the revenue variable (Y), as increased digital marketing promotions will increase MSME revenue. This finding indicates that more frequent and attractive digital marketing promotions will attract more consumers to shop, thereby increasing MSME revenue.

This study uses the Technology Acceptance Model (TAM) theory to explain the model used to

analyze and understand internet usage factors. According to Davis (1989), technology acceptance is influenced by two factors: perceived usefulness, where MSMEs believe that selling products through marketplaces can increase revenue, and perceived ease of use, where MSMEs believe that using technology is very easy and does not require significant effort to increase revenue. Tam's theory explains consumer behavior in using technology as an information system for shopping using digital systems.

Interview results indicate that digital marketing is significantly helpful in increasing sales. Through social media, websites, and digital advertising platforms like Google Ads and Instagram Ads, products or services can reach a wider audience with a more specific target audience. Furthermore, digital marketing allows us to interact directly with customers, obtain feedback, and build loyalty. With the right strategy, sales increases are quite significant compared to conventional marketing methods.

The integration of quantitative and qualitative data revealed the importance of digital marketing for MSMEs, as otherwise, they would lose out to those that do in today's digital era. Furthermore, the research findings highlight the need for digital marketing outreach, which the author has already conducted in the Teritib Balikpapan sub-district.

Regarding obstacles, most answered that not everyone has access, perhaps because they haven't received information or don't understand. MSMEs themselves suggested that there should be someone to help business owners, especially parents, get started with digital marketing. Not everyone immediately understands technology, so they need guidance.

The most frequently used digital marketing platform is Instagram. Other apps include GrabFood, GoFood, WhatsApp Business, Instagram, and TikTok. MSMEs recommend that businesses focus more on building a strong social media presence and leveraging data to understand consumer behavior. Engaging, consistent, and relevant content is crucial for capturing attention. Furthermore, it's crucial to learn the basics of SEO and use paid advertising efficiently to reach the

right target market.

## CONCLUSIONS

Digital marketing has a significant impact on revenue. This means that if digital marketing is implemented effectively and efficiently, it will increase the number of consumers and, ultimately, SMS revenue. This aligns with the TAM theory, which states that utilizing technology can increase purchasing intentions, thereby increasing revenue. Interview results also confirmed that digital marketing helps increase revenue. However, the challenge is that not everyone has access to digital marketing.

The results of this study are expected to raise awareness among MSMEs about the importance of using digital marketing, as it helps promote their businesses widely and increase their revenue, which will also improve the economy. MSME owners and their employees are also expected to participate in digital marketing training to better understand how to use digital marketing effectively. Furthermore, it may be necessary to raise awareness about digital marketing among the general public to increase their understanding and use. It is hoped that future researchers will be able to add other variables and use other analysis tools such as PLS.

## ACKNOWLEDGMENTS

We would like to express our deepest gratitude to the Balikpapan State Polytechnic for supporting and funding our research. We also thank the management of the Grand City Balikpapan Food Court for granting us permission to conduct this research, and the MSMEs at the Grand City Food Court for their willingness to assist us in requesting data for this research. Thank you.

## REFERENCES

- Arnot. (2016). *Pengertian Volume Penjualan Menurut Para Ahli*.
- Arnott, D. C., & Bridgewater, S. (2002). *Internet, interaction and implications for marketing*.

- Marketing Intelligence & Planning*, 20(2), 86–95.  
<https://doi.org/10.1108/02634500210418509>
- Davis, F.D (1989). Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology. *MIS Quarterly*, 13(3), 319–340.
- Ghozali, I. (2018). *Aplikasi Analisis Multivariate Dengan Pogram IBM SPSS Edisi Sembilan*. Badan Penerbit Universitas Diponegoro. Semarang.
- Ghozali, I. (2021). *Aplikasi Analisis Multivariate Dengan Program IBM SPSS 26*. Badan Penerbit Universitas Diponegoro. Semarang.
- Ha, L. (2008). Online Advertising Research in Advertising Journals: A Review. *Journal of Current Issues and Research in Advertising*, 31–48.
- Kompas.com: Berita Terkini Hari Ini, Kabar Akurat Terpercaya*. <https://www.kompas.com/properti/read/2022/11/27/193800521/grand-city-food-center-dibuka-destinasi-kuliner-baru-di-balikpapan>
- Mandal, P., Joshi, N., & Shella, K. (2016). Understanding Digital Marketing Strategy. *International Journal of Scientific Research and Managemen*.
- Nazir, M. (2005). *Metode Penelitian*. Ghalia Indonesia. Jakarta
- Plano Clark, V. L., & Creswell, J. W. (2014). *Understanding Research: A Consumer's Guide*. MA: Pearson. Boston.
- Robinson, H., Wysocka, A., & Hand, C. (2007). Internet Advertising Effectiveness: The Effect of Design on Click-through Rates For Banner Ads. *International Journal of Advertising*, 26(4), 527–541.
- Ryan, D., & Jones, C. (2009). *Understanding Digital Marketing: Marketing Strategies for Engaging the Digital Generation*. Kogan Page. London
- Sánchez-Franco, M. J., Peral-Peral, B., & Villarejo-Ramos, á. F. (2014). Users' Intrinsic and

**The Influence of Digital Marketing on The Income of Micro, Small, and Medium Enterprises (MSMEs) at The Food Court of Grand City Balikpapan**

- Extrinsic Drivers to Use a Web-Based Educational Environment. *Computers & Education, 74*, 81–97.
- Sochib. (2018). *Buku Ajar Pengantar Akuntansi*. CV Budi Utama. Yogyakarta
- Subana, & Sudrajat. (2005). *Dasar-Dasar Penelitian Ilmiah*. CV Pustaka Setia. Bandung
- Sugiyono. (2014). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. CV Alfabeta. Bandung
- Sugiyono. (2017). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. CV Alfabeta. Bandung
- Yasmin, A., Tasneem, S., & Fatema, K. (2015). Effectiveness of Digital Marketing in the Challenging Age: An Empirical Study. *International Journal of Management Science and Business Administration, 1*(5), 69–80. <https://doi.org/https://doi.org/10.18775/ijmsba.1849-5664-5419.2014.15.1006>