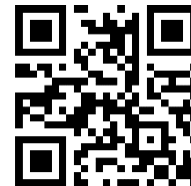


Digital-Based Msme Marketing Model in Facing the Era of the Industrial Revolution 4.0



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ABSTRACT: The crisis due to the COVID-19 pandemic over the past two years has forced all businesses to accelerate the digitization process. At this point, it appears that MSMEs are not fully ready to carry out digital transformation. The Digital Readiness Index of MSMEs is on average at 3.6 or still in the middle stage. It is no longer possible for a business to avoid digitization. With the industrial revolution 4.0, digital technology is no longer just a support function, but must be part of the company's innovation. SMEs are expected to have high creativity in creating innovation, this becomes a very important consideration in business activities because innovation makes the company survive in a competition. MSMEs must also provide facilities for consumers to be able to find detailed information using digital marketing. Currently, the development of fashion in Indonesia is quite rapid with the support of the creativity and innovation of young designers. The emergence of local brands makes many consumers interested and proud to use domestic products. MSME Khawila Dinanti is one of the local fashion brands created by local children who are engaged in women's clothing. Khawila is expected to start a women's clothing business in early 2021 in the city of Medan. Khawila Dinanti wants to meet the needs of energetic and fashionable young women who have good quality among many imported labels. The problem of MSME sales fluctuating and increasing in certain months and the lack of use of digital marketing. The purpose of the study was to determine the digital-based marketing model in increasing sales volume at the awaited Khawila MSME. The method of analysis in this study uses descriptive data analysis and quantitative approach. Data processing in this study using SPSS version 24.00 software program. The results showed that product and price had a significant effect on increasing sales volume. The purpose of the study was to determine the digital-based marketing model in increasing sales volume at the awaited Khawila MSME. The method of analysis in this study uses descriptive data analysis and quantitative approach. Data processing in this study using SPSS version 24.00 software program. The results showed that product and price had a significant effect on increasing sales volume. The purpose of the study was to determine the digital-based marketing model in increasing sales volume at the awaited Khawila MSME. The method of analysis in this study uses descriptive data analysis and quantitative approach. Data processing in this study using SPSS version 24.00 software program. The results showed that product and promotion had a significant effect on increasing sales volume.

KEYWORDS: E-Commerce; Product Innovation; Performance Marketing, MSMEs.

INTRODUCTION

The emergence of globalization, the industrial revolution 4.0, economic digitization and the COVID-19 pandemic pose challenges that are not easy for micro, small and medium enterprises (MSMEs) in Indonesia. The crisis due to the COVID-19 pandemic over the past two years has forced all businesses to accelerate the digitization process. At this point, it appears that MSMEs are not fully ready to carry out digital transformation. Based on a survey conducted by Kata Data on 206 MSMEs in Jabodetabek 2020, the Digital Readiness Index of MSMEs is on average at 3.6 or still in the middle stage. It is no longer possible for a business to avoid digitization. With the industrial revolution 4.0, digital technology is no longer just a support function, but must be part of the company's innovation. [1]

Lifestyle is closely related to fashion, because fashion will support a person's appearance to be more attractive and become a trendsetter in society. Business competition in MSMEs in the fashion sector is very tight, MSMEs compete in offering products that are sold in various ways that are used so that consumers are interested in the goods offered. In running business competition, MSMEs are expected to have high creativity in creating innovation, this is a very important consideration. In business activities because of the innovation that makes the company survive in a competition. MSMEs must also provide

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facilities for consumers to be able to find detailed information using digital marketing.

Currently, the development of fashion in Indonesia is quite rapid with the support of the creativity and innovation of young designers. The emergence of local brands makes many consumers interested and proud to use domestic products. MSME Khawila Dinanti is one of the local fashion brands created by local children who are engaged in women's clothing. Khawila is expected to start a women's clothing business in early 2021 in the city of Medan. Khawila Dinanti wants to meet the needs of energetic and fashionable young women who have good quality among many imported labels.

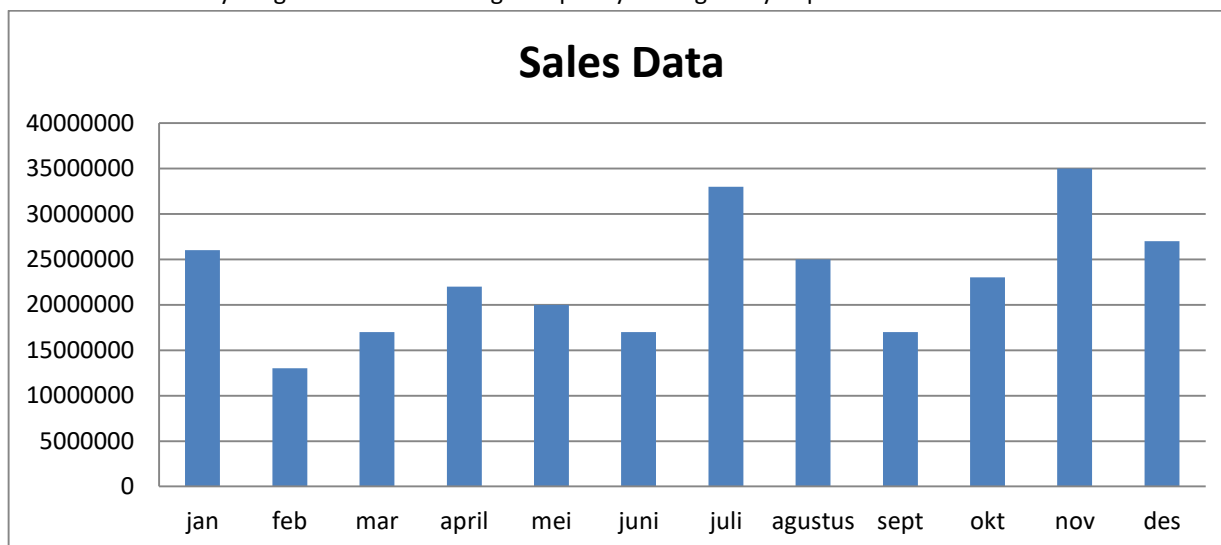


Figure 1. MSME Sales Graph January-December 2021

The data above explains that there was an increase in sales in January as much as Rp. 25,000,000.00 followed by an increase of Rp. 37,000,000.00 in August during the independence promotion and an increase in November of Rp. 35,000,000.00 during the Christmas and New Year promotions. This is a problem for Khawila Dinanti SMEs, where sales fluctuate and increase in certain months and there is still a lack of use of digital marketing in the sales process.

Research urgency This is where to increase MSME sales, a digital-based marketing model is believed to be able to increase the sales of MSME actors.

THEORETICAL BASIS

Marketing mix

The marketing mix is a set of marketing tools that the company uses to continuously achieve its company goals in the target market. The concept of the marketing mix consists of 4p namely product, price, place, promotion. [2]

Product

Something that is offered to the market to get attention so that the product being sold is bought, used or consumed that can fulfill a desire or need from consumers. [3]

Price

Price is an element in the marketing mix that can provide revenue for the company. Price is a value that expresses the amount of money charged for a product or service (So price can be interpreted as the company's income from products or services sold by charging a certain amount of money from consumers.[2])

Distribution (place)

Distribution (place) is selecting and managing the trade channels used to distribute products and also to serve the target market as well as developing a distribution system for the physical delivery and commerce of products. [2]

Promotion (promotion)

Promotion (promotion) is an element used to inform and persuade the market about a new product in the company through advertising, personal selling, sales promotions, and publications.[2] Promotion is everything in marketing that aims to increase market demand, including advertising and direct selling.

Digital marketing

Digital Marketing is an application of the internet and is related to digital technology which is related to traditional communication to achieve marketing goals. This can be achieved to increase knowledge about consumers such as profiles, behavior, values, and loyalty levels, then integrate targeted communications and online services according to each individual's needs. Digital marketing

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is a marketing activity that uses digital media using the internet that utilizes media in the form of web, social media, e-mail, database, mobile/wireless and digital tv in order to increase target consumers and to know the profile, behavior, product value, and loyalty of consumers. Customers or target consumers to achieve marketing goals. [5]

Sales Volume

Sales volume is a measure that shows the number or magnitude of the number of goods or services sold. So the sales volume is the total amount generated from the sale of goods. The higher the sales of the company's goods, the higher the level of success of a company in collecting profits. [6]

Conceptual Framework

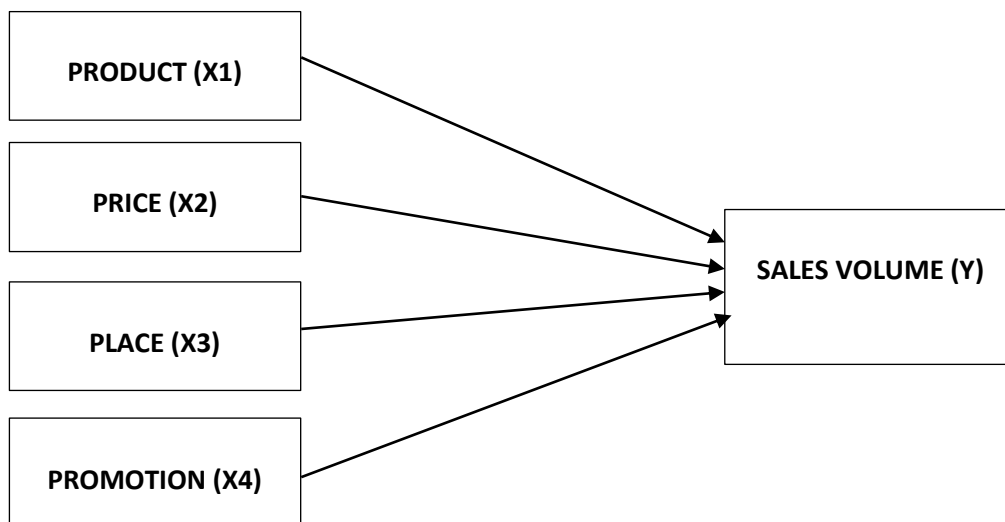


Figure 1. Conceptual Framework

HYPOTHESIS

The hypotheses used in this study are:

- H1: Product has an effect on sales volume
- H2: Price affects sales volume
- H3: Place affects sales volume
- H4: Promotion has an effect on sales volume.

RESEARCH METHODS

Research sites

Location Research will be carried out on Khawila MSME in the city of Medan

Data analysis

Multiple Linear Regression Analysis

Multiple linear regression analysis is an analytical tool used to determine the effect of the independent variables on the dependent variable, namely product, price, place, and promotion and Sales volume (Y).

The multiple regression model is formulated in the following form:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Information:

- Y = sales volume
- a = Constant
- X1 = Product
- X2 = Price
- X3 = Place
- X4 = Promotion

b_{12 3 4} = Coefficient

e = Error

RESEARCH RESULTS AND DISCUSSION

Multiple Linear Regression

The results of processing using SPSS data on multiple regression analysis about product, price, place, and promotion on sales volume can be seen in the following table:

Table 1
Multiple Value Regression

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.416	1.473		.961	.339
Product	.443	.131	.361	3.393	.001
Promotion	.481	.131	.373	3,672	.000
Price	.180	.133	.152	1.358	.178
Place	.029	.110	.025	.260	.796

a. Dependent Variable: Sales_Volume

Source: SPSS processed data, 2022.

Based on the data from the coefficients table above in the Unstandardized Coefficients column, it can be seen that the multiple regression equations for the two predictors of financial literacy (X1) and Financial Technology (X2) variables are:

$$\text{Sales Volume} = 1.416 + 0.443 \text{ Product} + 0.481\text{Price} + 0.180\text{Place} + 0.029\text{Promotion}$$

Classic assumption test

Normality

The purpose of testing the normality of the data is to see whether in the regression model the dependent and independent variables have a normal or abnormal distribution. Test conditions, if the data spreads around the diagonal line and follows the direction of the diagonal line, the regression model meets the assumption of normality. Below are the results of the normality test to test all research variable data with a minimum ordinal scale using the conditions of the colmogroph-smirnof test using the SPSS program.

Table 2
Kolmograf-Smirnov . Normality Test
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters	mean	.0000000
	Std. Deviation	2.25193716
Most Extreme Differences	Absolute	.057
	Positive	.038
	negative	-.057
Kolmogorov-Smirnov Z		.566
asymp. Sig. (2-tailed)		.906

a. Test distribution is Normal.

Source: SPSS processed data, 2022.

The results of data processing in table 2 obtained the value of Kolmogrof Smirnof is 0.566 and significant at 0.906, which means a significant value greater than 0.05 then the residual data is normally distributed. For more details, it can be seen in the histogram and normal PP of regression standardized residual images below:

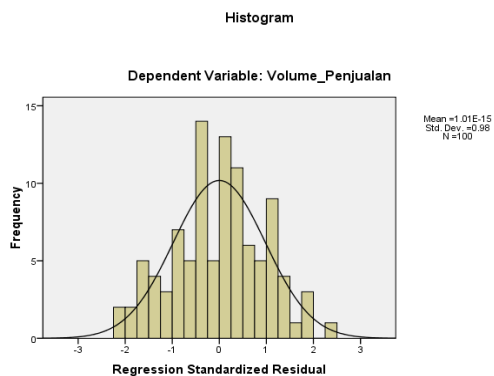


Figure 2
Histogram Graph Normality Test
 Source: SPSS processed data, 2022.

Normal P-P Plot of Regression Standardized Residual

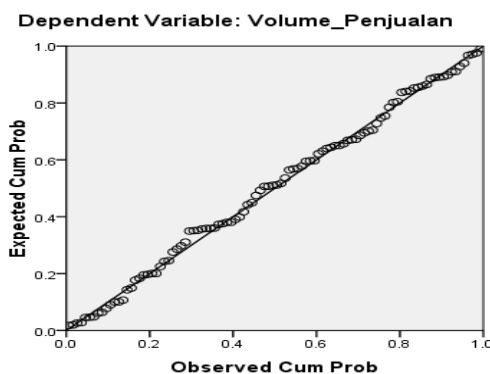


Figure 3
Standardized P-Plot Normality Test
 Source: SPSS processed data, 2022.

The histogram graph test image is shaped like a bell and the standardized PP plot tends to follow the diagonal line in identifying that the normality test of the regression model in this study has met the assumptions previously stated, so that the data in this regression model is normally distributed.

Multicolonierity

Testing the multicollinearity of the research variables through independent test calculations between independent variables can be seen and the results of statistical collinearity analysis. Multicollinearity has a purpose, namely to see whether the variable does not have a high correlation, it is necessary to do a hypothesis, namely that H0 is accepted if VIF < 10 and the tolerance number is close to 1, and H0 is rejected if the VIF value is > 10 and the tolerance value is close to 0. The results of the interdependence test between the variables in this research can be seen in the following table:

Table 3
Multicolonierity

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Product	.324	3.090
Promotion	.354	2.822
Price	.292	3,430
Place	.382	2,620

Source: SPSS processed data, 2022.

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The multicollinearity test table data above can be understood that the two independent variables namely product, price, place, and promotion have a statistical collinearity value. The Tolerance value can be interpreted within a predetermined tolerance limit where all variables are close to 1 and the VIF value is less than 10, so thus it can be concluded that there is no multicollinearity in the independent variables of this study.

Heteroscedasticity

Heteroscedasticity test in this study aims to see whether the variables have the same variance or not. Heteroscedasticity has one observation that is different from another. One of the methods used to test whether or not heteroscedasticity will result in the estimation of the regression coefficient to be inefficient. The result of the assessment will be less than it should be. The basis for the analysis of heteroscedasticity data in this study is as follows:

- a) If there is a certain pattern such as the dots that form a certain regular pattern (wavy, widen and then narrowed) then heteroscedasticity has occurred.
- b) If there is no clear pattern, and the points spread above and below the number 0 on the Y-axis, there is no heteroscedasticity.

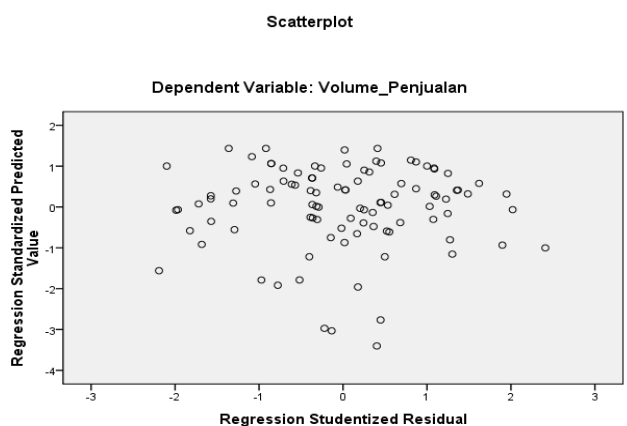


Figure 4
Heteroscedasticity Test Scatterplot
 Source: SPSS processed data, 2022.

Based on Figure 4 scatterplot, it can be seen that the variables in this study based on heteroscedasticity test data can be interpreted that there is no heteroscedasticity in the research variables used. Because there is no clear pattern and the dots spread above and below the number 0 on the Y axis, so it can be said that the heteroscedasticity test on this research variable can be fulfilled. The variable data used in this study can be used for further testing.

Research Hypothesis Test

T test

Hypothesis testing in the t-test statistical test basically aims to show how far the level of relationship and influence of one independent variable individually in explaining the dependent variable in this study. Testing the hypothesis using the Statistical for Social Sciences Program (SPSS) can be seen in the following table:

Table 4
t test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.416	1.473		.961	.339
	Product	.443	.131	.361	3.393	.001
	Promotion	.481	.131	.373	3,672	.000
	Price	.180	.133	.152	1.358	.178
	Place	.029	.110	.025	.260	.796

a. Dependent Variable: Sales_Volume

Based on the results of testing the effect of product variables on sales volume, it was obtained ttable of 1.98 and obtained the

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value of tcount = 3.393 with the meaning that tcount > ttable with a significant value of 0.001 < 0.05. These results can be concluded that H0 is rejected. This shows that there is a positive and significant influence between product variables on sales volume.

Based on the results of testing the effect of the price variable on sales volume, it was obtained ttable of 1.98 and obtained the value of tcount = 3.672 with the meaning that tcount > ttable with a significant value of 0.001 < 0.05. These results can be concluded that H0 is rejected. This shows that there is a positive and significant influence between the price variable on sales volume.

Based on the results of testing the effect of the place variable on sales volume, it was obtained ttable of 1.98 and obtained the value of tcount = 1.368 with the meaning that tcount < ttable with a significant value of 0.176 > 0.05. These results can be concluded that H0 is accepted. This shows that there is no significant effect between the place variable on sales volume.

Based on the results of testing the effect of promotion on sales volume, it was obtained ttable of 1.98 and obtained the value of tcount = 0.260 with the meaning that tcount < ttable with a significant value of 0.796 > 0.05. These results can be concluded that H0 is rejected. This shows that there is a positive and significant influence between the promotion variables on sales volume.

F Uji test

The F test statistic test (simultaneous) was conducted to determine whether the independent variables together had a significant effect or not on the dependent variable. Then the hypothesis is converted into statistics as follows:

H0 : $\rho = 0$ (There is an effect of Financial Literacy (X1) on sales volume (Y))

H0 : $\rho = 0$ (There is an effect of financial technology (X2) on sales volume (Y))

Hypothesis Criteria:

H0 is rejected if Fcount > Ftable with a significance level of 0.000

H0 is accepted if Fcount < Ftable significance of 0.000

Table 5
F Uji test
ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	942,699	4	235,675	44,595	.000a
	Residual	502.051	95	5.285		
	Total	1444,750	99			

a. Predictors: (Constant), Place, Promotion, Product, Price

b. Dependent Variable: Sales_Volume

Based on the data from the F test table table 5 with the above criteria, the Fcount value is 44,596 > the Ftable value is 3,089 or significant 0.000 < 0.05 so it can be understood that there is a significant effect between the independent variable (X) on the dependent variable (Y).

Hypothesis Research Criteria:

Fcount > Ftable = H0 rejected significant level of 0.05 (sig.2-tailed 0.05)

Fcount < Ftable = H0 is accepted with a significant level of 0.05 (sig.2-tailed 0.05)

Based on the data of the F test table in Figure 5 with the above criteria, the Fcount value is 44,596 > the Ftable value is 3,089 with a significant level of 0.000. Based on the value of the curve, it can be understood that there is a simultaneous significant effect between product, price, place, and promotion variables simultaneously on sales volume (Y).

Coefficient of Determination

Determination test is carried out to determine the magnitude of the coefficient value which shows the magnitude of the variation in the dependent variable which can be explained by the independent variable. The coefficient of determination is used to measure how far the independent variables used in this study explain the dependent variable. The value of the coefficient of determination is determined by the value of R square as can be seen in the table below:

Table 6
Coefficient of Determination

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.808 ^a	.652	.638	2.299

a. Predictors: (Constant), Place, Promotion, Product, Price

b. Dependent Variable: Sales_Volume

Based on the results of the test in Table 6, the regression coefficient of determination of the summary model in the table above can be seen that the coefficient of determination (R square) obtained in this study is 0.652, this means that 65.2% of the variables are . The remaining 27.8% can be explained by other variables that were not included in this study.

DISCUSSION

InfluenceProduct against Sales Volume

Based on the t test that has been carried out and explained, it shows that the product variable has a significant effect on sales volume. A positive tcount value indicates that the product variable has a relationship with the sales volume variable. So that Ho is rejected and Ha is accepted, meaning that the product variable partially has a positive and significant effect on sales volume at MSMEs in the city of Medan.

The results of this study are also supported by the theory put forward by Oentoro (2012: 111) a product is anything that can be offered to a market and can satisfy a want or need. Products that are varied, have good packaging, can provide quality that suits their needs with good service will attract consumers to buy these products so as to increase company profits. Based on the results of the study, it can be explained that MSMEs in the city of Medan provide various types of products that can be offered by consumers so that consumers get a wide selection of available products that can be adjusted to consumer needs, MSMEs in the city of Medan also always check the product ED (Expaid Date) if there are products that come from distributors who have ED less than a year, they will always be returned or returned to the distributor/PBF. MSMEs in the city of Medan also provide information about ED to consumers so that consumers feel safe and trust when buying at MSMEs in the city of Medan.

InfluencePrice against Sales Volume

Based on the t-test that has been carried out and explained, it shows that the price variable has a significant effect on sales volume. A positive tcount value indicates that the price variable has a relationship with the sales volume variable. So Ho is rejected and Ha is accepted, meaning that the price variable partially has a positive and significant effect on sales volume at MSMEs in the city of Medan. The results of this study are also supported by the theory put forward by Suharno and Sutarso (2015: 163) the price is the amount of money paid to obtain the desired product. Price is also the value that consumers give to gain the advantage of owning or using a product or service. Price is the main factor that influences consumer choice in buying a product.

InfluencePlace against Sales Volume

Based on the t-test that has been carried out and explained, it shows that the place variable has a significant effect on sales volume. A positive tcount value indicates that the place variable has a relationship with the sales volume variable. So that Ho is rejected and Ha is accepted, meaning that the variable of place partially has a positive and significant effect on sales volume at MSMEs in the city of Medan. The results of this study are also supported by the theory put forward by Lupiyoadi (2013: 90) that location means relating to where the company must be headquartered and carry out operations or activities. Location is one of the important factors that influence the development of a business. A strategic location will bring in many consumers so that they are able to raise the graph of both sales and turnover of the business itself.

InfluencePromotion of Sales Volume

Based on the t test that has been carried out and explained, it shows that the price variable has a significant effect on sales volume. A positive tcount value indicates that the price variable has a relationship with the sales volume variable. So Ho is rejected and Ha is accepted, meaning that the price variable partially has a positive and significant effect on sales volume at MSMEs in the city of Medan. The results of this study are also supported by the theory put forward by Alma (2014: 179) that promotion is a kind of communication that provides convincing explanations for potential consumers about goods and services. The purpose of promotion is to get, pay attention, educate, remind, and convince potential consumers.

The facts that researchers found in the field when conducting research were that the promotions carried out by the Medan City

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MSMEs only carried out billboards or banners, and the promotions carried out by the Medan City MSME assistants were in serving consumers who made purchases directly by offering products that consumers needed. by providing information about the efficacy, advantages and disadvantages of these products so that consumers are interested in buying these products.

CONCLUSION

Based on the results of the discussion, it can be concluded that product and promotion variables have an effect on increasing sales volume, while price and place have no significant effect on increasing sales volume.

SUGGESTION

The suggestion that the author can convey in connection with the results of the above discussion is that umkm khawila should pay attention to the two independent variables studied, namely product and promotion. Because it has an influence along with increasing sales. Therefore, the company is required to further improve its policies related to these four variables

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