

Analysis of Digital Marketing and Financial Literacy on Increasing the Income of MSMEs in Pematang Serai Village, Langkat

Pipit Buana Sari, Maya Macia Sari, Yunita Sari Rioni, Julia Nuraisyah

Abstract

This study aims to analyze the influence of Digital Marketing and Financial Literacy on Increasing MSME Income. The location of the study was conducted in Pematang Serai Langkat Village, Tanjung Pura District, Langkat Regency, North Sumatra. This type of research is descriptive research with a quantitative approach. The sample in this study was 50 respondents from MSME actors. The analysis method used is multiple linear regression analysis. The results of the study show that partially Digital Marketing has a significant positive effect on Increasing MSME Income. Financial Literacy has a significant positive effect on Increasing MSME Income. While simultaneously Digital Marketing and Financial Literacy have a significant positive effect on Increasing MSME Income. The contribution of the influence of Digital Marketing and Financial Literacy to Increasing MSME Income is 53.6%.

Keywords : Digital Marketing, Financial Literacy, Income, MSMEs

Pipit Buana Sari

Management Study Program, Universitas Pembangunan Panca Budi, Indonesia

e-mail: pipitbuana@dosen.pancabudi.ac.id

Maya Macia Sari, Yunita Sari Rioni, Julia Nuraisyah

Management Study Program, Accounting Study Program Universitas Pembangunan Panca Budi, Indonesia

e-mail: mayamacia@dosen.pancabudi.ac.id , yunitasari@dosen.pancabudi.ac.id , julia24@gmail.com

1st International Conference on the Epicentrum of Economic Global Framework (ICEEGLOF)

Theme: Digital Marketing Strategy to Optimize Business Growth in the Modern Era

<https://proceeding.pancabudi.ac.id/index.php/ICEEGLOF>

Introduction

MSMEs can drive economic growth in the community, because they can create jobs for the community itself. MSMEs continue to grow through access to financing, such as providing alternative financing for MSMEs. Meanwhile, Micro, Small and Medium Enterprises (MSMEs) are an industrial sector that is relied on as an indicator of economic stability and economic mobility of the government in Indonesia. Referring to data from the Ministry of Cooperatives and MSMEs, the number of MSMEs in Indonesia in 2021 reached 64.2%, contributing 61.07% to the GRDP or IDR 8,573.89 trillion. The dynamic growth of MSMEs followed by developments in the technology sector is expected to provide convenience in services to MSMEs. Changes in the pattern of MSME development from traditional to professional with the use of technology are expected to become a milestone for the growth of competent MSMEs and national economic recovery.

In addition to digital marketing, MSMEs that have innovations in the field of financial services through information technology (financial technology). According to (Ivansecho et al., 2018) financial technology is a financial service that has changed so that it can increase the ease of accessing and using it. Likewise, (Fadilah & Purwanto, 2022) it states that financial technology is a service that utilizes digital technology, especially in the financial sector in the form of software. Financial technology changes the financial transaction model from traditional to modern, making it more practical. (Carney, 2016) The process is in the form of payments, loans, transfers or transactions.

MSMEs play a vital role in increasing the pace of the economy by increasing the number of people with higher incomes. MSMEs are also important for building communities by providing jobs for the unemployed and creating a strong economic base for future growth. In order to succeed, a country's economic sector needs additional support from the government. This is because of the increasing globalization and technological developments in the world.

Financial literacy is knowledge to manage finances. According to (Otoritas Jasa Keuangan, 2013) financial literacy is knowledge, skills, and beliefs that influence the quality of financial decision-making and management to achieve well-being. Good financial literacy helps individuals create decisions related to financial management appropriately. The study (Yushita, 2017) explains that having financial knowledge and literacy helps individuals manage personal financial planning. Based on the output of the Survey (Otoritas Jasa Keuangan, 2017) conducted by (Otoritas Jasa Keuangan, 2020), data on the level of financial literacy of the Indonesian people is still low (38.03%). This percentage shows that only one third of the Indonesian population is well-literate about finance.

Literature review

MSMEs

Micro, Small, and Medium Enterprises (MSMEs) are business activities that can expand employment opportunities and play an important role in the process of equalizing and increasing community income, encouraging economic growth, and realizing national economic stability. According to (Law Number 20, 2008), the general provisions of Micro, Small, and Medium Enterprises (MSMEs) are as follows:

- a. Micro Enterprises are productive businesses owned by individuals and/or individual business entities that meet the criteria for Micro Enterprises as regulated in this Law.
- b. Small Business is a stand-alone productive economic enterprise, carried out by an individual or business entity that is not a subsidiary or branch of a company owned, controlled, or is part of either directly or indirectly a Medium Business or Large Business that meets the criteria of a Small Business as referred to in this Law.
- c. Medium Enterprises are independent productive economic enterprises, carried out by individuals or business entities that are not subsidiaries or branches of companies owned, controlled, or are part of either directly or indirectly with Small Enterprises

Analysis of Digital Marketing and Financial Literacy

or Large Enterprises with the amount of net assets or annual sales results as regulated in this Law.

The criteria for Micro, Small and Medium Enterprises (MSMEs) are as follows:

- a. The criteria for Micro Businesses are as follows:
 - 1) have a maximum net worth of IDR 50,000,000.00 (fifty million rupiah) excluding land and buildings for business premises; or
 - 2) have annual sales results of no more than IDR 300,000,000.00 (three hundred million rupiah).
- b. The criteria for Small Businesses are as follows:
 - 1) have net assets of more than IDR 50,000,000.00 (fifty million rupiah) up to a maximum of IDR 500,000,000.00 (five hundred million rupiah) excluding land and buildings for business premises; or
 - 2) have annual sales results of more than IDR 300,000,000.00 (three hundred million rupiah) up to a maximum of IDR 2,500,000,000.00 (two billion five hundred million rupiah).
- c. The criteria for Medium Enterprises are as follows:
 - 1) have net assets of more than IDR 500,000,000.00 (five hundred million rupiah) up to a maximum of IDR 10,000,000,000.00 (ten billion rupiah) excluding land and buildings for business premises; or
 - 2) have annual sales results of more than IDR 2,500,000,000.00 (two billion five hundred million rupiah) up to a maximum of IDR 50,000,000,000.00 (fifty billion rupiah).
- d. The criteria as referred to in paragraph (1) letter a, letter b, and paragraph (2) letter a, letter b, and paragraph (3) letter a, letter b, the nominal value can be changed in accordance with economic developments as regulated by Presidential Regulation.

Income

Revenue is the main objective of establishing a company. As a profit-oriented organization, revenue plays a very important role. Revenue is an important factor in the operation of a company, because revenue will affect the level of profit that is expected to ensure the survival of the company. (Ikatan Akuntansi Indonesia (IAI), 2018) disclosed in the Financial Accounting Standards for Entities Without Public Accountability (SAK ETAP) defines Revenue as income arising in the implementation of ordinary entity activities and known by different names such as sales, compensation, interest, dividends, royalties and rent. According to (Harnanto, 2019) states that the increase or increase in assets and decrease or decrease in company liabilities which are the result of operational activities or procurement of goods and services to the public or consumers in particular.

Revenue is an inflow of assets arising from the delivery of goods/services carried out by a business unit during a certain period. (Sochib, 2018). A company's revenue, in addition to obtaining revenue from its main activities, also obtains revenue from other transaction activities. Revenue can be divided into 2 (two) groups, namely Operating Revenue and Non-Operating Revenue. Accounting standards provide basic guidelines for assessment that can be used to determine how many rupiah are calculated and recorded first in a transaction or how many rupiah must be placed in an account in the financial report. There are 4 (four) bases for assessing income, namely historical costs, current costs, realizable or settlement value, and current value.

Digital Marketing

Digital marketing is a modern and promising form of marketing to improve the company's business performance. The advantage of this strategy is that it allows advertisers to communicate directly with potential customers without any obstacles caused by time constraints and geographic location. (Nurchahyo, 2018) Digital marketing is a marketing strategy

that utilizes electronic devices such as personal computers, smartphones, and mobile phones, and to involve stakeholders in the marketing process. In its application, digital marketing techniques are able to integrate several aspects of marketing communications and existing conventional media channels, so that they can expand the marketing mix.(Firmanda & Lukiastuti, 2022).

According (Firmanda & Lukiastuti, 2022) said that digital marketing has benefits in marketing activities carried out by companies to sell their products or services, including the following:

a. Wider Reach

Digital marketing has the potential to expand geographic reach in product distribution efforts, through the use of internet networks that can reach global markets.

b. Speed of Spread

The use of marketing strategies through digital media has the potential to maximize time efficiency because the use of digital technology can produce performance in seconds. The implementation of digital marketing activities can also provide benefits in accurate and real-time measurements.

c. Ease of Evaluation

Marketing activities through online media facilitate consumers to obtain information more easily and quickly about the products offered such as sales data. Digital marketing activities also make it easy for marketers to monitor campaign performance in real time.

Financial Literacy

According (Sari et al., 2023) to (Otoritas Jasa Keuangan, 2017) the definition, financial literacy is a series of processes or activities to improve the knowledge, skills and confidence of consumers and the wider community so that they are able to manage their personal finances better. OJK stated that the vision of financial literacy is to realize an Indonesian society that has a high level of financial literacy so that people can choose and utilize financial products and services to improve their welfare. The mission of financial literacy is to provide financial education to the Indonesian people so that they can manage their finances intelligently, and increase access to information and the use of financial products and services through the development of supporting infrastructure for financial literacy.

Financial literacy is a concept of understanding financial products and concepts with the help of information and advice, as the ability to identify and understand financial risks in order to make the right financial decisions (Vidovicova) in research (Wicaksono, 2015). Financial literacy can be interpreted as financial knowledge, with the aim of achieving well-being. (Lusardi & Mitchell, 2007). Financial literacy can also be said to be a person's ability to obtain, understand, and evaluate relevant information for decision making by understanding the financial consequences that arise (Khrisna, 2010).

Basic financial literacy indicators include knowledge of mathematical calculations, interest rates, inflation, the time value of money and the deception of the value of money. While advanced financial literacy includes knowledge of the stock market and its functions, mutual funds, benchmark interest rates and their relationship to bonds, financial management companies, knowledge of financial risks when investing money in various stock or bond investment options, long-term money returns, high fluctuations or uncertainties, and risk diversification.

Research methods

1. Research Approach

In this study the author uses descriptive with a quantitative approach. Quantitative methods can be interpreted as research methods based on the philosophy of positivism. (Sugiyono, 2019). Quantitative approach is the measurement of quantitative data and objective statistics through scientific calculations derived from samples of people or residents who are

Analysis of Digital Marketing and Financial Literacy

asked to answer a number of questions about the survey to determine the frequency and percentage of their responses. (Creswell, 2010). According (Creswell, 2010) to this quantitative approach, research will be pre-determined, statistical data analysis and statistical data interpretation. Researchers who use a quantitative approach will test a theory by detailing specific hypotheses, then collecting data to support or refute these hypotheses.

The approach that will be taken in this study is a quantitative analysis approach based on statistical information. The research approach that in answering research problems requires careful measurement of the variables of the objects studied to produce conclusions that can be generalized regardless of the context of time, place and situation. This method is used to research a particular population or sample, data collection using research instruments, data analysis is quantitative/statistical, with the aim of testing the established hypothesis.

2. Data collection technique

a. Field Observation

Observation is a complex process, a process composed of various biological and psychological processes. (Sugiyono, 2013). Two of the most important are the processes of observation and memory. Observation in this study was carried out before data collection was carried out, namely to observe the income of the community of UMKM actors in Pematang Serai Village, Langkat Regency. This is used as a consideration for compiling instruments in the study.

b. Literature Study

This study is used as a comparison or to support information related to the research problem. (Sugiyono, 2013). This technique is used to complete the data in order to analyze the problem being studied. In this case, it mainly concerns the problem of digital marketing, financial literacy and UMKM income. This is done to obtain input in the form of concepts, principles, theories and government regulations related to the research being carried out.

c. Questionnaire

Questionnaire is a data collection technique carried out by giving a set of written questions to respondents to answer. (Sugiyono, 2013). In this study, a questionnaire was used to collect data from predetermined respondents. The questionnaire contains questions concerning the income conditions of MSMEs in Pematang Serai Village, Langkat Regency. Questions are compiled by paying attention to the principles of writing questionnaires such as the content and purpose of the questions, the language used, the type and form of questions, the length of the questions, the order of the questions, the physical appearance of the questionnaire and so on .

Results and Discussion

1. Data Analysis Results

a. Descriptive Statistical Analysis

Descriptive statistics are used to describe and depict data contained in a study by looking at the average value (mean), maximum value, minimum value, and standard deviation of each variable. The results of the descriptive statistical analysis are as follows:

Table 1 Results of Descriptive Statistical Analysis

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Digital Marketing	50	26.00	40.00	31.1000	2.58922
Financial Literacy	50	18.00	29.00	23.5800	2.11013

MSME Income	50	18.00	28.00	23.9000	2.27004
Valid N (listwise)	50				

Source: SPSS Processing Results v.25, 2024

Based on Table 1 of the descriptive analysis results above, it is known that the output value of SPSS version 25 on the Digital Marketing variable shows a sample size of 50 respondents, a minimum value of 26.00, a maximum value of 40.00, a mean value of 31.1000 and a Std. Deviation value of 2.58922.

The output value of SPSS version 25 on the Financial Literacy variable shows the number of samples as many as 50 respondents, a minimum value of 18.00, a maximum value of 29.00, a mean value of 23.5800 and a Std. Deviation value of 2.11013.

The output value of SPSS version 25 on the UMKM Income variable shows the number of samples as many as 50 respondents, a minimum value of 18.00, a maximum value of 28.00, a mean value of 23.9000 and a Std. Deviation value of 2.27004.

b. Validity and Reliability Test

1) Validity Test

Validity testing is conducted to determine whether a questionnaire is valid for each of these variables. The validity tests that have been conducted in this study are shown in the following table:

Table 2Digital Marketing Validity Test

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Statement 1	19.4429	3,758	.356	.542	.589
Statement 2	19.3429	3,881	.325	.539	.600
Statement 3	19.3143	3,784	.374	.311	.583
Statement 4	19.5857	3.406	.219	.436	.682
Statement 5	19.6000	3.316	.538	.438	.516
Statement 6	19.3571	3,740	.494	.394	.551

Source: SPSS v.25 Processing Results, 2024

Based on Table 2, it can be seen that all items of the Financial Literacy variable statement have a validity coefficient greater than the critical r of 0.3, so these items are suitable for use as measuring instruments in research.

Table 3Results of Financial Literacy Validity Test

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Statement 1	15.9714	2.956	.276	.116	.712
Statement 2	16.1571	2,743	.396	.161	.668
Statement 3	16.0571	2.402	.492	.276	.628

Analysis of Digital Marketing and Financial Literacy

Statement 4	16.2143	2,490	.458	.360	.644
Statement 5	16.1143	2.277	.647	.474	.558

Source: SPSS v.25 Processing Results, 2024

Based on Table 3, it can be seen that all items of the Financial Management Pattern variable statement have a validity coefficient greater than the critical r of 0.3, so these items are suitable for use as measuring instruments in research.

Table 4 the MSME Income Validity Test
Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Statement 1	15.8286	3.246	.387	.280	.706
Statement 2	15.8429	3.004	.632	.470	.610
Statement 3	15.7286	3.012	.556	.425	.636
Statement 4	15.9714	3.014	.474	.253	.670
Statement 5	15.8286	3.477	.352	.222	.714

Source: SPSS v.25 Processing Results, 2024

Based on Table 4, it can be seen that all items of the Needs variable statement have a validity coefficient greater than the critical r of 0.3, so these items are suitable for use as measuring instruments in research.

2) Reliability Test

Reliability testing is carried out on statement items that are included in the valid category. Reliability testing is carried out by testing the instrument only once. then analyzed using the Cronbach alpha method. The questionnaire is said to be reliable if the reliability coefficient is positive. The results of the reliability test are as follows:

Table 5 Reliability Test Results

Variables	Reliability Coefficient	N of Items	Information
Financial Literacy	0.630	6	Reliable
Financial Management	0.696	5	Reliable
Need	0.717	5	Reliable
Economic Conditions	0.646	5	Reliable

Source: SPSS Processing Results v.25, 2024

Based on Table 5, the reliability value of the statement items in the questionnaire for each variable is positive, this result shows that the statement items in the questionnaire are reliable for measuring the variables.

c. Multiple Linear Regression Analysis

Multiple linear regression analysis aims to find the influence of two or more independent variables (X) on the dependent variable (Y). The results of multiple linear regression calculations with the SPSS program in this study are as follows:

Table 6 Results of Multiple Linear Regression Analysis

		Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,611	3.035		.531	.598
	Digital Marketing	.377	.100	.430	3,758	.000
	Financial Literacy	.448	.123	.416	3.636	.001

a. Dependent Variable: MSME Income

Source: SPSS Processing Results v.25, 2024

Based on Table 6, the results of the above values can be explained about the multiple linear regression equation in this study. The formula for the regression equation in this study is as follows:

$$Y = 1.611 + 0.377X_1 (\text{Digital Marketing}) + 0.448X_2 (\text{Financial Literacy}) + e$$

From the regression equation above, the conclusion that can be explained is the constant value (α) of 1.611 with a positive sign stating that if the Digital Marketing and Financial Literacy variables are considered constant, the MSME Income value is 1.611.

The regression coefficient value of the Digital Marketing variable is 0.377 with a positive sign stating that if the Digital Marketing level increases by one unit assuming other independent variables are constant, then MSME income will increase by 0.377.

The regression coefficient value of the Financial Literacy variable is 0.448 with a positive sign stating that if the level of Financial Literacy increases by one unit assuming other independent variables are constant, then MSME income will increase by 0.488.

d. Classical Assumption Test

The classical assumption test aims to provide certainty where the regression equation obtained has certainty and consistency. The classical assumption test is carried out after multiple linear regression testing, using the normality test, multicollinearity test and heteroscedasticity test. This study only uses 3 (three) tests on the classical assumption, because the data used is not time series data (Sugiyono, 2018).

1) Normality Test

According to (Ghozali, 2016) the Normality Test aims to test whether in the regression model, the interfering variables or residuals have a normal distribution. To find out whether data is normally distributed or not, it can be done by testing normality using the one sample kolmogorov-smirnov test on the residual equation with the test criteria if the probability value > 0.05 then the data is normally distributed and if the probability value < 0.05 then the data is not normally distributed.

Table 7 Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		50
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.54564352
Most Extreme Differences	Absolute	.133

Analysis of Digital Marketing and Financial Literacy

	Positive	.133
	Negative	-.081
Test Statistics		.133
Asymp. Sig. (2-tailed)		.028 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Source: SPSS v.25 Processing Results, 2024

Based on Table 7, it can be concluded that the T-Statistic value is 0.133, $>\alpha = 0.05$, meaning that according to decision making using the Kolmogorov-Smirnov test, the data has a normal distribution and has met the normality requirements in the regression model.

The next normality test is the normal *probability plot* and *histogram* which is a comparison of the actual cumulative distribution of data with the normal cumulative distribution. The test results can be seen as follows:

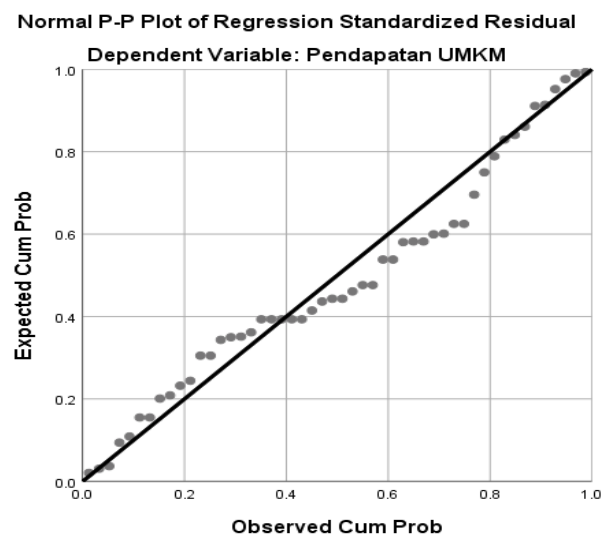


Figure 1 Normality Test - Normal P-Plot Graph

Source: SPSS Processing Results v.25, 2024

Based on Figure 1, it shows that the data distribution is around the diagonal line and is not scattered far from the diagonal line, so that the assumption of normality can be met by testing and testing can be continued to the next stage.

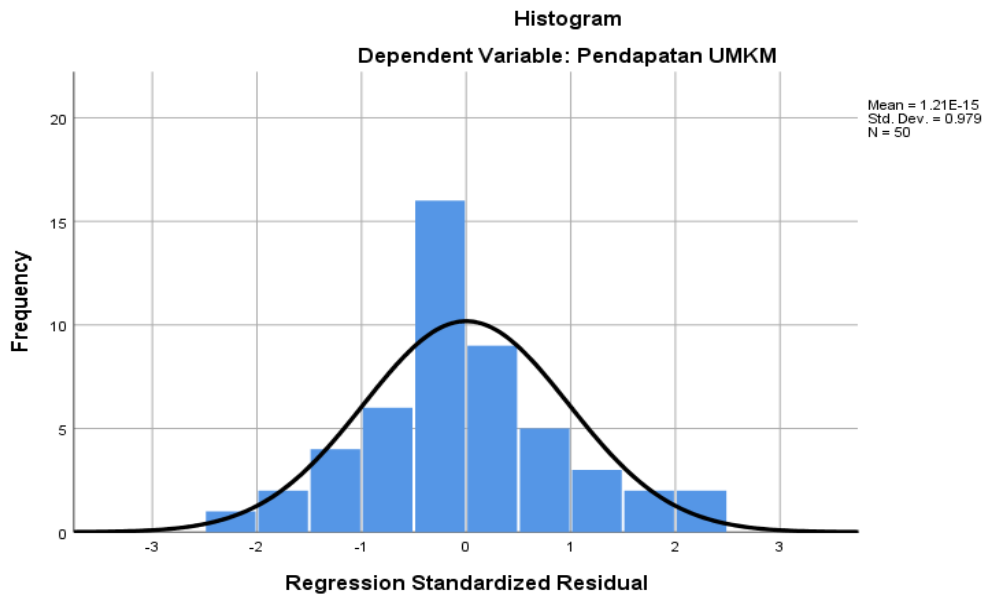


Figure 2 Normality Test - Histogram
Source: SPSS Processing Results v.25, 2024

Based on Figure 2, it shows that the histogram shape describes data that is normally distributed or close to normal because it forms a bell *shape*, so the assumption of normality in this study can be met.

2) Multicollinearity Test

According to (Ghozali, 2016) the multicollinearity test, it aims to test whether the regression model finds a correlation between independent variables. The results of the multicollinearity test are based on the tolerance value and Variance Inflation Factor (VIF). A regression model that is free from multicollinearity is if the VIF value is <10 and has a tolerance value > 0.10. The following table shows the results of the multicollinearity test:

Table 8 Multicollinearity Test Results

Coefficients ^a		Collinearity Statistics	
Model		Tolerance	VIF
1	Digital Marketing	.753	1,328
	Financial Literacy	.753	1,328

a. Dependent Variable: MSME Income

Source: SPSS Processing Results v.25, 2024

Based on Table 8, it can be seen that the VIF value for all independent variables is not more than 10 and the tolerance value of all independent variables is also close to 1. The results can be concluded that all independent variables consisting of Digital Marketing and Financial Literacy do not show symptoms of multicollinearity.

3) Heteroscedasticity Test

The heteroscedasticity test in this study was conducted to test whether the regression model has an inequality of variance from the residuals between one observation and another (Ghozali, 2016). The analysis carried out is by looking at the significance of the independent variable on the dependent variable. If the independent

Analysis of Digital Marketing and Financial Literacy

variable is statistically significant in influencing the dependent variable, then there is an indication of heteroscedasticity. The results of the heteroscedasticity test can be explained by the results of the graphical analysis, namely the scatterplot graph, the points formed must be spread randomly, spread both above and below the number 0 on the Y axis. If this condition is met, then there is no heteroscedasticity and the regression model is suitable for use. The results of the heteroscedasticity test using the scatterplot graph are shown in the following Figure:

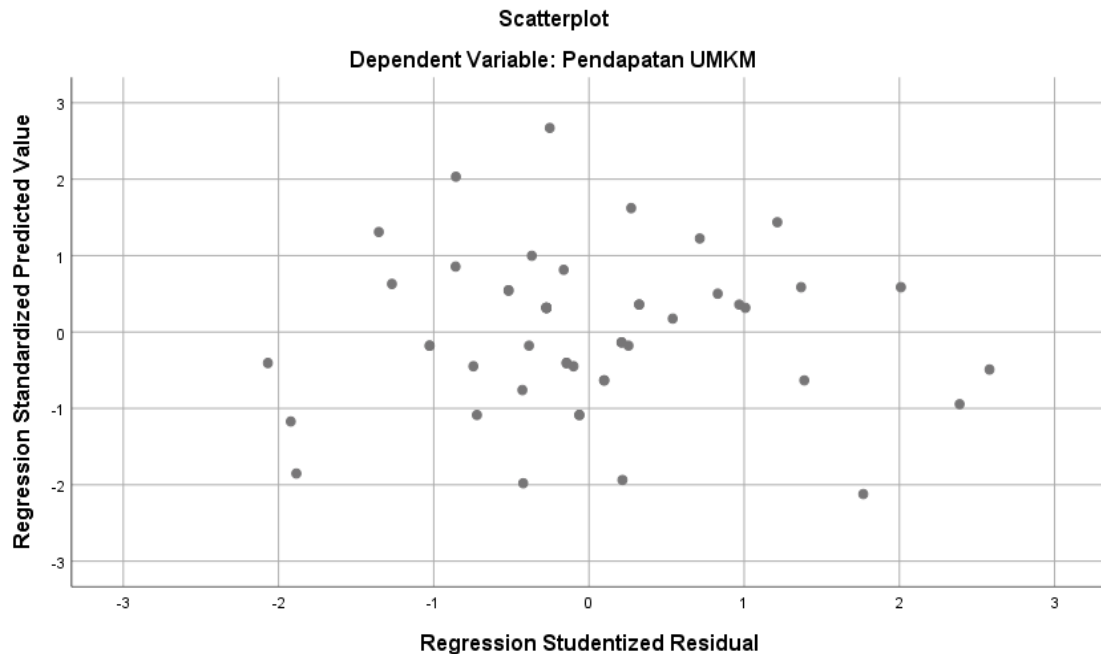


Figure 3 Heteroscedasticity Test Results - Scatterplot
Source: SPSS Processing Results v.25, 2024

Based on Figure 3, which is a scatterplot graph, it can be seen that the points are spread randomly, and are spread both above and below the number 0 (zero) on the Y axis. So it can be concluded that there are no symptoms of heteroscedasticity in the regression model used.

e. Hypothesis Testing

Hypothesis testing is a procedure that will result in a decision to accept or reject a hypothesis. Hypothesis testing is conducted to determine the effect of independent variables on their dependent variables. Hypothesis testing in this study consists of a t-test (partially) and an F-test (simultaneously).

a. Partial Testing (t-Test)

Partial test or t-test is conducted to show how far the influence of one independent variable on the dependent variable by assuming the other independent variables are constant or in other words to prove whether each independent variable included in the model has an influence on the dependent variable. The criteria for drawing conclusions from the test results are if the probability value (sig)-t is less than 0.05 then it is stated that the independent variable has an influence on the dependent variable, conversely if the probability value (sig)-t is greater than 0.05 then it is stated that there is no influence between the independent variables on the dependent variable. The following is for the t-test:

Table 9 Partial Test Results (t-Test)
Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,611	3.035		.531	.598
	Digital Marketing	.377	.100	.430	3,758	.000
	Financial Literacy	.448	.123	.416	3.636	.001

a. Dependent Variable: MSME Income

Source: SPSS Processing Results v.25, 2024

Based on Table 9, the results can be seen, the calculated t value of the Digital Marketing variable > from the t table, namely 3.758 > 1.675 and sig < alpha, namely 0.000 < 0.05, meaning that the Digital Marketing variable has a significant positive effect on the Increase in Income of MSMEs in Pematang Serai Village, Langkat.

calculated t value of the Financial Literacy variable > from the t table, namely 3.636 > 1.675 and sig < alpha, namely 0.000 < 0.05, meaning that the Financial Literacy variable has a significant positive effect on the Increase in Income of MSMEs in Pematang Serai Village, Langkat.

Table 10 Simultaneous Test Results (F Test)
ANOVA ^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	135,438	2	67,719	27,189	.000 ^b
	Residual	117,062	47	2,491		
	Total	252,500	49			

a. Dependent Variable: MSME Income

b. Predictors: (Constant), Financial Literacy, Digital Marketing

Source: SPSS Processing Results v.25, 2024

Based on Table 10, it can be seen that the calculated F value > from the F table is 27.189 > 2.40, while sig. < from alpha is 0.000 < 0.05, indicating that simultaneously the variables of Digital Marketing and Financial Literacy have a significant positive effect on the Increase in Income of MSMEs in Pematang Serai Village, Langkat.

f. Coefficient of Determination (R^2)

The coefficient of determination (Adjusted R^2) measures how far the model's ability to explain the variation of the dependent variable, namely economic growth. The test results can be seen in the table, as follows:

Analysis of Digital Marketing and Financial Literacy

Table 11 Results of the Determination Coefficient (R^2)
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.732 ^a	.536	.517	1.57819

a. Predictors: (Constant), Financial Literacy, Digital Marketing

b. Dependent Variable: MSME Income

Source: SPSS Processing Results v.25, 2023

R^2 (R^2 Square) figure is 0.536. This shows that the influence of Digital Marketing and Financial Literacy on the Increase in Income of MSMEs in Pematang Serai Village, Langkat is 53.6% while the remaining 46.4% is explained or influenced by other variables not examined in this study.

Conclusion

Based on the results of the research on digital marketing analysis and financial literacy on increasing the income of MSMEs in Pematang Serai Village, Langkat, there are several suggestions that can be given to related parties:

1. For MSMEs in Pematang Serai Village
 - a. Increase the optimal use of digital marketing platforms by developing targeted strategies, utilizing various available features, and following the latest digital marketing trends.
 - b. Take part in training and mentoring programs to improve financial literacy, especially in aspects of financial management, access to capital, and utilization of financial technology (fintech).
 - c. Apply the knowledge and skills of digital marketing and financial literacy that have been acquired to improve operational efficiency, expand market share, and increase business revenue.
2. For the Pematang Serai Village Government
 - a. Facilitate digital marketing and financial literacy training and mentoring for MSMEs on a regular and sustainable basis.
 - b. Improve internet access and other supporting infrastructure to support MSME digital marketing activities.
 - c. Provide capital support and easy access to financial institutions for MSMEs who want to develop their businesses.
3. For Academics and Researchers
 - a. Conduct further in-depth research to explore other factors that influence the income of MSMEs in Pematang Serai Village.
 - b. Develop more effective digital marketing and financial literacy models and strategies that are in accordance with the characteristics of MSMEs in villages.
 - c. Disseminate research results to MSMEs and village governments so that they can be implemented and provide optimal benefits.
4. For Financial Institutions and Fintech
 - a. Develop financial products and services that suit the needs of MSMEs in villages, including business capital financing and financial assistance.
 - b. Increase socialization and education regarding financial literacy and the use of financial technology (fintech) to MSMEs in villages.

References

- Carney, M. (2016). *Enabling the FinTech transformation: Revolution, Restoration, or Reformation? BoE Speech* .
- Creswell, J. (2010). *Research Design: Qualitative, Quantitative, and Mixed Approaches* . PT Pustaka Pelajar.
- Fadilah, JS, & Purwanto, E. (2022). The Influence of Locus of Control, Planning and Financial Literacy on the Financial Behavior of MSMEs: A Case Study of MSMEs in Magetan Regency. *Journal of Economics, Finance & Sharia Business* , IV (%), 1476–1488 .
- Firmanda, AF, & Lukiasuti, F. (2022). Analysis of the Mediating Role of Customer Satisfaction in the Relationship between Digital Marketing and Brand Loyalty at Bank Jateng, Wonosobo Branch. *Among Makarti* , 14 (2), 29–49.
- Ghozali, I. (2016). *Multivariate Analysis Application with IBM SPSS 23 Program (8th Edition). VIIIth Printing* . Diponegoro University Publishing Agency.
- Harnanto. (2019). *Basics of Accounting* . Andi Publisher.
- Indonesian Institute of Accountants (IAI). (2018). *Statement of Financial Accounting Standards (PSAK) No. 1: Presentation of Financial Statements* . IAI.
- Khrisna, A. (2010). Analysis of Financial Literacy Level among College Students and Factors Affecting It. *Proceedings of The 4th International Conference on Teacher Education. Join Conference UPI & UPSI. Bandung, Indonesia* .
- Lusardi, A., & Mitchell, O. (2007). Financial Literacy and Retirement Planning: New Evidence From the Rard American Life Panel. *MRRC Working Paper* , 157.
- Nurchahyo, A. (2018). The Role of Digital Marketing and Competitive Prices on Indihome Subscription Decisions. *Afan* , 1 (1).
- Financial Services Authority. (2013). *National Strategy for Indonesian Financial Literacy* .
- Financial Services Authority. (2017). *National Strategy for Indonesian Financial Literacy (SNLKI)* .
- Financial Services Authority. (2020). *Indonesian Banking Statistics: Vol. Volume 18* . OJK.
- Sari, MM, Sari, PB, & Pohan, SH (2023). *Financial Performance of MSMEs: Financial Literacy and Inclusion* . Stindo Press.
- Sochib. (2018). *Introduction to Accounting Textbook* . Deepublish.
- Sugiyono. (2013). *Quantitative, Qualitative and R&D Research Methods* . Alfabeta.
- Sugiyono. (2018). *Educational Research Methods (Quantitative, Qualitative, and R&D Approaches)* . CV Alfabeta.
- Sugiyono. (2019). *Quantitative, Qualitative, and R&D Research Methods* . CV Alfabeta.
- Wicaksono, E. (2015). The Influence of Financial Literacy on Credit Card Payment Behavior of Employees in Surabaya. *Finesta* , 3 (1), 85–90.
- Yushita, AN (2017). *The Importance of Financial Literacy for Personal Financial Management* . VI .