

The Effects of Using Social Media and Product Innovation in Improving Marketing Performance

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Abstract

The aim of this research is to partially analyze the influence of social media use and product innovation on marketing performance. The analytical approach used in this research is descriptive quantitative. The population in this research is all Big Bananas customers in the city of Makassar, the number of which is unknown. The type of non-probability sampling method used is judgmental sampling using the Rao Purba formula for sampling. So the total sample for this research is 96 Big Bananas consumers. The data analysis approach used in this research is multiple regression analysis. The research results found that partially the use of social media and product innovation had a significant effect on marketing performance.

Keywords :

Social Media, Product Innovation, Marketing Performance

INTRODUCTION

The number of MSMEs nationally has continued to grow over the last few years. The MSME sector contributes 61% to Gross Domestic Product (GDP), equivalent to IDR 9,580 trillion. As of Semester I - 2021, MSMEs absorbed around 117 million workers (97%) of the total workforce, and collected 60.4% of the total investment (www.djpb.kemenkeu.go.id, 15 July 2023), this is enough proof that MSMEs are able to exist in Indonesia.

Marketing performance is an important element for MSMEs. Marketing performance is a concept for measuring a company's marketing achievements. Every company has an interest in knowing its achievements as a reflection of the success of its business in market competition (Gozali & Nugraha, 2022). Marketing performance is the result of the overall efforts, strategies and performance that have been carried out by a company (Elwisam & Lestari, 2019). Marketing performance is a factor that is often used to measure the extent of the market achievements of the products that have been produced by the Company (Latief et al., 2022). Each company has determined its own strategy, the company tries to determine the best strategy and is different from other companies or competing companies that produce similar products. Every strategy set by the company expects the best performance that can be produced, in this case marketing performance (Darsana et al., 2023).

Nowadays, one of the marketing strategies that business people in the food industry can utilize is the use of social media such as Facebook, Instagram, Twitter and other social media. By utilizing social media, marketing costs become smaller but are able to reach all geographical areas in Indonesia that have internet access (Themba & Romadhoni, 2023). Their business is not only known to be limited to that area. Product visualization by consumers using social media is able to increase people's desire to try the delicious food displayed, such as one of the MSMEs in the culinary sector in Makassar City with the name Big Bananas where the food product is made from bananas which are processed in such a way as to make banana nuggets, the name banana nugget to the public's ears, it is no longer foreign because of the large number of processed banana nuggets that are sold, making its name unquestionable.

Big bananas uses social media as the cheapest promotional tool but has a significant impact on business actors (Romadhoni et al., 2023). Examples of the use of Instagram social media used by Big Bananas Makassar are as follows:



Figure 1. Instagram social media used by Big Bananas Makassar

With social media, Big Bananas can interact with customers from one direction to two directions. With the existence of social media, people's behavior in searching for brand information and communicating has changed, people can give their opinions, share their experiences and discuss products, this is supported by research results Anggraeni & Sanaji (2021) and Hidayat et al., (2022) who found that the use of social media has a significant effect on marketing performance.

Facing competition in the food industry sector, business owners must have uniqueness and superiority compared to similar competing products by innovating their products. Innovativeness is the attitude of an entrepreneur which refers to an entrepreneur's attitude to be involved creatively in the process of experimenting with new ideas that enable entrepreneurs to produce new products or services, both for current markets and new markets (Verbyani & Handoyo, 2021).

Efforts to innovate a product are believed to be able to improve marketing performance (Effendi et al., 2023). Therefore, carrying out product innovation which is part of the innovation process is very important. The various strategies that have been implemented are expected to be able to lead the market and ultimately it is hoped that this product innovation can influence consumers in purchasing products (Rusdianto et al., 2022). From this statement, it can be said

that product innovation is not only about the uniqueness and differences that the company makes, but there are other values that can easily be perceived by customers.

Product innovation needs to be done by designing various product designs and providing added value to the product. Innovation needs to be developed to achieve increased sales levels and consumer engagement in purchasing products (Rusdianto et al., 2022). The process of creating new ways to increase efficiency and effectiveness so that products have an advantage in the market is called product innovation (Salamah et al., 2023). The fact is that Big Bananas innovates its products by following consumer tastes. With product innovation which aims to be a differentiator between similar products and competitors as well as the core products that Big Bananas has. Previous research on product innovation has a positive and significant effect on marketing performance Mandasari (2020) and Harini et al., (2022). Therefore, The aim of this research is to partially analyze the influence of product innovation and the use of social media on marketing performance.

METHODS

The analytical approach used in this research is descriptive quantitative. Quantitative methods are data in research in the form of numbers. Meanwhile, the descriptive method is to describe or describe the data that has been collected as it is with the aim of making conclusions that apply to the general public or generalizations. The type of data produced in this research is interval data because the measurement scale used is a Likert scale. So with this Likert scale, researchers want to know the influence of social media use and product innovation on marketing performance. The data sources in this research are primary data and secondary data. In this research, primary data was obtained by distributing questionnaires to respondents. The questionnaire was used to determine the influence of social media use and product innovation on marketing performance. Secondary data is collected by reading and studying available sources in the form of books, reports, tables, brochures, photos, videos, magazines, advertisements obtained from companies and from libraries.

The population in this research is all Big Bananas customers in the city of Makassar, the number of which is unknown. The type of non-probability sampling

method used is judgmental sampling which places limits on respondents who meet the following criteria: 1) People who live in Makassar City and 2) Have shopped at Big Bananas at least three times. In drawing samples for this research, the Rao Purba formula was used as follows:

$$n = \frac{z^2}{4(moe)z^2} = 96.04 \frac{1.96^2}{4(0.10)^2}$$

So the total sample for this research is 96 Big Bananas consumers. Multiple regression is the data analysis approach used in this research. An approach to describing how independent variables impact the dependent variable is multiple regression analysis.

RESULTS AND DISCUSSION

In this research, normality testing is used to test the use of social media (X1), product innovation (X2), marketing performance (Y). To find out whether each variable is normal or not, the formula used in this normality test is the Kolmogorov Smirnov formula with the SPSS for Windows application. Data is said to be normal if the value is >0.05 then the data is normally distributed and vice versa.

Table 1. Normality Test Results with Kolmogorov-Smirnov

		Unstandardized Residuals
N		96
Normal Parameters, b	Mean	.0000000
	Std. Deviation	1.86617126
Most Extreme Differences	Absolute	.104
	Positive	.070
	Negative	-.104
Statistical Tests		.104
Asymp. Sig. (2-tailed)		.200

Based on table 1, it shows that the statistical test value obtained is 0.104, where this value is greater than 0.05 and Asymp. Sig. (2-tailed) was obtained, namely 0.200 so that the data was normally distributed, thus the assumption test for data normality was met.

Multicollinearity test

Multicollinearity in research results is not expected. Therefore, it is necessary to test to find out whether there are two or more items that are interrelated or have a perfectly linear relationship between several or all independent items. If this is not found, it means there is no multicollinearity. To test multicollinearity, this was done using SPSS for Windows.

Table 2. Test Multicollinearity

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Use of Social Media (X1)	,714	1,272
Product Innovation (X2)	,861	1,187

Table 2 shows that the tolerance value for the three independent variables is more than 0.10. This means there is no relationship between the independent variables. Meanwhile, the VIF values of the two independent variables, namely the use of social media and product innovation, also show values smaller than 10, indicating that there are no symptoms of multicollinearity.

Multiple Linear Regression Equation

The data analysis method in this research applies multiple linear regression. Through this analysis, the influence between the two variables can be seen, namely the independent variable which consists of Social Media Use (X1) and Product Innovation (X2) and the dependent variable, namely Marketing Performance. Based on table 3, the test results using multiple regression analysis tools obtained the following regression model:

Table 3. Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,422	2,608		3,707	,000
	Use of Social Media (X1)	,318	,172	,315	2,612	,009
	Product Innovation (X2)	,283	,094	,260	2,391	.013

a. Dependent Variable: Y

From the coefficient values contained in the multiple linear regression equation table prepared for this research are:

$$Y = 0.422 + 0.318 X1 + 0.283 X2 + e$$

Information:

Y = Marketing Performance

b = Regression Coefficient

a = Constant

X1 = Social Media Use

X2 = Product Innovation

e = Error rate

Based on the multiple linear regression equation above, it can be interpreted as follows:

1. A constant value of 0.422 means that if Social Media Use (X1) and Product Innovation (X2) are assumed to be = 0, then marketing performance (Y) is constantly worth 0.422.
2. The regression coefficient value for the Social Media Use variable (X1) is 0.318, meaning that if the Social Media Use variable (X1) increases by 1%, while the other variables are considered constant, then the marketing performance variable will experience an increase of 0.318.
3. The regression coefficient value for the Product Innovation variable (X2) is 0.283, meaning that if the Product Innovation variable (X2) experiences an increase of 1%, while the other variables are considered constant, then the marketing performance variable will experience an increase of 0.283.

F Test Results (Simultaneous Test)

The F test (simultaneous) is used to determine whether the independent variable simultaneously influences the dependent variable. The results of the F test in this research can be seen in table 4 below:

Table 4. ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	139,275	2	129,627	14,642	,000b
	Residual	171,264	93	14,783		
	Total	310,539	95			

The calculation results use the SPSS program by comparing the calculated F with the F table with a significance level of $\alpha= 0.05$. It can be seen that the calculated F is 14.462 by comparing the F table $\alpha=0.05$, we get an F table of 3.090. The calculated F is greater than the F table ($14.462 > 3.090$), meaning that there is a significant influence from the independent variable, namely the use of

social media and product innovation, which simultaneously influence the dependent variable, namely marketing performance.

t Test Results (Partial Test)

The t test (partial) was carried out to determine the significant level of influence of each independent variable on the dependent variable by testing the coefficient of the variable, at Big Bananas in Makassar City. The t test results from this research can be seen in table 5 as follows:

Table 5. Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	,422	2,608		3,707	,000
	Use of Social Media (X1)	,318	,172	,315	2,612	,009
	Product Innovation (X2)	,283	,094	,260	2,391	.013

a. Dependent Variable: Y

Based on the table above, the partial test results can be explained as follows:

- a) Based on the results of the t test (partial) in the regression model, the Coefficients table shows the significance results as the Social Media Use variable (X1) with a significance of 0.009. This number can certainly be said to be influential because it is smaller than the significance value $\alpha=5\%$ or 0.05. The magnitude of the influence of the partial test results can be seen in the Standardized Coefficients Beta of the Social Media Use variable (X1) with a value of 0.318 or 31.8%. So it can be concluded that Hypothesis 1 is accepted, in other words, the social media use variable has a partial and significant positive influence on the marketing performance of Big Bananas in Makassar City.
- b) Based on the results of the t test (partial) on the regression model, the Coefficients table displays the results of the significance of the Product Innovation variable (X2) with a significance of 0.013. This number can certainly be said to be influential because it is smaller than the significance value $\alpha=5\%$ or 0.05. The magnitude of the influence of the partial test results can be seen in the Standardized Coefficients Beta of the Product Innovation variable (X2) with a value of 0.283 or 28.3%. So it can be concluded that Hypothesis 2 is accepted, in other words the product innovation variable

partially has a positive and significant effect on the marketing performance of Big Bananas in Makassar City.

Coefficient of Determination Test Results (R^2)

The coefficient of determination test is used to measure how far the model's ability to explain variations in the independent variables (Use of social media and product innovation) on the dependent variable (marketing performance) expressed as a percentage (%). The coefficient of determination value is interpreted as a proportion ranging from 0 to 1, the closer it is to 1, the closer the relationship, but the closer it is to 0, the weaker the relationship.

Table 6. Determination Coefficient Table

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.688a	.451	.437	1,944

Based on the results of testing the coefficient of determination in table 5.17, it shows that the R Square value is 0.451, which means that the variability of the dependent variable which can be explained by the independent variable, namely marketing performance, can be explained by the Use of Social Media and Product Innovation in this research is 45.10% while the remaining 54.90% is explained by other variables outside the research model.

Discussion

The Influence of Social Media Use on Marketing Performance

The results of this research indicate that there is a significant influence between the variables of social media use on marketing performance. The research results illustrate that the use of social media in improving marketing performance is very high because the majority of respondents use social media as a tool to find out about the specifications of the products they will buy and they use them to see the products marketed via social media by Big Bananas. Social media is a marketing tool that can be used to understand customers and potential customers. The role of social media is very important in product marketing because it can make it easier to reach the public. The use of social media is also the cheapest means of promotion but has a significant impact on business actors.

One strategy that influences marketing performance is the strategy of using social media, which is basically a process of creating, communicating,

delivering and exchanging offers that are valuable for customers, partners and the general public. This research is supported by the statement that social media variables have a significant effect on marketing performance. The results of this study support the research results Anggraeni & Sanaji (2021) and Hidayat et al., (2022) who found that the use of social media has a significant effect on marketing performance.

The Influence of Product Innovation on Marketing Performance

The results of this research indicate that there is a significant influence between product innovation variables on marketing performance. The results of this research illustrate that with the product innovation that has been carried out and created positively by Big Bananas, Big Bananas' marketing performance will increase. Therefore, the results of this research show that the majority of respondents, in this case Big Bananas customers, play a significant role in improving marketing performance.

One strategy that influences marketing performance is product innovation. Product innovation needs to be done by designing various product designs and providing added value to the product. Innovation needs to be developed to achieve increased sales levels and consumer engagement in purchasing products. This research is supported by stating research results which show that the innovation variable has a significant influence on marketing performance. Research result Mandasari (2020) and Harini et al., (2022), Product innovation has a positive and significant effect on marketing performance.

CONCLUSION

Based on the research stage, analysis results and discussion results, the researcher can draw the following conclusions: Using the t test (partial) on the regression model, it was found that the variable Social Media Use (X1) had a partial and significant positive influence on Big Bananas' marketing performance in Makassar City and the Product Innovation variable (X2) also partially have a positive and significant effect on the marketing performance of Big Bananas in Makassar City.

Practical advice is expected for Big Bananas Makassar City to consider adding other social media platforms such as TikTok, Facebook and Twitter to

expand their marketing reach. Suggestions for Further Researchers It is hoped that future researchers will be able to conduct research on the variables of product quality, product creativity, product design, price which can be used to influence marketing performance.

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