

The Effect of Product Promotion and Innovation Activities on Marketing Performance in Middle Small Micro Enterprises in Cianjur

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Abstract

This study aims to determine the effect of promotional activities and product innovation on marketing performance in Micro, Small and Medium Enterprises in Cianjur. The method used is explanatory research with analysis techniques using statistical analysis with regression testing, correlation, determination and hypothesis testing. The results of this study that promotional activities have a significant effect on marketing performance by 40.0%, hypothesis testing is obtained $t_{count} > t_{table}$ or $(7.915 > 1.986)$. Product innovation has a significant effect on marketing performance by 38.5%, the hypothesis test obtained $t_{count} > t_{table}$ or $(7.669 > 1.986)$. Promotional activities and product innovation simultaneously have a significant effect on marketing performance with the regression equation $Y = 11.022 + 0.374X_1 + 0.360X_2$. Contribution of influence is 49.3%, hypothesis testing obtained $F_{count} > F_{table}$ or $(45,302 > 2,700)$.

Keywords

promotion activities, product innovation, marketing performance accountantstudents, and accountants



I. Introduction

Micro, Small or Medium Enterprises (MSME) is one of the forces capable of building the regional economy and increasing GDP (Gross Domestic Increase). MSME are able to improve the country's economy from the downturn that has created jobs, so that it is very useful for the community, especially now that the government is actively encouraging MSME players in various fields to be able to compete with domestic and foreign products.

Indonesia itself is an archipelago country that has a very diverse wealth. The existing diversity is clearly visible in the form of clothing, shelter, and the most prominent is food. This is evident from the variety of local culinary found in Indonesia. Each region has a variety of culinary specialties, which is the hallmark of one of them. is a type of snack that is crunchy and has a savory taste. or also known as peyek is a kind of complementary food. As a complementary food, the function is the same as crackers. In general, it is a fry made from wheat flour mixed with water to form a thick dough. Next, the thick dough is seasoned with salt, garlic, and added with special fillers such as peanuts or soybeans.

At this time, it can be used as one of the MSME products that has the potential to develop rapidly, especially in Cianjur Regency. According to the West Java Province Industry and Trade Service in Cianjur Regency, there were 1,955 business units in 2019. When it comes to business activities, entrepreneurship is the right job. This is because the market conditions, especially in Cianjur, where Cianjur itself is a city that is in a development stage, and most of the population is a consumptive society who likes a variety of foods. If you pay closer attention, the business opportunities in Cianjur City are very

large, especially in the food / culinary sector and other fields based on purchasing power and the social level of the community. One of the MSMEs that is quite scattered in the Cianjur and surrounding areas is which itself is usually marketed in stalls and restaurants.

With the increasing potential of MSMEs in the Cianjur area, the results of MSMEs also increase. However, high yields must be accompanied by good marketing distribution in order to be balanced with existing production levels. According to Sinungan (2000), results are a relationship between physical results and tangible results of goods or services, and getting real input.

Producing is not a difficult thing to do. The challenge faced by entrepreneurs in business is to make production run stably and get a growing number of consumers. In addition, this business has many competitors, especially in the Cianjur and surrounding areas. Therefore, of course, high results and knowledge are needed to market products so that MSMEs can continue to run in the long term and can meet the needs of partners who carry out these businesses. Thus, business can be used as the main source of income. To do good results, MSME actors need guidance or assistance. In general, MSME actors still lack the knowledge to produce good quality products and market their products. Romdonny and Rosmadi (2019) stated that the development of business organizations depends on the quality of the products they produce. The better the product produced and useful, the more consumers will enjoy it, especially to meet their daily needs

In an effort to market MSME products, a breakthrough is needed by being able to take advantage of effective promotional activities through print, electronic and other media. This promotional activity is important to do considering that promotion is a series of activities to communicate, provide knowledge and convince people about a product so that they recognize the greatness of the product, as well as bind their thoughts and feelings in a form of product loyalty.

Promotion carried out by the company means that the company communicates with its target market, with the aim of making buyers interested and willing to buy the products offered. This promotion is very important for smooth sales, because without promotion consumers do not know the product.

Besides promotional activities, a factor that is also very important is the development of product innovations that must be done so that the product has many variants. Innovation is the process of creating new ideas and implementing them in practice. Innovations are new ideas in products, so the results are better. In company organizations, innovation takes two forms, namely product innovation, which produces new goods or services or improvements from existing ones and process innovation, which produces new ways of doing a process.

MSME entrepreneurs usually only market their products to places that are located close to their homes or production sites. There are quite a lot of restaurants and souvenir shops in the Cianjur area and are often crowded with visitors. Cianjur is one of the tourist areas in West Java. However, the limitations of MSME entrepreneurs in having a wider network are an obstacle to expanding product distribution. MSME entrepreneurs generally lack knowledge about how to enter a very broad market. Even though these MSME entrepreneurs already have the ability to produce with good quality. The capacity and quality of products will not develop if it is not accompanied by efforts to expand the market.

According to Barghava (2016), performance can be operated in terms of effectiveness, efficiency and adaptability. The view of performance is also found in marketing which is the output of the marketing activities of a company. Slater & Narver (2016) say that marketing performance is a concept to measure its performance as a

reflection of the success of its business in market competition. In responding to market competition, Knight (2017) stated that companies must view that strategy plays a very important role in realizing the company's success in addition to the Human Resources factor in the company. Without the support of the right strategy, the company will find it difficult to survive in the midst of Knight's (2017) competition.

The marketing performance review is discussed by Mone (2017) which explains that marketing performance management is a clarification that must be made regarding the concept: performance management and performance measurement. In a broad sense, performance management can be seen as a comprehensive process related to performance, so that it includes sub-processes such as performance planning, measurement, reporting and decision making to comprehensively and more effectively improve marketing performance in order to support increased sales.

Based on the description above, the authors are interested in conducting research with the title "The Effect of Product Promotion and Innovation Activities on Marketing Performance in Middle Small Micro Enterprises in Cianjur".

II. Review of Literatures

2.1 Promotional Activities

Promotion is a method of luring potential buyers to make transactions with sellers so that the company's goal of making a profit can be achieved. According to Kotler and Keller (2017: 263) argue "Promotion is a special ingredient of personal advertising, sales promotion and public relations that companies use to achieve their advertising and marketing goals".

According to Gitosudarmo in Sunyoto in Fortunata and Toni (2020), promotion is an activity aimed at influencing consumers so that they can become familiar with the products offered by the company to them and then they become happy and buy the product.

2.2 Product Innovation

Innovation is the process of creating new ideas and implementing them in practice. Innovations are new ideas in products, so the results are better. In company organizations, innovation takes two forms, namely product innovation, which produces new goods or services or improvements from existing ones and process innovation, which produces new ways of doing a process. Market globalization presents a challenge for every company to be able to innovate continuously in order to offer unique and superior products and services. The introduction of new products plays an important role in increasing the company's productivity, while process innovation plays a role as a strategy in reducing costs Tjiptono (2017:458) Product innovation developed will be able to increase the ability of the company to produce quality products.

2.3 Marketing Performance

Marketing performance is a benchmark in assessing the success of value creation which is a combination of strengthening innovation capabilities and a deep understanding of market orientation. Various experts use different dimensions in measuring marketing performance.

According to Ferdinand (2016: 6), stated that marketing performance is a factor that is often used to measure the impact of the strategy implemented by the company.

III. Research Methods

3.1 Research Model

According to Sugiyono (2016), "The research model is a synthesis that reflects the relationship between the variables studied and is a guide to solving research problems and formulating hypotheses in the form of a flowchart equipped with qualitative explanations". In this study the research model created as follows:

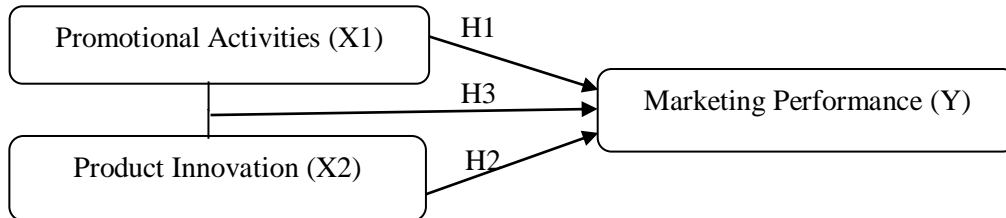


Figure 1. Research Model Paradigm

3.2 Research Hypothesis

The hypothesis that the researchers propose is as follows:

- H1: It is suspected that there is an influence which is significant between promotional activities on marketing performance at Micro, Small and Medium Enterprises in Cianjur.
- H2: It is suspected that there is an influence which is significant between product innovation on marketing performance in Micro, Small and Medium Enterprises in Cianjur.
- H3: It is suspected that there is an influence which is significant between promotional activities and product innovation simultaneously on marketing performance at Micro, Small and Medium Enterprises in Cianjur.

3.3 Population

Population is a set of objects that are determined through certain criteria which will be categorized into the object to be studied. According to Sugiyono (2016) defining population is the number of generalization areas consisting of objects or subjects that have the qualities and characteristics set by the researcher and conclusions are drawn. The population in the study amounted to 96 respondents of Micro, Small and Medium Enterprises in Cianjur.

According to Sugiyono (2016), namely "The sample is the number and characteristics of the population". Meanwhile, Suharsini Arikunto (2010) argues that "The sample is part or representative of the population under study". The sampling technique in this study was saturated sample, where all members of the population were sampled. Thus the sample in this study amounted to 96 respondents. The type of research used is associative, where the goal is to find out how to find a connection between variables. In analyzing the data used instrument test, classical assumption test, regression, coefficient of determination and hypothesis testing.

IV. Results and Discussion

4.1 Instrument Test

In this test used the validity test and reliability test. The validity test is intended to determine the accuracy of the data regarding the suitability between what is being measured and the measurement results. According to Sugiyono (2016) "Valid means that there are similarities between the collected data and the real data". Meanwhile, Ghazali (2013) argues that "A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire." To test the validity, the 2 tailed significance value is seen compared to 0,05 provided that:

1. If the 2 stringed significance value $< 0,05$, then the instrument is valid,
2. If the 2 stringed significance value $> 0,05$, then the instrument is invalid,

From the test results obtained for each item statement for all variables obtained a significance value of 2 tailed of 0,000 $< 0,05$, thus the instrument is valid.

The next test is the reliability union. The reliability test analysis model used in this study is the Alpha Cronbach model. According to Ghazali (2013), "Reliability is a tool for testing the consistency of respondents' answers to the questions in the questionnaire. A questionnaire is said to be reliable if a person's answer to a question is consistent or stable over time". The measurement is done by using Cronbach's Alpha analysis. Ghazali (2013) classifies the value of Cronbach's Alpha as follows:

1. If the Cronbach's Alpha value is $> 0,60$, it is declared reliable,
2. If the value of Cronbach's Alpha $< 0,60$, it is declared unreliable,

Table 1. Reliability Testing Results

| Variable | <i>Cronbach's Alpha</i> | Alpha Critical Standard | Information |
|-----------------------------|-------------------------|-------------------------|-------------|
| Promotional Activities (X1) | 0,719 | 0,600 | Reliable |
| Product Innovation (X2) | 0,688 | 0,600 | Reliable |
| Marketing Performance (Y) | 0,672 | 0,600 | Reliable |

Based on the results of the above testing, all promotional activity variables (X1), product innovation (X2) obtained a Cronbach alpha value greater than 0,60. Thus it is declared reliable.

4.2 Classic Assumption Test

The classical assumption test is intended to determine the accuracy of a data. According to Singgih Santoso (2011) "A regression model will be used to make forecasts, a good model is a model with minimal forecast errors". Therefore, a model before use should fulfill several assumptions, which are commonly called classical assumptions. In this research, the classical assumption test used includes: Normality Test, Multicollinearity Test, Autocorrelation Test, and Heteroscedasticity Test. The results are as follows:

a. Normality Test

The normality test is done to test whether the regression model, the dependent variable and the independent variable are normally distributed or not. The results of the normality test using the Kolmogorov-Smirnov Test are as follows:

Table 2. Results of Kolmogorov-Smirnov Normality

| | Tests of Normality | | | | | |
|---------------------------|---------------------------------|----|------|--------------|----|------|
| | Kolmogorov-Smirnov ^a | | | Shapiro-Wilk | | |
| | Statistic | df | Sig. | Statistic | df | Sig. |
| Marketing performance (Y) | .088 | 96 | .066 | .973 | 96 | .047 |

a. Lilliefors Significance Correction

Based on the test results in the table above, a significance value of 0.066 is obtained where the value is greater than the value of $\alpha = 0,050$ or $(0,066 > 0,050)$. Thus, the assumption of the distribution of the equation in this test is normal.

b. Multicollinearity Test

Multicollinearity testing is conducted to ensure that the independent variables do not have multicollinearity or do not have a correlation effect between the variables that are determined as models in the study. The multicollinearity test is carried out by looking at the Tolerance Value and Variance Inflation Factor (VIF). The test results are as follows:

Table 3. Multicollinearity Test Results with Collinierity Statistic

| Model | Coefficients ^a | | | | |
|-----------------------------|-----------------------------|------------|---------------------------|-------------------------|-------|
| | Unstandardized Coefficients | | Standardized Coefficients | Collinearity Statistics | |
| | B | Std. Error | Beta | Tolerance | VIF |
| 1 (Constant) | 11.022 | 2.970 | | | |
| Promotional activities (X1) | .374 | .084 | .408 | .651 | 1.536 |
| Product innovation (X2) | .360 | .087 | .379 | .651 | 1.536 |

a. Dependent Variable: Marketing performance (Y)

Based on the test results in the table above, the tolerance value for each independent variable is $0,651 < 1,0$ and the Variance Inflation Factor (VIF) value is $1,536 < 10$, thus this regression model does not occur multicollinearity.

c. Autocorrelation Test

Autocorrelation testing is used to determine whether or not there are correlation deviations between sample members. The test was carried out with the Durbin-Watson test (DW test). The test results are as follows:

Table 4. Autocorrelation Test Results

| Model | Model Summary ^b | | | | |
|-------|----------------------------|----------|-------------------|----------------------------|---------------|
| | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
| 1 | .702 ^a | .493 | .483 | 2.526 | 2.054 |

a. Predictors: (Constant), Product innovation (X2), Promotion activity (X1)

b. Dependent Variable: Marketing performance (Y)

The test results in the table above show that the Durbin-Watson value is 2,054, this value is between the interval 1,550 - 2,460. Thus the regression model stated that there was no autocorrelation disorder.

d. Heteroskedasticity Test

Heteroscedasticity testing is intended to test whether in a regression model there is an inequality of residual variance. The test results are as follows:

Table 5. Heteroskedasticity Test Results with the Glejser Test Model

| Model | | Coefficients ^a | | Standardized Coefficients Beta | t | Sig. |
|-------|-----------------------------|----------------------------------|------------|-----------------------------------|--------|------|
| | | Unstandardized Coefficients B | Std. Error | | | |
| 1 | (Constant) | 1.404 | 1.794 | | .782 | .436 |
| | Promotional activities (X1) | -.057 | .051 | -.142 | -1.119 | .266 |
| | Product innovation (X2) | .071 | .052 | .173 | 1.360 | .177 |

a. Dependent Variable: RES2

The test results using the Glejser test obtained the Sig. > 0.05. Thus regression model there is no heteroskedasticity disorder.

4.3 Descriptive Analysis

In this test, it is used to determine the minimum and maximum score, mean score and standard deviation of each variable. The results are as follows:

Table 6. Results of Descriptive Statistics Analysis

| | Descriptive Statistics | | | | |
|-----------------------------|------------------------|---------|---------|-------|----------------|
| | N | Minimum | Maximum | Mean | Std. Deviation |
| Promotional activities (X1) | 96 | 32 | 48 | 38.31 | 3.837 |
| Product innovation (X2) | 96 | 30 | 45 | 38.32 | 3.698 |
| Marketing performance (Y) | 96 | 32 | 46 | 39.15 | 3.512 |
| Valid N (listwise) | 96 | | | | |

Promotional activities obtained a minimum variance of 32 and a maximum variance of 48 with a mean score of 3,83 with a standard deviation of 3,837. Product innovation obtained a minimum variance of 30 and a maximum variance of 45 with a mean score of 3,83 with a standard deviation of 3,698. Marketing performance obtained a minimum variance of 32 and a maximum variance of 46 with a mean score of 3,91 with a standard deviation of 3,512.

4.4 Verification Analysis

This analysis aims to determine the effect of the independent variable on the dependent variable. The test results are as follows:

a. Multiple Linear Regression Analysis

This regression test is intended to determine changes in the dependent variable if the independent variable changes. The test results are as follows:

Table 7. Results of Multiple Linear Regression Testing

| Model | | Coefficients ^a | | Standardized Coefficients Beta | t | Sig. |
|-------|-----------------------------|----------------------------------|------------|-----------------------------------|-------|------|
| | | Unstandardized Coefficients B | Std. Error | | | |
| 1 | (Constant) | 11.022 | 2.970 | | 3.711 | .000 |
| | Promotional activities (X1) | .374 | .084 | .408 | 4.465 | .000 |
| | Product innovation (X2) | .360 | .087 | .379 | 4.145 | .000 |

a. Dependent Variable: Marketing performance (Y)

Based on the test results in the table above, the regression equation $Y = 11.022 + 0.374X_1 + 0.360X_2$ is obtained. From this equation it is explained as follows:

- 1) A constant of 11.022 means that if there are no promotional activities and product innovation, then there is a marketing performance value of 11.022 points.
- 2) The regression coefficient for promotional activities is 0.374, this number is positive, meaning that every time there is an increase in promotional activities of 0.374 then the marketing performance will also increase by 0.374 points.
- 3) The product innovation regression coefficient is 0.360, this figure is positive, meaning that every time there is an increase in product innovation of 0.360, the marketing performance will also increase by 0.360 points.

b. Correlation Coefficient Analysis

Correlation coefficient analysis is intended to determine the level of strength of the relationship between the independent variable and the dependent variable either partially or simultaneously. The test results are as follows:

Table 8. Results of Testing the Correlation Coefficient of Promotional Activities on Marketing Performance

| | | Promotional activities (X1) | Marketing performance (Y) |
|-----------------------------|---------------------|-----------------------------|---------------------------|
| Promotional activities (X1) | Pearson Correlation | 1 | .632** |
| | Sig. (2-tailed) | | .000 |
| Marketing performance (Y) | Pearson Correlation | .632** | 1 |
| | Sig. (2-tailed) | .000 | |

** . Correlation is significant at the 0.01 level (2-tailed).

b. Listwise N=96

Based on the test results obtained a correlation value of 0.632 means that promotional activities have a strong relationship with marketing performance.

Table 9. Results of Testing the Correlation Coefficient of Product Innovation on Marketing Performance

| | | Product innovation (X2) | Marketing performance (Y) |
|---------------------------|---------------------|-------------------------|---------------------------|
| Product innovation (X2) | Pearson Correlation | 1 | .620** |
| | Sig. (2-tailed) | | .000 |
| Marketing performance (Y) | Pearson Correlation | .620** | 1 |
| | Sig. (2-tailed) | .000 | |

** . Correlation is significant at the 0.01 level (2-tailed).

b. Listwise N=96

Based on the test results obtained a correlation value of 0.620 means that product innovation has a strong relationship to marketing performance.

Table 10. Results of Correlation Coefficient Testing of Promotional Activities and Product Innovation Simultaneously on Marketing Performance

| Model Summary | | | | |
|---------------|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .702 ^a | .493 | .483 | 2.526 |

a. Predictors: (Constant), Product innovation (X2), Promotional activities (X1)

Based on the test results obtained a correlation value of 0.702 means that promotional activities and product innovation simultaneously have a strong relationship to marketing performance.

c. Analysis of the Coefficient of Determination

The analysis of the coefficient of determination is intended to determine the percentage of influence of the independent variable on the dependent variable, either partially or simultaneously. The test results are as follows:

Table 11. The Results of Testing the Coefficient of Determination of Promotional Activities on Marketing Performance

| Model Summary | | | | |
|---------------|-------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .632a | .400 | .394 | 2.735 |

a. Predictors: (Constant), Promotional activities (X1)

Based on the test results, it was obtained a determination value of 0.400, meaning that promotional activities had an influence contribution of 40.0% on marketing performance.

Table 12. Results of Testing the Coefficient of Determination of Product Innovation on Marketing Performance

| Model Summary | | | | |
|---------------|-------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .620a | .385 | .378 | 2.769 |

a. Predictors: (Constant), Product innovation (X2)

Based on the test results obtained a determination value of 0.385 means that product innovation has an influence contribution of 38.5% on marketing performance.

Table 13. Results of Testing the Coefficient of Determination of Promotional Activities and Product Innovation on Marketing Performance

| Model Summary | | | | |
|---------------|-------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .702a | .493 | .483 | 2.526 |

a. Predictors: (Constant), Product innovation (X2), Promotion activity (X1)

Based on the test results obtained a determination value of 0.493 means that promotional activities and product innovation simultaneously have an influence contribution of 49.3% on marketing performance, while the remaining 50.7% is influenced by other factors.

d. Hypothesis Testing

1. Partial hypothesis test (t test)

Hypothesis testing with the t test is used to determine which partial hypothesis is accepted.

The first hypothesis: There is a significant influence between promotional activities on marketing performance.

Table 14. Hypothesis Test Results of promotional activities on marketing performance

| | | Coefficients ^a | | t | Sig. |
|-------|-----------------------------|-----------------------------|---------------------------|------|------------|
| | | Unstandardized Coefficients | Standardized Coefficients | | |
| Model | | B | Std. Error | Beta | |
| 1 | (Constant) | 16,968 | 2,816 | | 6,025 .000 |
| | Promotional activities (X1) | .579 | .073 | .632 | 7,915 .000 |

a. Dependent Variable: Marketing performance (Y)

Based on the test results in the table above, the value of t arithmetic > t table or (7,915 > 1,986) is obtained, thus the first hypothesis proposed that there is a significant influence between promotional activities on marketing performance is accepted.

Table 15. Hypothesis Test Results on Product Innovation on Marketing Performance.

| | | Coefficients ^a | | t | Sig. |
|-------|-------------------------|-----------------------------|---------------------------|------|------------|
| | | Unstandardized Coefficients | Standardized Coefficients | | |
| Model | | B | Std. Error | Beta | |
| 1 | (Constant) | 16,563 | 2,958 | | 5,599 .000 |
| | Product innovation (X2) | .589 | .077 | .620 | 7,669 .000 |

a. Dependent Variable: Marketing performance (Y)

Based on the test results in the table above, the value of t count > t table or (7,669 > 1,986) is obtained, thus the second hypothesis that is proposed that there is a significant effect between product innovation on marketing performance is accepted.

4.5 Simultaneous Hypothesis Test (Test F)

Hypothesis testing with the F test is used to determine which simultaneous hypothesis is accepted.

The third hypothesis There is a significant influence between promotional activities and product innovation on marketing performance.

Table 16. Hypothesis Test Results Promotional activities and product innovation on marketing performance.

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|----|-------------|--------|-------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 578,330 | 2 | 289,165 | 45,302 | .000b |
| | Residual | 593,628 | 93 | 6,383 | | |
| | Total | 1171,958 | 95 | | | |

a. Dependent Variable: Marketing performance (Y)

b. Predictors: (Constant), Product innovation (X2), Promotion activity (X1)

Based on the test results in the table above, the value of F count > F table or (45,302 > 2,700) is obtained, thus the third hypothesis that is proposed that there is a significant effect between promotional activities and product innovation on marketing performance is accepted.

4.6 Effect of Promotional Activities on Marketing Performance

From the analysis, it was found that the promotional activity variable had a significant effect on marketing performance with a correlation value of 0,632, meaning that the two variables had a strong relationship with an influence contribution of 40,0%. Hypothesis testing obtained the value of $t_{count} > t_{table}$ or $(7,915 > 1,986)$. Thus the first hypothesis proposed that there is a significant effect between promotional activities on marketing performance is accepted.

4.7 Effect of Product Innovation on Marketing Performance

From the analysis, it was found that the product innovation variable had a significant effect on marketing performance with a correlation value of 0,620, meaning that the two variables had a strong relationship with an influence contribution of 38,5%. Hypothesis testing obtained $t_{value} > t_{table}$ or $(7,669 > 1,986)$. Thus the second hypothesis proposed that there is a significant effect between product innovation on marketing performance is accepted.

4.8 Effect of Promotional Activities and Product Innovation on Marketing Performance

From the analysis, it was found that the promotional activities and product innovation variables had a significant effect on marketing performance with the regression equation $Y = 11,022 + 0,374X_1 + 0,360X_2$, the correlation value was 0,702, meaning that the two variables had a strong relationship with an influence contribution of 49,3% while the rest amounting to 50,7% influenced by other factors. Hypothesis testing obtained the value of $F_{count} > F_{table}$ or $(45,302 > 2,700)$. Thus the third hypothesis proposed that there is a significant effect between promotional activities and product innovation on marketing performance is accepted.

V. Conclusion

Promotion activities have a significant effect on the marketing performance of the correlation value of 0,632 or strong with a contribution of influence of 40,0%. Hypothesis test obtained $t_{value} > t_{table}$ or $(7,915 > 1,986)$. Thus there is a significant influence between promotional activities on marketing performance in Micro, Small and Medium Enterprises in Cianjur.

Product innovation has a significant effect on marketing performance with a correlation value of 0,620 or strong with an influence contribution of 38,5%. Hypothesis test obtained $t_{value} > t_{table}$ or $(7,669 > 1,986)$. Thus, there is a significant influence between product innovation on marketing performance in Micro, Small and Medium Enterprises in Cianjur.

Promotional activities and product innovation have a significant effect on marketing performance with a correlation value of 0,702 or strong with an influence contribution of 49,3% while the remaining 50,7% is influenced by other factors. Hypothesis testing obtained the value of $F_{count} > F_{table}$ or $(45,302 > 2,700)$. Thus there is a significant influence between promotional activities and product innovation simultaneously on marketing performance at Micro, Small and Medium Enterprises in Cianjur.

Suggestions

1. MSME actors assisted by local governments must be able to take advantage of every opportunity with promotional activities by informing their products or services through the right media.
2. MSME actors must have deeper knowledge related to the importance of product variation or innovation so that consumers have many choices of products to buy.
3. Marketing performance can be improved by empowering employees by taking advantage of any existing market opportunities, especially now that MSMEs are an alternative choice for consumers because the prices of manufactured products are getting higher.

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