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Influence of Social Media Use and Product Innovation on Business Development: A Case Study

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Abstract

The study aims to (1) explain whether or not the use of social media has an influence on the development of the Banjar Bu Machmudah cake business; (2) explain whether product innovation has an influence on the development of the Banjar Bu Machmudah cake business; and (3) explain whether the use of social media and product innovation have an influence on the development of the Banjar Bu Machmudah cake business. This study employs a quantitative method, using multiple linear regression analysis, to explain the impact of social media and product innovation on business development). In this study, the population consisted of all 106 consumers of the Banjar Bu Machmudah cake shop in April 2023. Purposive sampling was utilized, which is a sample technique with specific requirements. Customers who made more than one purchase at the Banjar Bu Machmudah cake shop throughout April were eligible, with 106 people responding. The finding showed that (1) the use of social media has a substantial impact on the business development of Banjar Bu Machmudah cakes, (2) the product Innovation has a big impact on business development in Banjar Bu Machmudah cakes (3) The usage of social media and product innovation has a big impact on business development.

Keywords: Social Media; Product Innovation; Business Development

Introduction

Business development refers to the endeavors of multiple stakeholders, including the government, community, and the business owner, to expand the business into a more competitive enterprise by offering facilities, mentorship, and creative guidance along with drive and inventiveness... Based on the Ministry of Cooperatives and Small and Medium Enterprises, there were approximately 65.5 million MSMEs in Indonesia in 2019. This figure climbed by 1.98% from 2018 to 64.2 million units, with 798.7 thousand units being small companies. Despite the fact that the number grows every year, MSMEs frequently confront a

variety of hurdles in growing their operations, including increasingly strong competition and increasingly dynamic changes in customer behavior. Ariana (2016) defines business development as an endeavor undertaken by multiple stakeholders, including the government, community, and the business owner, to expand the business into a more competitive enterprise by means of facilities, mentorship, and creative and motivating guidance.

However, a considerable number of micro, small, and medium-sized company players continue to voice grievances on the trajectory of their enterprise. The most common issues micro, small, and medium-sized businesses deal with are their inability to compete, stay up to date with industry changes, and grow their market share, which makes it difficult for them to take advantage of market opportunities. To enable the quick development of small and medium-sized enterprises, all of these issues must be reduced to a minimum and development strategies must be pursued. The utilization of social media and product innovation are the strategies that are currently attracting attention. According to Baihaqi (2018), social media refers to online platforms like blogs and social networks where users may readily communicate, share, and create content.

Product innovation and the usage of social media are critical for the long-term viability of small and medium-sized businesses. One of the many advantages that social media may offer society is communication. Its use has become a daily need, and its users have the opportunity to engage and share information freely. Additionally, social media is relatively inexpensive, often even free, to use and very simple for new users to learn how to utilize. Product innovation, on the other hand, can be viewed as a useful development that can put a product one step ahead of those of its competitors and as a crucial role of corporate management since it can decide the caliber of marketing performance. It has long been established that technology-mediated self-Pattipeilohy (2018) defines product innovation as "a product's functional progress that can take the product one step further than its competitors' products."

Bu Machmudah, also known as Mrs. Machmudah's Banjar Cake, was founded in 1980 and is a family business passed down from Mrs. Machmudah's parents. Marketing of Banjar Bu Machmudah cakes is still traditional, relying primarily on word of mouth, thus while Banjar Bu Machmudah cake goods are becoming more well-known and in demand, they are still limited to the Jombang District area. Aside from that, the taste of Banjar cake is entirely unique. Given these circumstances, Mrs. Machmudah, the business owner, chose to market Banjar cake products on social media. Several innovations were then made to Banjar cake goods, such as adding ginger flavor to cakes that had previously just had the original flavor. Aside from that, there have been more practical innovations in product packaging.

Based on the explanation above, the goals of this study are to: (1) explain whether or not the use of social media has an influence on the development of the Banjar Bu Machmudah cake business; (2) explain whether product innovation has an influence on the development of the Banjar Bu Machmudah cake business; and (3) explain whether the use of social media and product innovation have an influence on the development of the Banjar Bu Machmudah cake business.

Literature review

Social Media

In the context of the current digital era, the existence of social media with its various types and features has now become an effective tool, because it is able to provide various conveniences for society, one of which is communication, and its use has become a daily necessity. It also allows its users to freely share information information and interact. Social media is also incredibly simple to use and learn for new users, and it does not come at a high cost or is even free. With these advantages, small and medium-sized businesses are beginning to use social media as a marketing strategy to attract more customers. According to Baihaqi (2018), social media is an online medium in which users may easily interact, exchange, and produce material, such as blogs, social networks, Wikipedia, forums, and virtual worlds. Another viewpoint holds that social media is online media that facilitates social engagement, and that social media employs web-based technology to transform communication into interactive dialogue.

Product Inovation

Product innovation is the process of creating and developing new or improved products, services, or processes by a company or organization. It involves introducing novel ideas, technologies, features, or designs that provide added value to customers and differentiate the product from existing offerings in the market. Successful product innovation requires a combination of creativity, market research, customer insights, technological expertise, and effective project management. Victor in Pattipeilohy (2018) states that product innovation is something that can be seen as a product's functional progress that can take the product one step further than its competitors' products. For small and medium industries, product innovation is important for sustainable business continuity and efforts to carry out product innovation are an important function of the management of a company because product innovation can determine quality marketing performance. In the context of innovation, new products include products that are completely new, improvements to existing products, or new products that are a combination of existing products and new technology.

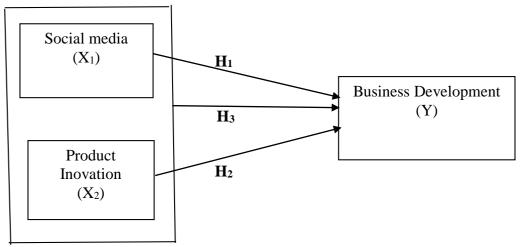
Business Development

Business development is a process aimed at growing a company and making it more successful. It can include seeking new business opportunities, building and sustaining connections with existing clients, entering strategic partnerships, and devising other plans to boost profits and market share According to Ariana (2016), business development is an effort made by various parties involved in the business, whether the government, the community, or the business owner himself, to develop the business into a larger, more competitive business through the provision of facilities and mentoring guidance, accompanied by motivation and creativity. There are various factors that influence business development to make optimal use of social media and consistently updating information every day can develop market share and

increase product sales. In carrying out product innovation, there needs to be new and fresh creative ideas to develop better products (Christiana et al., 2014).

Research Method

This study employs a quantitative method, using multiple linear regression analysis, to explain the impact of social media and product innovation on business development (a case study of the Banjar Bu Machmudah cake business). The image of the research design is as follows:).



Feature 1. Research design

The population in this research was all customers of the Banjar Bu Machmudah cake business in April 2023, totaling 106. The sampling technique used purposive sampling, namely a sampling technique with certain criteria. The criteria set were customers who made more than one purchase at the Banjar Bu Machmudah cake business during April, totaling 106 respondents.

The study instrument is a questionnaire with a Likert scale that allows respondents to select one of five answers: (1) (strongly agree); (2) (agree); (3) (neutral); (4) (disagree); and (5) (strongly disagree). After collecting the data, it was processed using SPSS for Windows version 25 software. The questionnaire used in this study was also validated and verified for reliability.

Result and Discussion

This study uses the proposed considering regulations to give significance to variables that are empirically assessed (Sugiono, 2015). The resulting measured average values are divided into many value category scales, which are shown in the following table:

a. Sosial Media Variable

This study uses determining the value rules proposed by Sugiono (2015) to provide meaning to empirically measured variables. The weighted average values obtained are

grouped into a variety of value category scales, which are shown in the table below: To elicit respondent replies, the social media variable is measured with 6 (six) statements. The following table shows the results of the description of social media variables per indicator:

Table 1. Average Score Per Social Media Variable Indicator

| | Social Media variable | | | | | | | | | |
|-----------------------|-----------------------|----|------|----|---|-------|---------|-------|------------------------------------|-----------------|
| | No. | | Skor | | | Score | Average | Avera | | |
| Indikator | Item | 5 | 4 | 3 | 2 | 1 | | Score | e ge Indicat _l or | Expla nation |
| (conversion | 1 | 25 | 69 | 12 | 0 | 0 | 437 | 4,12 | | |
| rate) | 2 | 20 | 51 | 31 | 4 | 0 | 405 | 3,82 | 3,88 | Good |
| | 3 | 19 | 39 | 46 | 2 | 0 | 393 | 3,71 | - 1 (| Good |
| The level of | 4 | 24 | 47 | 31 | 4 | 0 | 409 | 3,86 | | Good |
| an | 5 | 22 | 58 | 22 | 4 | 0 | 416 | 3,92 | 3,82 | |
| interaction in Social | 6 | 11 | 50 | 45 | 0 | 0 | 390 | 3,68 | 3,62 | |
| Media | | | | | | | | | | |

b. Product Inovation Variable

The product innovation variable is measured with 6 (six) statements to obtain respondent responses. The results of the description of product innovation variables per indicator can be seen in the following table:

 Table 2. Average Score Per Product Innovation Variable Indicator

| | i abic 2. | Product Innovation Variable | | | | | | | | |
|----------------------------|-------------|-----------------------------|----|----|------------|---|----------------|------------------|-----------------|-----------------|
| Indicator | No. Item | 5 | 4 | 3 | Score 2 | 1 | Score Total | Score average | Avera ge | Expla nation |
| Product Revision | 7 | 40 | 44 | 21 | 1 | 0 | 44 | 4,16 | | |
| | 8 | 34 | 45 | 23 | 4 | 0 | 427 | 4,03 | 3,99 | Good |
| | 9 | 20 | 43 | 43 | 0 | 0 | 401 | 3,78 | | |
| Additional Product line | 10 | 35 | 58 | 9 | 4 | 0 | 442 | 4,17 | | |
| | 11 | 11 | 59 | 36 | 0 | 0 | 399 | 3,76 | 3,94 Goo | Good |
| | 12 | 24 | 46 | 36 | 0 | 0 | 412 | 3,89 | | |

c. Business Development variable

The business development variable is measured with 6 (six) statements to obtain respondent responses. The results of the description of the indicator business development variables can be seen in the following table:

Table 3. Average Score Per Indicator for Business Development Variables

| | Business Development Variables | | | | | | | | | |
|---------------------------------|--------------------------------|----|-------|----|---|---|-------|---------|--------------|-----------------|
| | No. | | Score | | | | Score | score | Indicato | |
| Indicator | Item | 5 | 4 | 3 | 2 | 1 | total | Average | r average | expla nation |
| | 13 | 25 | 37 | 39 | 5 | 0 | 400 | 3,77 | | |
| Income | 14 | 23 | 51 | 28 | 4 | 0 | 411 | 3,88 | 3,87 | Good |
| | 15 | 23 | 59 | 20 | 4 | 0 | 419 | 3,95 | | |
| Marketing demand Increase | 19 | 37 | 56 | 13 | 0 | 0 | 448 | 4,23 | | |
| | 20 | 29 | 47 | 26 | 4 | 0 | 419 | 3,95 | 4,11 | Goo |
| | 21 | 26 | 69 | 11 | 0 | 0 | 439 | 4,14 | | d |

1. Classic Asumption Test

a. Normality Test

The results of the normality test assisted by the SPSS version 25 program are presented in table below:

Tabel 4. Normality Test Result
One-Sample Kolmogorov-Smirnov Test

| N | | 106 |
|----------------------------------|-----------------|---------------------|
| Normal Parameters ^{a,b} | <u>Mean</u> | ,0000000 |
| | Std. Deviation | 1,52967084 |
| Most Extreme Differences | <u>Absolute</u> | ,054 |
| | <u>Positive</u> | ,054 |
| | Negative | -,038 |
| Test Statistic | | ,054 |
| Asymp. Sig. (2-tailed) | | ,200 ^{c,d} |

- a. Test distribution is Normal.
- $b. \quad \hbox{Calculated from data}.$
- c. Lilliefors Significance Correction
- $d. \quad \hbox{This is a lower bound of the true significance.}$

Based on the results of the normality test using the Kolmogorov-Smirnov method, it can be concluded that the normality test in this study was normally distributed.

b. Multicolinieritas Test

The results of the multicollinearity test assisted by the SPSS version 25 program are presented in table below:

 Table 5. Multicollinearity Test Results

Coefficients^a

| | | | | Cocincicité | , | | | |
|-----|----------------------|--------------------------------|---------------|--------------|--------|------|----------------------------|-------|
| | | | | Standardized | | | | |
| | | Unstandardized Coefficients | | Coefficients | T | a. | Collinearity Statistics | |
| Mod | lel | В | Std. Error | Beta | Т | Sig. | Tolerance | VIF |
| 1 | (Constant) | 2,853 | 1,551 | | 1,839 | ,069 | | |
| | Social media | ,762 | ,063 | ,758 | 12,152 | ,000 | ,764 | 1,308 |
| | Product Inovation | ,145 | ,067 | ,136 | 2,176 | ,032 | ,764 | 1,308 |

a. Dependent Variable: Business Development

Based on the results of the multicollinearity test, it can be concluded that multicollinearity does not occur.

c. Heteroscedasticity test

The heteroscedasticity test assisted by the SPSS version 25 program are presented in table below:

Tabel 6. Heterokesdastisitas Test Resukt

Coefficients^a

| | Unstandardized Coefficients | | | Standardized Coefficients | | |
|-------|--------------------------------|-------|------------|------------------------------|-------|------|
| Model | | В | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 1,486 | ,965 | | 1,539 | ,127 |
| | Social media | -,023 | ,039 | -,067 | -,599 | ,551 |
| | Product Inovation | ,010 | ,041 | ,028 | ,248 | ,804 |

a. Dependent Variable: ABS_RES

From the results of multicollinearity using the Glejser test, it can be concluded that heteroscedasticity does not occur becase the significance value is > 0.05.

d. Autocorelasiion Test

The results of the autocorrelation test assisted by the SPSS version 25 program are presented in table below:

Table 7. Autocorelation Test Result Model Summary^b

| | | | Adjusted R | Std. Error of the | |
|-------|-------|----------|------------|-------------------|---------------|
| Model | R | R Square | Square | Estimate | Durbin-Watson |
| 1 | ,833a | ,693 | ,687 | 1,544 | 1,891 |

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- a. Predictors: (Constant), Inovasi Produk, Media Sosial
- b. Dependent Variable: Perkembangan Usaha

Based on the results of the autocorrelation test above, it is known that the test results using the Durbin-Watson test on the residuals of the regression equation can be concluded that there is no autocorrelation.

2. Hypotesis Test

a. Parsial Test (t)

Partial test results can be seen in the following table:

Table 8. Parsial Test Result (t)

Coefficients^a

| | | | | Standardized | | |
|-------|-------------------|--------------------------------|------------|--------------|--------|------|
| | | Unstandardized Coefficients | | Coefficients | | Cia |
| Model | | В | Std. Error | Beta | ι | Sig. |
| 1 | (Constant) | 2,853 | 1,551 | | 1,839 | ,069 |
| | Social Media | ,762 | ,063 | ,758 | 12,152 | ,000 |
| | Product Inovation | ,145 | ,067 | ,136 | 2,176 | ,032 |

a. Dependent Variable: Business Development

b. Simultan (F) Test

The F test is carried out to determine whether there is a joint influence between two or more independent variables on the dependent variable. The simultaneous test uses analysis of variance (ANOVA) to test whether there is a significant difference between the average groups of the dependent variable which is influenced by the combination of independent variables.

Tabel 9. Parsial Test result (F) Using SPSS ANOVA^a

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|-------------------|-----|----------------|---------|-------------------|
| 1 | Regression | 555,707 | 2 | 277,854 | 116,485 | ,000 ^b |
| | Residual | 245,689 | 103 | 2,385 | | |
| | Total | 801,396 | 105 | | | |

a. Dependent Variable: Business Development

Based on the results of the table above, it is known that the sig value is 0.00, because the significant value is smaller than $\alpha = 0.05$ (Fsig 0.00 < 0.05), then H0 is accepted. This shows that there is a positive influence of the variables Social Media (X1) and Product Innovation (X2) simultaneously on Business Development (Y) Development of Banjar Bu Machmudah's cake business.

b. Predictors: (Constant), Product Innovation, Social media

3. The Analysis of Multiple Linear Regression

The Multiple Linear Regression Test aims to measure the strength of the relationship between the independent variable and the dependent variable. It helps to know the extent to which changes in the independent variable contribute to changes in the dependent variable.

Table 10. SPSS Multiple Linear Regression Analysis Test Results Using SPSS Coefficients^a

| | | | | Standardized | | |
|-------|-----------------------|---------------|----------------|--------------|--------|------|
| | | Unstandardize | d Coefficients | Coefficients | | |
| Model | | В | Std. Error | Beta | Т | Sig. |
| 1 | (Constant) | 2,853 | 1,551 | | 1,839 | ,069 |
| | Social Media | ,762 | ,063 | ,758 | 12,152 | ,000 |
| | Product Innovation | ,145 | ,067 | ,136 | 2,176 | ,032 |

a. Dependent Variable: Business development

From the results of multiple linear regression analysis, the results showed that the variables Social Media (X1) and Product Innovation (X2) had a linear effect on Business Development (Y). Based on the results above, this influence can be seen in the multiple linear regression equation as follows:

- 1. The regression coefficient for Social Media is 0.762, which means that every one unit increase in social media use will contribute to an increase in business development (Y). In other words, the higher the use of social media, the higher the business development that can be achieved.
- 2. The regression coefficient for Product Innovation is 0.145, which means that every one unit increase in product innovation will contribute to an increase in business development (Y). In other words, the higher the level of product innovation, the higher the business development that can be achieved.

5. Coefficient of Determination Test (R²)

The R2 test is used to determine the percentage contribution of all independent variables to the dependent variable. The R2 test results can be seen in the table as follows:

Table 11. Coefficient of Determination Test Results (R2) Using SPSS: Model Summarv^b

| | | | | , | |
|-------|-------|----------|------------|-------------------|---------------|
| | | | Adjusted R | Std. Error of the | |
| Model | R | R Square | Square | Estimate | Durbin-Watson |
| 1 | ,833a | ,693 | ,687 | 1,544 | 1,891 |

a. Predictors: (Constant), Product Inovation, Social Media

b. Dependent Variable: Business Development

Based on the table above, it can be seen that the R2 value is 0.693 or 69.3% so it can be concluded that the percentage contribution of the influence of the independent variables Social Media and Product Innovation to the dependent variable Business Development is 69.3% and the remaining 30.7% is influenced by the variable others not included in this study.

Discussion

This research aims to determine the influence of social media and product innovation on business development. Based on the results of the analysis, the discussion regarding this research is as follows:

1. The Influence of Social Media on Business Development

Various studies show that social media has a significant influence on the development of MSME businesses, including Mrs. Machmudah's banjar cake business. Social media has an important role in promoting products and services, reaching a wider audience, and building relationships with potential and existing customers.

The use of social media such as WhatApps, Facebook and Instagram allows MSMEs Banjar Cakes Bu Machmudah to effectively market their products to relevant target markets. By using the right marketing strategy, MSMEs can attract the interest of potential customers and generate higher sales. Apart from that, social media such as WhatApps, Facebook and Instagram also provide opportunities for Banjar Bu Machmudah cake MSMEs to interact directly with their customers. Through social media, business owners can get direct feedback from customers, and resolve problems quickly. These positive interactions can strengthen relationships with customers, build trust, and increase customer loyalty.

Not only that, Social Media is also a forum for Banjar Bu Machmudah Cake MSMEs to study market trends, observe competitors, and get inspiration from other successful business practices. Through online business groups or communities, business owners can exchange ideas, get advice, and build networks with other business people. This can help MSMEs develop better strategies, optimize operations, and keep up with dynamic market changes. The results of hypothesis testing show that the use of social media has a significant influence on business development. This is proven by these findings identifying that the social media use variable (X1) plays an important and significant role in influencing business development (Y), so that the proposed hypothesis can be accepted. Thus, it can be concluded that the use of social media has a significant influence on business development.

Furthermore, this research also reveals that the characteristics of respondents have a significant impact on the relationship between social media use and business development. The dominance of the female gender at 82.02% of the total respondents can be explained by the tendency of women to be more active in communicating and interacting via social media as a means of shopping. Meanwhile, the 30-45 year age group dominates (56.60%) in the influence of social media on business development. This age is often characterized by greater financial stability and better technological skills, all of which can support the effective use of social media. In terms of social media platforms, the dominance of WhatsApp as the platform used by 100% of respondents shows the convenience and

effectiveness of this platform in supporting business interactions. The ease of communicating directly with customers, sharing product information, and managing orders may be the reason why WhatsApp is the first choice.

This finding also strengthens the respondents' answers which show that every statement related to Social Media was responded to with good answers. The indicator with the highest average is conversion (Conversion Rate) with an average score of 3.88 with good criteria (B). This research also produces findings that are in line with previous research conducted by Zahrah Lathifah and Djuari P. Lubis (2018), there is a positive and significant influence from the use of social media on the development of culinary businesses in the Greater Solo area. The similarity of these findings shows that there is consistency between current research which focuses on the influence of social media on the development of culinary businesses in the Greater Solo area and previous research by Zahrah Lathifah and Djuari P. Lubis (2018).

2. The Influence of Product Innovation on Business Development

Various studies show that product innovation has a significant influence on the development of MSME businesses, including the Banjar Bu Machmudah cake business. Product innovation is an effort to improve the quality, features and variety of products offered to customers. In the context of the Banjar Bu Machmudah cake business, there is an indicator of product innovation that has the best average value, namely "Revision of existing products".

The analysis results show that the "Revision of Existing Products" indicator has an average score of 3.99 with good criteria. This indicates that revising existing products makes a positive contribution in improving the quality of Banjar Bu Machmudah cake products. Improving design, improving taste, and adding packaging are important factors in producing products that are more attractive to customers. Furthermore, this research also reveals that the characteristics of respondents have a significant impact on the relationship between product innovation and business development. More specifically, the female gender dominance of 82.02% in the sample shows that women are more dominant in responding to and appreciating product innovation. The reason is because women have a more careful assessment of product changes, such as changing packaging from a can to a standing pouch, this could be one of the factors that explains why women tend to respond more positively to innovation. Attention and sensitivity to visual and functional changes in product packaging can be the reason why women feel more interested in these changes. Standing pouch, as a more modern and practical packaging option. Meanwhile, those aged 30-45 years dominate (56.60%) in the impact of product innovation on business development. This age is often characterized by better financial stability.

Apart from that, an interesting thing regarding the characteristics of these respondents is the large number of old customers who have been hereditary, as well as customers aged 30-45 years who continue the family tradition of consuming "Bu Machmudah's Banjar Cake." For them, this product is more than just food. It has become an inseparable part of family memories and relationships. Therefore, innovative changes such as the use of standing pouches are not only a visual enhancement, but also a tribute to family

values and history. Additionally, WhatsApp's 100% usage in interactions with customers shows a clear reason why this platform is more dominant than others. Ease of access, speed of communication, and convenience of interacting via WhatsApp have made this platform a very effective tool in facilitating interaction between "Kue Banjar Bu Machmudah" and customers.

The results of hypothesis testing show that product innovation has a significant influence on business development. These findings identify that the product innovation variable (X2) plays an important and significant role in influencing business development (Y), so that the proposed hypothesis can be accepted. Thus, it can be concluded that product innovation has a significant influence on the development of the Banjar Bu Machmudah cake business.

This research also produces findings that are in line with previous research conducted by Susan Pratiwi (2021) that there is a positive and significant influence from the use of product innovation on Micro, Small and Medium Enterprises in East Lombok Regency. With the consistency between the findings of this research and the findings of previous research, it can be concluded that product innovation has an important role in supporting the development of micro, small and medium enterprises, including dimsum businesses in Medan Johor District and Banjar Bu Machmudah Cake MSMEs in East Lombok Regency.

3. The Influence of Social Media and Product Innovation on Business Development

Various studies show that social media and product innovation have a significant influence on the development of MSME businesses, including the Banjar Bu Machmudah cake business. Social media and product innovation are efforts to expand reach, business interactions, improve the quality, features and variety of products offered to customers. In the context of the Banjar Bu Machmudah cake business, there is an indicator of business development that has the best average value, namely "Increase in Market Share".

The results of the analysis show that "Increasing Market Share" has an average score of 4.11 with good criteria. These results illustrate that Bu Machmudah's Banjar Cake business has been successful in increasing market share through product innovation and marketing strategies via social media. The increase in market share shows a positive response from consumers to the variety of products offered and effective communication via social media platforms, especially WhatsApp. This is in line with current business trends which increasingly rely on social media as a means of promotion and interaction with consumers. Thus, overall these findings provide strong evidence that the combination of effective use of social media and product innovation can be a successful strategy in developing micro, small and medium enterprises such as Kue Banjar Bu Machmudah.

Based on the table presented, it can be concluded that there is a significant positive influence simultaneously between the variables Social Media (X1) and Product Innovation (X2) on the Business Development (Y) of Bu Machmudah's Banjar Cake. The results of the analysis show that the use of social media and product innovation together have a positive influence on the development of the Banjar Bu Machmudah Cake business. This shows that marketing strategies through social media and product innovation play an important role in

improving the quality and competitiveness of the Banjar Bu Machmudah Cake business. Good conversion rates from potential customers to active customers, as well as positive interactions on social media, have contributed to increasing the number of customers and business development. In addition, revisions to existing products and additions to product lines also have a positive impact in improving product quality and variety, attracting customer interest, and expanding market share.

In this context, it is important to observe the characteristics of the respondents who participated in this research. The female gender dominance of 82.02% attracts attention. The reason behind this dominance may be related to the unique characteristics of women in terms of purchasing Banjar cakes. Perhaps women are more likely to be sensitive to product changes and innovations, and have a tendency to pay attention to product quality and variety. Careful decision making and attention to detail can be factors that support the dominance of women in purchasing Banjar Bu Machmudah cakes.

Furthermore, the dominance of the 30-45 year age group of 56.60% provides additional insight. Most customers of this age may have been loyal customers for a long time and have a better understanding of Bu Machmudah's banjar cake products. If Bu Machmudah's Banjar cake has inherited its popularity from previous generations, many customers aged 30-45 years may continue the family tradition of choosing delicious Banjar cake products as family snacks. WhatsApp's complete dominance as the primary social media platform presents an intriguing perspective. WhatsApp has a high level of client involvement, maybe due to its success in direct contact, product ordering, and speedy feedback. WhatsApp's speed and ease of use may be the reason why it is more popular for purchasing Banjar Bu Machmudah cakes than other social media platforms. The results of this study are similarly consistent with prior research conducted by Indah Azzahra in (2021). This study found that using social media and product innovation combination has a favorable and significant impact on the development of dimsum enterprises in the Medan Johor District.

Conclusion

Based on the results of research and testing regarding the influence of the use of social media and product innovation on the development of the Banjar Bu Machmudah cake business, the following conclusions can be drawn:

- 1. There is a significant influence of the use of Social Media on the business development of Banjar Bu Machmudah cakes.
- 2. There is a significant influence of Product Innovation on business development in Banjar Bu Machmudah cakes.
- 3. There is a significant influence of the use of Social Media and Product Innovation on Business Development.

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