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EDITOR IN CHIEF INTRODUCTION

By expressing gratitude to the presence of Allah SWT, we present Volume 2 Number 1 January 2024 of the Jurnal Manajemen Bisnis dan Terapan which we name MEISTER. We hope to consistently publish scientific journals in the field of Business and Applied Management with studies in business economics, entrepreneurship, marketing management, strategic management, operational management, supply chain, management, e-business, international business, financial management, human resource management, tourism management, and knowledge management. This Meister journal will be published twice a year in January and July.

The existence of this Meister journal is expected to be a means of exchanging information, sources of academic discourse, and research results in the field of Business Management and Applied Sciences. Meister is published as an open access journal, so all content can be accessed by users free of charge.

We would like to thank the contributors or authors who have been willing to contribute ideas, ideas and scientific thoughts in various types of Business Management and Applied science studies in the inaugural issue of our journal. We are very open to receiving scientific articles from other parties who have article manuscripts in the field of Business Management and Applied Studies.

Surakarta, January 2024

Editor in Chief

MEISTER

Rohmawan Adi Pratama, S.E., M.B.A.

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BUSINESS DEVELOPMENT STRATEGY OF HYDROPONIC MELON (CUCUMIS MELO L.) PRODUCTION AT PT INDIGEN KARYA UNGGUL THROUGH BUSINESS MODEL CANVAS

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ABSTRACT

The purpose of this research is to find the obstacles and threats that hinder the melon production process at PT Indigen Karya Unggul, formulate new strategies based on the advantages and opportunities owned by the company by minimizing the shortcomings and threats that exist, and create a new business model canvas prototype that can be applied by the company in the context of business development. The data collection technique that researchers apply is the interview and observation method accompanied by direct interviews. The type of research chosen is qualitative research. The analysis of the business development strategy that can be applied by the company with the new business model canvas prototype is the addition of human resources to run the existing business lines needs to be done so that existing human resources can be specialized according to the field of work so that the targets of each business line can be realized. In addition, PT Indigen Karya Unggul can use the new business model canvas prototype in carrying out its business activities. Especially in the customer segment block, including by expanding the intended market segment, reaching markets that have not been reached before, and creating attractive and creative marketing content.

Keywords: Melon Production, Business Development Strategy, Business Model Canvas

INTRODUCTION

The world is entering the industrial revolution 4.0 where technological advances are inevitable. The world of agriculture is a line of business that needs to continue to be developed and researched to be able to take advantage of these technological advances. Advances in agricultural technology can provide convenience in business development for entrepreneurs, especially start-up companies. One of the start-up companies studied is PT Indigen Karya Unggul, which was recently established in 2018. PT Indigen Karya Unggul is located on Jl Tajem Meguwo Depok, Maguwoharjo, Sleman, Yogyakarta Province. PT Indigen Karya Unggul is a start-up engaged in agriculture, especially melon plants. PT Indigen has five business lines, namely Indigrow (melon and lettuce production), Indifarm (providing installation services and cultivation infrastructure), Indifresh (selling production products), Indimix (making plant nutrients), and Indiacademy (providing training services). Even though it has been a start-up company for 5 years, researchers found problems experienced by PT Indigen Karya Unggul, one of which is regarding human resources and sources of company income. So, to help solve these problems, an analysis of strengths, weaknesses, opportunities, and threats through a business model canvas is carried out based on several alternative strategies formulated.

A business development strategy is a long-term process with the concept of creating value through expanding markets, multiplying business relationships, and retaining customers in a company. The field of business development also means the process of analyzing a potential that can be developed and controlling the implementation of the potential work. In a company, business development focuses on business development through existing and non-existing opportunities. These opportunities will later become new business lines. Business development strategies are important to expand the market and maintain customer loyalty for a long period. Business development is quite important in a company to create product advantages over competing companies' products, especially for start-up companies (David, 2016). Therefore, good planning and management are needed to create the right strategy that the company can implement.

RESEARCH METHOD

The research activities were carried out at PT Indigen Karya Unggul which is located at Jl. Tajem Meguwo Depok, Maguwoharjo, Sleman, Yogyakarta Province. The research time was 1 month, from January 16, 2023, to February 20, 2023. PT Indigen Karya Unggul was chosen because it is a start-up company that has a great desire to find a suitable business model for its business. The research conducted is qualitative research which is research that is not in the form of numbers or the form of sentences. This qualitative data comes from internal PT Indigen Karya Unggul. Qualitative data taken includes melon production activities and overall business activities. Primary data for this research comes from field observations and interviews with the CEO of PT Indigen Karya Unggul directly. Data collection techniques in this research are through several methods, namely field surveys, interviews, documentation, and literature studies. It was carried out by directly observing activities and conditions in the

company, including the production process of melon plants from preparation to marketing, finding problems faced during production activities, thinking about solutions to these problems, and designing new business development strategies that the company can do in developing its business and things by the objectives of the implementation of research activities. Data analysis was carried out using SWOT (Strength, Weakness, Opportunity, and Threat) on the business model canvas. Nine components in the business model canvas that will be analyzed, namely Value Proposition, Customer Relationship, Channels, Review Streams, Customer Segments, Key Activities, Cost Structure, Key Resources, and Key Partnerships. The results of the interview process will then be calculated for business development strategies that can be applied by the company. The preparation of this new business strategy is also through discussions with the company and literature studies from several literatures.

RESULT AND DISCUSSION

1. Evaluation of the Nine Blocks in the Business Model Canvas

The business model canvas can describe the current business conditions, while the SWOT analysis contained in the previous explanation describes the elements of the business. The combination of SWOT analysis and business model canvas will be able to maximize benefits and opportunities, improve deficiencies, and minimize existing threats (Ali et al, 2022). The strategy that will be included in this business model canvas is a high level of urgency and can address the company's core problems. An explanation of the evaluation of the nine blocks is described as follows:

a. Customer Segment (CS)

Customer segmentation commonly referred to as customer segment refers to existing customers who are divided into several customer groups according to certain standards (Pratomo et al, 2029). The results of research by the University of Indonesia show the age group of internet users as follows: 18-25 years old as much as 49%, 26-35 years old as much as 33.8%, 36-45 years old as much as 14.6%, and 46-55 years old as much as 2.4%. Based on online sales, the 26-45 age group is the highest purchasing customer group. Identification of customer segments at PT Indigen Karya Unggul from direct sales with significant sales coming from housewives or those over the age of thirty. The weakness in the customer segment block is that PT Indigen Karya Unggul's melon products have not been able to enter several potential customer segments, in this case, 18-25 year olds who are the most internet users.

The opportunity in this customer segment block is the existence of technology 4.0 which facilitates marketing both online and offline. Easy accessibility also has an impact on the ease of reaching the desired customer segment. Another opportunity is that based on MOT 71/MDAG/PER/9/2015 on Import Requirements for Horticultural Products, melons are one of the horticultural commodities whose imports are restricted. In addition, there is a government program UPSUS or Special Efforts Program to increase the production of rice, corn, soybean, and horticultural

commodities. This is certainly an opportunity for PT Indigen Karya Unggul to be able to meet the demand for melons in various strategic customer segments. The threat in this customer segment block is the emergence of many competitors who also utilize digital technology in their marketing. In addition, the above-average price causes PT Indigen Karya Unggul's melon products to not be able to reach customer segments in all age ranges.

b. Value Proposition (VP)

Value Proposition is an element that contains the uses or benefits offered by the company for a predetermined customer (Santoso et al, 2022). Hydroponic products have recently become a product that is on the rise among the public. Products from PT Indigen Karya Unggul have a delicious taste quality and a relatively small shape like an apple so it is easy to carry everywhere. The increasing awareness of healthy living is a strength for PT Indigen Karya Unggul to continue selling its hydroponic melons. The melons sold are hydroponic melons that minimize the use of pesticides or are by Good Agriculture Practice (GAP) and are included in the premium melon category. The weakness of this block is that melon products at PT Indigen Karya Unggul have a high price according to their quality, making it difficult to reach all social castes in society. Another weakness of this block is the short lifetime of the product. Melon is a horticultural commodity that is easily rotten. Melons can last for about a week before spoiling.

The opportunity in the value proposition block is the trend of increasing public awareness to eat foods that have minimal pesticides. The threat in this block is that there are no processed products or derivative products from melon fruit that are sold. PT Indigen Karya Unggul has not been able to meet consumer needs for melons from its garden, so it still relies on partners.

c. Channel (CH)

The channel element describes how a company communicates with its customers, reaches customer segments, and adds value to its product offerings (Wardana & Sitania, 2023). The strength of this channel block is in the production and marketing process. PT Indigen Karya Unggul has a trusted and quality-assured melon seed supplier so good facilities and infrastructure channels increase the possibility of good yields as well. The marketing process has also been carried out with a variety of channels, such as Instagram, Facebook, WhatsApp Business, and the company website. The weakness in this channel block is the lack of interesting marketing content, which shows that there is still a lack of mastery of the various marketing channels that are carried out.

The opportunity in this channel block is the ease of expanding channels due to the increase in digital transactions in society. So it is easier for PT Indigen Karya Unggul to reach strategic channels and customer segments. The threat to the channel block is the increasing digital capabilities of society so it can be said that people are becoming more selective about promotion and buying and selling activities.

d. Customer Relationship (CR)

The strength of the customer relationship block at PT Indigen Karya Unggul is to provide discounts to customers who regularly make purchases. In addition, PT Indigen Karya Unggul also provides the "Try Melon Free" service. This service is used as a tester for prospective buyers. The strength of this block is also given by the existence of an exchange guarantee if the fruit is not sweet. Of course, this warranty is accompanied by applicable terms and conditions. The weakness in this block is the absence of specialized Human Resources (HR) who manage this field.

Opportunities in the field of customer relationships are the opportunity to make work contracts with large buyers and resellers to facilitate the work system. Technological advances can also be utilized by providing various payment methods to make it easier for consumers to make payments. Threats in this block are competing companies that provide large discounts to their customers.

e. Key Resource (KR)

Key Resource is a potential source of business that is used to make assumptions about value. Potential sources often come from people, technology, tools, channels, and brands (Aliwinoto et al, 2022). The strength of PT Indigen Karya Unggul lies in its employees who have a high school to undergraduate educational background with fields of science by the business being run. The melon production resources at PT Indigen Karya Unggul have also used smart technology. The weakness of this block is the limited number of human resources who are not well-specialized in each field of business carried out.

Opportunities in this block are technological advances that are more efficient for human resource activities. Threats come from competitors who have more stable finances and specialized human resources.

f. Key Activities (KA)

The strength of the first key activities block is the production process that always pays attention to Good Agriculture Practices (GAP). In addition, the existence of production operational standards applied by PT Indigen Karya Unggul accompanied by a timeline of production activities is also a strength in this block. The weakness of the key activities block is the procurement of raw materials from suppliers and continuity has not been well maintained. Raw material suppliers also still often provide high prices due to low purchasing power. Opportunities in this key activities block are the restrictions on melon imports, which can be used as an opportunity to continue to increase production tonnage along with increasing consumer demand. Threats in this production process are the easy access to melon seeds, which can lead to competition with non-greenhouse farmers or conventional farmers.

g. Key Partnership (KP)

A key partnership is a partnership that describes the network of suppliers and partners that make the business model successful. Companies enter into partnerships for various purposes, and partnerships have become the basis of many business

models (Wijaya & Indriyani, 2016). The strength of this key partnership block is the existence of several melon farmer and supplier partners who always communicate intensely. The existence of contracts with partners also helps PT Indigen Karya Unggul to meet market demand and sell its products. The weakness of this block is that it cannot directly supervise partner performance due to the distant location of partners. The opportunity for this key partnership block is the ease of information technology, making it easier for companies to continue to communicate online with partners. The threat to this block is competing companies that have specialized human resources to handle this partnership.

h. Revenue Stream (RS)

Revenue stream (RS) is a representation of the path of receiving money that will be received from each customer segment (Herawati et al, 2019). The strength of this revenue stream block is the smoothness of receipt or it can be said that there is no payment tempo. PT Indigen Karya Unggul gets its payments directly from both online sales and direct sales. PT Indigen Karya Unggul also has business diversification, not only through the sale of melon products but also in other business fields. The business diversification of the company is Indigrow which sells cultivation needs. Indifresh sells its garden products not only melons but also various types of vegetables. Indi mix which is a business diversification of PT Indigen Karya Unggul that specializes in selling nutrients for plants. Finally, there is Indiacademy, which sells training services and visits to the company's garden. The weakness of this block is that there is no fixed revenue stream from each business source.

The opportunity of this revenue stream block is the wider market that can be reached with the diversification of the business being run. The threat of this block is the difficulty of building loyalty with customers. Maintaining the stability of the quality of products and each field of business carried out also needs to be considered.

i. Cost Structure (CS)

Cost Structure is an analysis of the most important costs you incur to perform key activities and create value propositions (Pratami, 2016). The strength of the cost structure block is good operational cost management due to the recording of financing or financial history reports. PT Indigen Karya Unggul has also calculated the COGS (Cost of Goods Manufactured) of each project carried out in each of its business fields. The weakness of this block is that PT Indigen Karya Unggul is a start-up company that is still focused on building the market. Opportunities in the cost structure block are increasing sales through expanding business channels, cooperation with various business partners (marketing partners and farmers), and effective marketing strategies. With these three things, it is expected that economies of scale can be achieved. The threats are the fluctuating purchase price of raw materials depending on the season and consumer tastes that can change at any time.

2. Strategies carried out by the company PT Indigen Karya Unggul

Alternative strategies can help the process of fixing your shortcomings and minimizing the threats that the company will face or is facing. Alternative strategies that will be carried out will also maximize existing strengths and explore opportunities that can be taken. The following are details of each strategy that can be carried out by the company:

a. SO-Strategy

SO-Strategy is a combination of Strengths and Opportunities where in this matrix method conclusions will be drawn that produce the best decisions that can build and support the company's progress (Fristasya et al, 2021).

The first strategy is product differentiation. The purpose of product differentiation is to reach all age segments and maintain existing market segments. Based on the data on internet users above, 18-25 years old is the highest internet user, to reach this segment, there is a need for product differentiation where the price can be reached by this age group. Product differentiation makes consumers more interested and not bored or it can be said that product differentiation can increase customer loyalty.

The second strategy is to improve the quality of the marketing content of the products or services offered. Attractive marketing content is proven to increase insight (content performance: viewers, likers, profile visits, and frequency of content viewed) characteristics that potential consumers do to view marketing content. Increased audience insight will certainly increase the chances of buying the product or service offered.

The third strategy is to maximize the use of the company website. In the all-digital era, of course, maximizing the use of websites to integrate sales, services, and business cooperation. The company website is also one of the marketing channels that is quite easily accessed by many people. Based on Bank Indonesia data in Indonesia during the same period, there was an increase in digital transactions by 64.48% each year (Evalia, 2015).

The fourth strategy is the use of production technology or full automation. The use of technology can certainly increase the efficiency of the company, whether from time, labor, or long-term production costs. The industrial revolution 4.0 can make human activities effective and efficient due to the easy mobility of movement and of course the exchange of information (Khastini et al, 2021).

b. WO-Strategy

The WO strategy is a WO strategy that minimizes weaknesses to take advantage of opportunities (Hidayat, 2022). The first strategy that can be used is to maximize the performance of partnerships that have been implemented or will be implemented. PT Indigen Karya Unggul has not been able to meet the demand for melons from its garden, therefore a partnership strategy can be an opportunity. The partnership can be applied in scheduling production time and operational production

activities to maintain quality according to the standards of PT Indigen Karya Unggul. Optimizing key partnership blocks by having suppliers who can guarantee continuity, quality, price, and service will reduce the risks that often occur in the agricultural sector (Dudin et al, 2015).

The second strategy is channel expansion to several strategic locations such as horeka (hotels, restaurants, and cafes), fitness places, and health centers (clinics and yoga places). Melon itself is one type of fruit whose import is restricted by the state, so expanding the domestic market for melon products through channel expansion is certainly an opportunity. This channel expansion can also be done by maximizing the reseller system. Increasing sales can be done by opening new channels with a reseller system (Rukka et al, 2018). This reseller system can increase market expansion because products are easily spread.

The third strategy is to increase the budget to add employees. Increasing production activities, business expansion, and increasing sales certainly require more human resources. Increasing the number of human resources will increase the focus in each sector or part of the company so that the company can work optimally. With this strategy, the company will move better and faster because it will focus on certain areas.

c. ST-Strategy

ST-strategy makes companies try to avoid or reduce the impact of external threats (Arifianto, 2017). The first strategy that can be done is to conduct offline or direct promotions to potential customers. Promotion can be done by submitting an offer letter (promotion of fresh products such as melons and vegetables as well as home-scale hydroponic equipment such as installations, seeds, rock wool, etc.) to the village to target PKK and KWT mothers. Meeting in person is one of the most effective ways to convince consumers of the product's superiority.

The second strategy is to maintain the quality of melon products sold. Asking consumers about product testimonials can also be used as evaluation material. As discussed earlier, PT Indigen Karya Unggul has not been able to meet consumer demand for melon products from its garden, so quality control of products obtained from partners also needs to be considered. The factor that needs to be considered to maintain customer loyalty is to maintain product quality and safety (Sangadah et al, 2021).

The third strategy is to set production schedules and increase melon production capacity continuously as a strategy to control the market. Competitors from melon farmers and melon distributors who are also increasing need to be watched by making a production timeline so that the price of melons that will later be sold remains stable.

The fourth strategy is the formation of a community of both consumers and partner farmers. The purpose of forming this community is to exchange information and maintain the loyalty of consumers and potential consumers. This community can

discuss good melon cultivation, tips and tricks to become entrepreneurs, and share experiences, and share knowledge. The formation of this community will certainly increase potential customers' trust in the company.

d. WT-Strategy

WT strategy is based on defensive activities and seeks to minimize weaknesses and avoid threats (Haerawan & Magang, 2019). The WT strategy aims to minimize internal weaknesses by avoiding external threats. The first strategy is to increase the number of human resources. The addition of human resources aims to maximize existing business lines. Generalization in the company will make company management not run well. The competence and loyalty of each employee will continue to make the company exist and the competitiveness of the company will continue to increase (Mujiyono & Taufan, 2021). The increasing quantity of resources is also based on work specialization and company finances, where the addition of these employees needs to be done in line with the increasing company targets.

CONCLUSION

Based on the results of the analysis, strengths, weaknesses, opportunities, and threats were found which were then arranged to create a strategy that could be applied by the company. S-O strategy that focuses on value proposition by differentiating products, creating better marketing content, maximizing the use of the company website mainly for buying and selling, and improving cultivation technology. The W-O strategy that takes advantage of opportunities to minimize threats can be done by conducting scheduled partnership activities and meeting the operational needs of partners to maintain production, adding channels to several new places developing a reseller system, and increasing the workforce or Human Resources (HR). The S-T strategy utilizes strengths to overcome threats through offline promotions to increase customer trust, increasing customer relationships to increase customer loyalty by maintaining the quality and quality of melon products sold and asking for product testimonials, keeping melon prices stable by scheduling production activities, and the last is the formation of a community to maintain good relations with consumers and partner farmers. Alternative W-T strategies focus on adding human resources (HR) who are specialized in their fields, of course, by paying attention to increasing the cost structure.

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FINANCIAL RATIOS OF PT PURADELTA LESTARI Tbk. UNDER THE INFLUENCE OF THE GLOBAL ECONOMIC CRISIS IN 2022

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ABSTRACT

PT Puradelta Lestari (DMAS) is one of the companies engaged in the property sector and is part of the Sinar Mas Land group. The purpose of this research paper is to analyze the financial ratios of PT DMAS whether the company's shares are still worth buying and holding in the next few years and how PT DMAS's attitude in facing the global economic crisis in early 2023 which makes some of the company's businesses sluggish, one of which is in the property sector. This analysis uses current ratio, quick ratio, cash ratio, GPM, OPM, NPM, ROI, ROA, DAR, DER, EPS, PER, and MBV, most of which calculations use data on net income, total equity, current liabilities, total assets, stock prices and other data in the company's financial statements. The analysis results show that PT DMAS has a current ratio of 4.82, quick ratio of 2.27, cash ratio of 0.97, GPM of 71.16%, OPM of 60.89%, NPM of 63.06%, ROA of 18.70%, ROI of 276.02%, DAR of 13.57%, DER of 15.70%, EPS 25.26, PER 6.29x and MBV 1.34x. These results indicate that PT DMAS shares are still worth holding in the next few years, even though at the beginning of the first trimester report in 2023 PT DMAS experienced a decrease in revenue from the previous year due to various factors, both post-Covid-19 pandemic recovery and the global economic crisis that is sweeping the world.

Keywords: Current Ratio, Quick Ratio, Cash Ratio, Financial, Stock

INTRODUCTION

Global uncertainty puts pressure on the world's economic recovery, but Indonesia's economic fundamentals are still able to show impressive performance. Although in July 2022 the International Monetary Fund (IMF) revised its global economic projection from 3.6% to 3.2%, Indonesia's economic growth projection is still quite high at 5.3% (Alydrus, 2022). The JCI performance was also quite good amidst global pressures and weakening global stock indices, where on October 10, 2022, the JCI recorded a return of 6% (YTD) at 6,982.5. Various policies such as tightening of interest rates have been implemented by several countries, including the US, Indonesia, India, UK, Germany, and South Africa in the face of global challenges. Indonesia itself has adjusted interest rates by 50 bp in September 2022 to 4.25. Despite this, it turns out that the property sector still has appeal amid high interest rates. This can be seen in the Residential Property Price Index (IHPR) in the fourth quarter of 2022 recorded an increase YoY, over the previous quarter of 1.94% YoY. On the other hand, demand for property loans also grew by around 7.4% YoY in January 2023, although in the previous month, it strengthened at 8.4% YoY. The demand for property loans will continue to rise as the national economy strengthens. Companies need to analyze financial statements because financial statements are used to assess the company's performance, and are used to compare the condition of the company from the previous year to the current year whether the company is improving or not so that the company considers decisions to be taken for the coming year according to the company's performance.

There are several types of investments through financial instruments that are being discussed in the community, be it in the form of savings, deposits, bonds, mutual funds, P2P Lending, stocks, and so on. In this case, researchers will discuss a little related to the analysis of the company's financial ratios that are useful for potential investors to determine their investment decisions in a public company whose shares are traded on the Indonesia Stock Exchange. Stocks are a very interesting financial instrument to be discussed by people who want to invest and expect a large return. However, it should be noted that a large return will also have a large risk if we are wrong in analyzing the stock. The increase and decrease in stock value are caused by several factors, but what we can easily measure is the company's performance based on financial statement analysis. We can measure the performance of the company we are going to buy shares in over the past few years through financial statement analysis. There are two types of techniques for analyzing a stock, namely fundamental analysis and technical analysis. In this case, financial ratio analysis is included in the fundamental analysis which will assess whether a stock can or should be held by investors in the long term and produce a satisfactory return. In choosing stocks we can also be helped by the LQ45 index on the Indonesia Stock Exchange. LQ45 is an index of 45 stocks that are liquid as the code name LQ. LQ45 is a stock that is seen from its liquidity and market capitalization, and usually this index will be reviewed every six months in February and August (Filbert, 2021).

Financial ratios are a tool used by companies and investors to measure and evaluate the financial performance of a company. This ratio is calculated based on data from the company's financial statements such as the balance sheet, income statement, and cash flow

statement. (Hafidh, 2023). There are several financial ratios commonly used by companies including profitability ratios, liquidity ratios, solvency ratios, efficiency ratios, and market ratios. Company performance can be said to be a formal effort carried out by the company to evaluate the efficiency and effectiveness of the company's activities that have been carried out in a certain period. Performance is a formal effort carried out by the company to evaluate the efficiency and effectiveness of the company's activities that have been carried out in a certain period (Hanafi & Halim, 2007). On this occasion, researchers will discuss liquidity ratios, profitability ratios, solvency ratios, and market ratios at PT Puradelta Lestari in 2020-2022 so that investors can see the feasibility of holding PT DMAS shares, especially after going through consecutive major crises starting from the Covid-19 pandemic to the global economic crisis at the end of 2022 due to easy access to relevant data on this company.

RESEARCH METHOD

The method used is descriptive quantitative (Sugiyono, 2019). The data used in this paper are the results of calculations of PT DMAS's financial ratios based on the company's income statement and press releases issued by the company. Data from these financial ratios can also be found in several mobile applications and websites such as RTI Business, Stockbit, and other applications. Financial ratios are used to measure and analyze the company's financial performance with the parameters of the company's financial condition or data. The financial ratios that will be discussed in this study are liquidity ratios, profitability ratios, solvency ratios, and market value ratios (Ghozali, 2016).

Liquidity ratios are useful for measuring the company's ability to pay off its short-term debt. Liquidity ratios are divided into three, namely (Irham Fahmi, 2012):

1. Current Ratio is used to measure the company's ability to pay its short-term debt/liabilities from total current assets. If the ratio is > 1 , then the company is said to be in good condition.
2. Quick Ratio is used to measure the company's ability to pay debts/current liabilities from total current assets without taking into account the amount of inventory. If the ratio is > 1 , then the company is said to be in good condition.
3. Cash Ratio, used to compare the amount of cash and cash equivalents (liquid assets to be disbursed) with the amount of current liabilities. To determine whether or not this ratio has a different threshold. In this study, the reasonable threshold is if the cash ratio is > 0.5 . However, it is even better if it can be > 1 .

Profitability ratios are useful for measuring the company's ability to set aside profits/profits from all of its income. Profitability ratios are divided into 5 (five), namely (Kahsmir, 2012):

1. Gross Profit Margin is used to compare gross profit to sales. If the percentage is greater, the better the company's performance (on a gross basis).
2. Operating Profit Margin is used to compare the company's net profit (after deducting expenses) before interest and tax calculations. The greater the percentage, the better the company's performance (net of costs).

3. Net Profit Margin is used to measure the ratio or percentage of net income after interest and tax (Earnings After Tax) compared to total sales. The greater the ratio, the better the company's performance in seeking net profit.
4. Return on Assets (ROA) is used to measure the company's ability to earn profit before interest and tax with all its assets.
5. Return on Investment (ROI) is used to measure the company's ability to earn net profit compared to the amount of investment that has been spent.

The solvency ratio is used to measure the ability of a company to pay off all its obligations (liabilities) from all assets and capital owned by the company. The solvency ratio is divided into two, namely (Irham Fahmi, 2012):

1. Total Debt to Assets Ratio is used to measure the ability of a company to pay all its debts from its total assets. If the ratio is <0.5 the company is said to be in good condition.
2. Total Debt to Equity Ratio is used to measure the ability of a company to pay all its debts from its total capital. If the ratio is <0.5 the company is said to be in good condition.

Market value ratios are useful for measuring the expensive or cheapness of a stock and the comparison of the stock price with the profit or profit generated by a company. This ratio uses figures obtained from financial statements and capital markets. Some market value ratios that are useful for market valuation include (Kashmir, 2012):

1. Price Earning Ratio is a ratio that describes the price of a company's shares compared to the profit or earnings generated by the company (Earning Per Share-EPS). This ratio reflects the company's profit growth, so the higher this ratio, the higher the profit growth expected by investors.
2. Market to Book Value Ratio (MBV) is the ratio of the stock price to the company's book value. PBV is used to see how much the company's stock market value multiplies with its book value commonly known as the expensive or cheapness of a stock. If MBV is less than 1 then the stock price can be said to be cheap, and vice versa if MBV is greater than 1 then the stock price has tended to be expensive. However, not always MBV less than 1 indicates that the company is cheap, there could be problems in the company so that the MBV is low. So, MBV cannot be used as the only reference in assessing the quality of a stock.

RESULTS AND DISCUSSION

Judging from the company's track record in the last three years, PT Puradelta Lestari experienced a decline in sales in 2021 but was able to bounce back in 2022. The following are details of the company's sales and net profit (EAT) (in rupiah units):

Table 1. Summary of Sales and Net Profit of PT Puradelta Lestari Tbk.

Indicators	2020	2021	2022
Sales	2.629.300.300.189	1.440.736.819.516	1.932.425.763.139
Net Profit	1.347.650.476.293	714.740.525.315	1.217.292.383.240

Source: Author's Data

From the table above, we can see that PT Puradelta Lestari's sales and net profit decreased briefly in 2021 and rose again in 2022. This shows that the company was able to bounce back despite the sales and profit decline amid of the COVID-19 pandemic. As of March 31, 2023, the property sector has still not fully recovered. We can see that the first quarter financial report data of PT Puradelta Lestari recorded sales of Rp 223,623,427,319 and net profit of Rp 155,444,040,184 which is still lower than the sales and net profit received by the company in the first quarter of 2022.

Furthermore, researchers will present the results of research based on the analysis that has been carried out at PT Puradelta Lestari Tbk. Year 2022, with the following data:

Liquidity Ratio Analysis

Current Ratio

The following is the calculation of the company's Current Ratio in 2022 and the previous two years presented in rupiah units:

Table 2. Current Ratio Calculation Table

Indikator	2020	2021	2022
<i>Current Assets</i>	3.741.930.229.375	3.165.390.132.316	3.797.719.720.016
<i>Current Liabilities</i>	1.166.978.278.475	700.412.191.939	788.645.645.533
Current Ratio	3,21	4,52	4,82

Source: Author's Data

Based on the calculation of the current ratio above, it can be seen that in 2022 and the previous years the company was in good condition because the current ratio > 1. This means that PT Puradelta Lestari has more than enough current assets to pay its short-term debt.

Quick Ratio

The following is the calculation of the company's Quick Ratio in 2022 and the previous two years presented in rupiah units:

Table 3. Quick Ratio Calculation Table

Indicators	2020	2021	2022
Current Assets	3.741.930.229.375	3.165.390.132.316	3.797.719.720.016
Inventory	2.481.639.375.787	2.390.109.450.107	2.005.657.027.992
Current assets Supply	1.260.290.853.588	775.280.682.209	1.792.062.692.024
Current Liabilities	1.166.978.278.475	700.412.191.939	788.645.645.533
Quick Ratio	1,08	1,11	2,27

Source: Author's Data

Based on the calculation of the quick ratio above, it can be seen that in 2022 and the previous years the company was in good condition because the quick ratio > 1. This proves that PT Puradelta Lestari has more than enough current assets to pay its short-term debt even after deducting the amount of inventory.

Cash Ratio

The following is the calculation of the company's Cash Ratio in 2022 and the previous two years presented in rupiah units:

Table 4. Cash Ratio Calculation Table

Indicators	2020	2021	2022
Cash and Equivalents	1.375.357.411.446	598.937.798.447	763.156.464.872
Cash			
Current Liabilities	1.166.978.278.475	700.412.191.939	788.645.645.533
Cash Ratio	1,18	0,86	0,97

Source: Author's Data

Based on the calculation of the cash ratio above, it can be said that in 2021-2022 the company is in fairly good condition, even though the cash ratio is < 1. This means that PT Puradelta Lestari does not have enough cash and cash equivalents to pay off its short-term debt. However, the numbers 0.86 and 0.97 are still considered reasonable because they are greater than the reasonable threshold for the cash ratio, which is > 0.5 so this value does not necessarily indicate that the company's performance is poor even though it is lower than the previous year, namely 2020.

Profitability Ratio Analysis

Gross Profit Margin

The following is the calculation of the company's Gross Profit Margin in 2022 and the previous two years presented in rupiah:

Table 5. Gross Profit Margin Calculation Table

Indicators	2020	2021	2022
Gross Profit	1.615.210.358.079	846.533.908.967	1.375.144.913.273
Sales	2.629.300.300.189	1.440.736.819.516	1.932.425.763.139
Gross Profit Margin (%)	61,43%	58,76%	71,16%

Source: Author's Data

Based on the GPM calculation above, we can see that over the past three years, the percentage of PT Puradelta Lestari's GPM has tended to increase, although there was a slight decrease in 2021. This shows that the company has a fairly good performance in controlling its cost of goods sold, but to get more accurate results the company must compare it with similar industries.

Operating Profit Margin

The following is the calculation of the company's Operating Profit Margin in 2022 and the previous two years presented in rupiah:

Table 6. Operating Profit Margin Calculation Table.

Indikator	2020	2021	2022
Operating Income	1.321.774.598.755	665.228.628.597	1.176.719.503.514
Sales	2.629.300.300.189	1.440.736.819.516	1.932.425.763.139
Indicator	2020	2021	2022
Operating Profit Margin (%)	50,27%	46,17%	60,89%

Source: Author's Data

Based on the ratio above, we can see that the company's operational activities can generate a fairly consistent operating profit, although there was a slight decrease in 2021, the company was still able to survive and improve its performance in 2022 with better results. To get more accurate results, benchmarking to similar industries is required.

Net Profit Margin

The following is the calculation of the company's Net Profit Margin in 2022 and the previous two years presented in rupiah:

Table 7. Net Profit Margin Calculation Table

Indicators	2020	2021	2022
Net Profit After Tax (EAT)	1.348.575.384.650	714.858.418.799	1.218.496.386.998
Sales	2.629.300.300.189	1.440.736.819.516	1.932.425.763.139
Net Profit Margin (%)	51,29%	49,62%	63,06%

Source: Author's Data

Based on the above calculations, it can be seen that the company experienced a slight decrease in net profit on sales made in 2021, however, the NPM ratio has tended to increase in the last three years.

Return on Assets (ROA)

The following is the calculation of the company's ROA in 2022 and the previous two years presented in rupiah:

Table 8. ROA Calculation Table

Indicators	2020	2021	2022
Profit Before Tax (EBIT)	1.361.300.006.890	730.898.148.439	1.238.832.140.678

Continued Table 8. ROA Calculation Table

Indicators	2020	2021	2022
Total Assets	6.752.233.240.104	6.113.941.603.354	6.623.414.189.145

Source: Author's Data

Based on the calculations above, we can see that the ROA for PT Puradelta Lestari is quite good, increasing from the previous year from 11.95% to 18.70%, although not as high as the ratio in 2022. This shows that the company is quite consistent in obtaining returns on invested assets.

Return on Investment (ROI)

The following is the calculation of the company's ROI in 2022 and the previous two years presented in one rupiah:

Table 9. ROI Calculation Table

Indicator	2020	2021	2022
Profit After Tax (EAT)	1.348.575.384.650	714.858.418.799	1.218.496.386.998
Investment	236.686.104.612	248.762.544.975	441.457.093.688
Return on Investments(%)	569,77%	287,37%	276,02%

Source: Author's Data

Based on the above calculations, we can see that the investment value does not seem to have a direct effect on the company's net profit because the return on investment based on the financial statements is only a small amount and the largest contribution remains from sales.

Solvency Ratio Analysis

Total Debt to Assets Ratio (DAR)

The following is the calculation of the company's DAR in 2022 and the previous two years presented in rupiah:

Table 10. Debt to Assets Ratio Calculation Table

Indicators	2020	2021	2022
Total Liabilities	1.224.176.089.310	762.768.422.674	898.765.268.060
Total Assets	6.752.233.240.104	6.113.941.603.354	6.623.414.189.145
Debt To Assets Ratio (%)	18,13%	12,48%	13,57%

Source: Author's Data

Based on the above calculations, the company's DAR in 2022 is still below 0.5 or 50%, so it can be said to be in good condition because the amount of debt does not exceed 50% of total assets. Total Debt to Equity Ratio. The following is the calculation of the company's DER in 2022 and the previous two years presented in rupiah units:

Table 11. Debt to Equity Ratio Calculation Table

Indikator	2020	2021	2022
Total Liabilities	1.224.176.089.310	762.768.422.674	898.765.268.060
Total Equity	5.528.057.150.794	5.351.173.180.680	5.724.648.921.085
Debt To Equity Ratio (%)	22,14%	14,25%	15,70%

Source: Author's Data

Based on the above calculations, the company's DER for the last three years has not exceeded 50%, so we can see that PT Puradelta Lestari's debt tends to be less than its equity and this is a pretty good sign for potential investors who want to collect PT DMAS shares.

Price Earning Ratio (PER)

The following is the calculation of the PER of PT DMAS in 2022 and the previous two years presented in rupiah:

Table 12. Price Earning Ratio Calculation Table

Indikator	2020	2021	2022
Share Price	246	191	159
Earnings per Share Shares (EPS)	27,96	14,83	25,26
Price Earning Ratio	8,80	12,88	6,29

Source: Author's Data

Based on the above calculations, the company's PER for the last three years has always been above 5 so we can see that the return on capital of PT Puradelta Lestari investors is on average less than 10 years or above 5 years, although in 2021 it's Earning per Share (EPS) has decreased slightly due to a decrease in sales after the COVID-19 pandemic, it can go back up in 2022 and even be better than the previous 2 years. This is a pretty good sign for potential investors who want to collect PT DMAS shares, especially since in addition to a fairly fast return on investment, this company also consistently distributes dividends with a quite tantalizing yield of around 7-10% per year.

Market to Book Value (MBV)

The following is the calculation of the MBV of PT DMAS in 2022 and the previous two years presented in rupiah:

Table 13. Market to Book Value Calculation Table

Indikator	2020	2021	2022
Share Price	246	191	159
Book Value per Shares	114,69	111,02	118,77
Market to Book Value Ratio	2,14	1,72	1,34

Source: Author's Data

From the above calculation, we can see that the company's MBV for the last three years has always been above 1, which means that PT Puradelta Lestari's shares are sold on average 1-2 times the real book value of the shares. This does not mean that the share price of PT DMAS is fairly expensive because the expensive or cheapness of a stock is also relative. After all, it must be compared with similar companies in the same industry. As PT DMAS is in the property sector, a more accurate assessment must be compared with other companies in the property sector as well.

CONCLUSION

The purpose of this research paper is to analyze the financial ratios of PT DMAS whether the company's shares are still worth buying and holding in the next few years and how PT DMAS's attitude in facing the global economic crisis in early 2023 which makes some of the company's businesses sluggish, one of which is in the property sector. Based on the results of the financial ratio analysis that has been carried out at PT Puradelta Lestari, we can conclude that:

1. The liquidity ratio in 2022, PT DMAS Tbk shows that the company's financial performance is in good condition in terms of liquidity to pay its short-term debt through its current assets, with a current ratio of 4.82, a quick ratio of 2.27, and cash ratio of 0.97.
2. From the calculation of the profitability ratio in 2022, PT DMAS Tbk has a good performance in terms of profit obtained from its total sales, with the results of Gross Profit Margin of 71.16%, Operating Profit Margin of 60.89%, Net Profit Margin of 63.06%, Return on Assets of 18.70%, and Return on Investment of 276.02%. All ratio calculations tend to be consistent in the last 3 years, but not directly proportional to ROI. ROI calculations in the last 3 years tend to decrease. It can be concluded that the company's investment value does not have a direct impact on the company's net profit.
3. Based on the analysis of the solvency ratio in 2022 PT DMAS Tbk has a good performance on the company's ability to pay all its debts (liabilities) with total assets or total equity, with the results of the Total Debt to Assets Ratio of 13.57% and Total Debt to Equity Ratio of 15.70%. From the results of the above calculations, we can see that PT DMAS has little debt compared to its assets and equity, this proves that the company has enough cash and current cash equivalents so that it can finance its operations without going into debt.
4. From the calculation of market ratios in 2022 PT DMAS shares are still tending to be cheap and have a fast return period of less than 10 years. The Price Earning Ratio is 6.29x and the Market Book Value is quite small at 1.34x which proves that PT DMAS is still quite cheap even though the value of its shares is slightly above its book value with a period of investment return that takes approximately 7 years.
5. Overall, the management team of PT Puradelta Lestari Tbk has worked very well and consistently in managing the company's sales, so that it can get a profitable profit for the company in 2020-2022.

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DIGITAL MARKETING COMMUNICATION ANALYSIS
JAWA POS RADAR SOLO

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ABSTRACT

Digital marketing communication has a crucial role in the modern marketing era. In this context, digital media is an effective means to reach a wider audience and promote products or services efficiently. This research aims to find out how the implementation of digital marketing communication in Jawa Pos Radar Solo. This research uses a case study research design with descriptive discussion method. By describing data from interviews, observations, and company documents from the object of research, namely the implementation of digital marketing communications at Jawa Pos Radar Solo through various media. So that it can be explained about the implementation of digital marketing communication in Jawa Pos Radar Solo. Jawa Pos Radar Solo has successfully implemented digital marketing communication through various channels, including online public relations, online partnership, interactive advertising, opt-in email marketing, and social media marketing with one-way and two-way communication approaches with full control. Jawa Pos Radar Solo follows the AIDA (Awareness, Interest, Desire, Action) digital marketing communication model in their strategy. The digital marketing communication media used include websites, display ads, email, social media, blogs, word of mouth, and mobile marketing. Despite its success in implementing digital marketing communication, Jawa Pos Radar Solo also faces some obstacles. So to overcome these obstacles, it is necessary to implement several strategies to improve the digital marketing communication of Jawa Pos Radar Solo.

Keywords: Marketing Communication, Digital Marketing

INTRODUCTION

Technology development has had a significant impact on media and communications, especially with the advent of an accessible, free internet. The role of traditional print media changed as a result of this development. The emergence of new digital technology-based media further shifted the role of traditional media (Shapiro in Khusumawati, 2021).

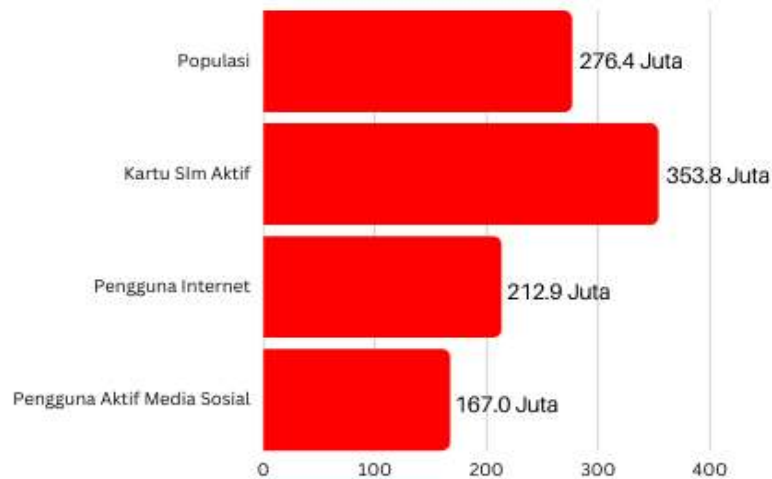


Figure 1. Data (Tren) of Internet Users in Indonesia in 2023
Source: datareportal.com

Based on the data above, internet usage in Indonesia in 2023 experienced significant growth. A total of 212.9 million people actively use the internet out of a total population of 276.4 million. Compared to the previous year, 204.7 million people actively used the internet out of a total population of 277.7 million. Print media companies are faced with demands to keep up with technological developments and utilize the efficiency of the internet. Media mergers are one way out that can be utilized by the media industry (Qodriyati, 2020).

As experienced by Solopos in facing the threat of newspaper death caused by the presence of the internet (Suryawati & Alam, 2022). Solopos was able to anticipate this by establishing several online platforms, such as SOLOPOS.com in 2007, radio station SOLOPOS FM in 2004, and a streaming television platform in 2014.

The existence of the internet certainly does not only have an impact on the elimination of print media, on the contrary, if you use the internet wisely, the internet can be a very effective tool to increase the number of loyal customers, build strong brands, and generate profits (Ramadiansyah & Chaerowati, 2021). The utilization of new or digital media in marketing is an important element in reaching target consumers and getting the attention needed (Tan, 2016 in Ri'aeni, 2017).

Media companies optimize this opportunity by implementing a digital marketing communication strategy, which includes various digital marketing techniques to reach target consumers. Commonly used digital marketing methods are online marketing, social media, word of mouth, and mobile marketing (Keller & Kotler, 2016).

Jawa Pos Radar Solo is one of the media companies that have implemented various digital marketing methods. They are active in online marketing and interact with consumers

through social media such as Instagram, TikTok, YouTube, Twitter, and Facebook. However, the interaction still needs to be improved by facing the challenges of engaging content and sustainable marketing strategies.

This research aims to analyze the digital marketing communication applied by Jawa Pos Radar Solo in the face of increasingly sophisticated technological developments. With a deeper understanding of the marketing strategies that have been carried out, it is expected that Jawa Pos Radar Solo can optimize its marketing efforts and remain competitive in an increasingly dynamic and competitive media industry. This research is also expected to provide benefits and references for other media companies. The title of this research is "Digital Marketing Communication Analysis of Jawa Pos Radar Solo."

Digital marketing is an entirely new marketing approach (Jarvinen, et al, 2012), which does not simply add digital elements to conventional marketing, digital marketing provides advantages in terms of a company's ability to reach more consumers through a global approach (Hidayat & Rudi Tobing, (2012).

The six main channels of digital media channels according to Chaffey in Ayesha et al. (2022) are Search Engine Marketing (SEM), Online Public Relations, Online Partnerships, Interactive advertising, Opt-in email marketing, and Social media marketing. Digital marketing paths in the table as follows (Heiny & Heikki, 2014):

Table 1. Marketing Track

COMUNICATION DIRECTION	COMPANY FULL CONTROL	CONTROL OF PARTIAL COMPANY
One Direction	Web Page Digital Reclame	Search Engine Optimization Search Engine Advertising
Two Way	Brand Community	Social Media

Source: Heiny & Heikki, (2014)

One of the cornerstones that can be used in digital marketing is the AIDA model (Johar, 2015). This model consists of four stages, namely attention, interest, desire, and action. Some of the barriers to implementing digital marketing communications are integration problems, lack of direct interaction, security and privacy, and lack of trust are among the challenges in digital marketing communications (Bostanshirin, 2014 in Ayesha et al., 2022).

Traditional products implement digital marketing strategies to build an image as a one-stop-shopping store in offline stores (Ri'aeni, 2017). According to Yulia Sari (2020), digital marketing communication can use five main techniques, namely official websites, digital advertising, SEO and SEA, community activation, and Instagram social media. The form of digital communication is carried out in the form of paid media, owned media, and earned media (Octavia & Sari, 2018).

Media channels or channels used to conduct digital marketing communications with interesting content on Facebook, Instagram, TikTok, and Website (Bun & Pradina, 2022). Marketing communication strategies through digital marketing carried out by SME businesses can be done through the delivery of positioning statements in every Facebook and Instagram post and establishing relationships with customers in a fast response manner on social media.

This strategy can build and influence brand awareness in consumers or potential consumers (Zulkarnain, et al., 2020).

Digital marketing communication strategies for increasing tourist visits are advertising, sales promotion, direct marketing, personal selling, and public relations (Alimudin & Dharmawati, 2022). The strategy of building relationships with consumers in building brand awareness by making maximum use of social media (Ramadhan, et al, 2022). Next, the strategy of building a brand in shaping the brand image and brand awareness itself is carried out by educating consumers through strategies in social media, especially Instagram.

Communication that comes with internet media is identified as a means of fulfilling the needs of human sociality and the existence of social networking sites is one of them. Apart from these needs, internet users in the marketing communication process are categorized as a form of e-communication in integrated marketing communication. (Harsari, 2020). Strategies in marketing communication using social media can collaborate with several Key Opinion Leaders (KOL) in marketing their products. Key Opinion Leaders (KOL) do a lot of sales optimization and promotion through online media (Ziki, et al., 2022).

Companies can utilize Instagram as a digital marketing communication medium with strategies that aim to increase followers and sales of their products (Sugiharto, 2022). Companies can implement strategies that are by the development of the digital age which requires Share, Optimize, Manage, Engage actions so that they can optimize Instagram as a digital marketing communication medium.

Jawa Pos Radar Solo has used website as one of the online marketing methods. The website has 237,655 followers and 595,044 pageviews. As for search ads, Jawa Pos Radar Solo still has not used it. For display ads, Jawa Pos Radar Solo applies by placing ads on their website for consumers who use Jawa Pos Radar Solo's advertising services. In addition, Jawa Pos Radar Solo also utilizes email as part of its marketing efforts.

Besides online marketing, Jawa Pos Radar Solo is also active in marketing through social media. The purpose of marketing through social media is to expand the public voice through interaction with consumers. Keller & Kotler (2016) classify social media into three categories, namely online communities and forums, blogs, and social networks. Jawa Pos Radar Solo in implementing social media marketing communication predominantly uses various social network platforms. The various platforms used by Jawa Pos Radar Solo are Instagram, TikTok, YouTube, Twitter, and Facebook.

Based on the research conducted by the author on the social media of Jawa Pos Radar Solo, the content uploaded on the social media account is still not interesting to its followers. During February 2023, the average number of likes in Instagram uploads only reached 43, while the average number of comments was only 1 per upload from a total of 51 uploads, in TikTok accounts, the average number of likes reached 6,099, while the average number of comments reached 94 and the average views reached 218,211 per upload from a total of 12 uploads. On Facebook, there were 1,338 visitors. For YouTube accounts, the average number of likes is only 1 in 10 video uploads. Meanwhile, in the Twitter account, the average number

of likes and comments is still very small, but the average views reached 1,174 per upload from a total of 443 uploads.

Jawa Pos Radar Solo also adopts word of mouth strategy in their marketing efforts. This is proven by social media user accounts that tag or mention Jawa Pos Radar Solo account in their reviews. The reviews are varied and given by customers of Jawa Pos Radar Solo.

In addition, Jawa Pos Radar Solo also applies mobile marketing in its marketing activities. However, the application used is still a joint application owned by PT Jawa Pos Group which becomes a container for each branch office, and Jawa Pos Radar Solo is one of them. The application is known as Jawa Pos Digital Edition. This application offers digital newspaper subscription features and advertising services and there is an official website page from Jawa Pos Radar Solo.

Although Jawa Pos Radar Solo has implemented digital marketing communication through various methods and platforms, it still has interactions that need to be improved. This can be seen from the number of uploads, number of likes, comments, and views on their social media and also the comment column that is not yet available on their website. It is also necessary to develop the application of digital marketing communication in order to face the increasingly fierce competition of print media companies.

With the various problems above, this research needs to be conducted with the aim that the results of this research can be used as a reference for the implementation of digital marketing communication strategies of Jawa Pos Radar Solo company in the era of increasingly sophisticated technological developments. Thus, Jawa Pos Radar Solo can compete effectively with other media companies.

Seeing the various problems described above, the author feels interested in analyzing these issues with the title Digital Marketing Communication Analysis of Jawa Pos Radar Solo.

RESEARCH METHOD

This research uses a case study approach. The case study research method is used to find out in depth about a program, event, process, activity, on the implementation of digital marketing communication at Jawa Pos Radar Solo. The object of this research is the implementation of digital marketing communication of Jawa Pos Radar Solo. This research uses a type of data in the form of qualitative data.

The data sources used in this study are primary data and secondary data. In this research, primary data is in the form of responses from interviews with observation employees. Secondary data in this research is in the form of Jawa Pos Radar Solo documents, namely information about company history, company vision and mission, company organizational structure, company policies from Jawa Pos Radar Solo and books, journals and previous research on digital marketing communication.

In this research, the data collection methods used are interviews, observations, and company documents. Structured interviews were used by the author to obtain information from the respondents. Participants were interviewed based on a pre-prepared list of questions. Interviews were conducted with Jawa Pos Radar Solo employees, namely Mrs.

Andri Ekawati as advertising manager on June 6, 2023 and Perdana Bayu Saputra as online division representative on May 26, 2023. The observation activities were carried out for 3 months, starting from January 16 to April 14, 2023. Company documents used in this research are information about company history, company vision and mission, company organizational structure and company policies from Jawa Pos Radar Solo.

To analyze the data, the author of this research uses descriptive discussion. This analysis is used to describe the extent of digital marketing communication implementation at Jawa Pos Radar Solo. In addition, this analysis is also used to find out the obstacles and strategies in handling the obstacles of digital marketing communication implementation at Jawa Pos Radar Solo.

RESULT AND DISCUSSION

Jawa Pos Radar Solo applies various media to market its products. Therefore, as a company engaged in print media business. Jawa Pos Radar Solo also ventured into the digital world starting in 2012. Some of the media applied to implement digital marketing communication by Jawa Pos Radar Solo are website with address <https://radarsolo.jawapos.com/> which is integrated with Jawa Pos website as a subdomain, and social media such as Instagram with account name radarsolo, TikTok with account name Radar Solo, Youtube with account name Radar Solo TV, Facebook with account name Jawa Pos Radar Solo, and Twitter with account name RADARSOLO_.

The communication channel of Jawa Pos Radar Solo is through digital marketing. The digital marketing activities of Jawa Pos Radar Solo are as follows:

1. Online Public Relation

Jawa Pos Radar Solo is one of the print media that has wide coverage in Solo and surrounding areas. To maximize the potential of this media, implementing digital marketing communication by utilizing Online Public Relation can be an effective strategy. In implementing digital marketing communication, Jawa Pos Radar Solo utilizes Online Public Relation by utilizing social media platforms such as Facebook, Twitter, TikTok and Instagram to promote their latest articles and news with interesting snippets to invite potential readers to the website of Jawa Pos Radar Solo.

In addition, Jawa Pos Radar Solo uses Online Public Relations to organize webinars or virtual events related to news topics or local issues on April 17, 2023 yesterday, Jawa Pos Radar Solo held online guidance on writing popular scientific articles in mass media. In the webinar, the results of the articles created by webinar participants will be published on the Jawa Pos Radar Solo website. This is a step to expand their reach, increase interaction with readers, and strengthen their brand image as a relevant and trusted news source in the Solo area.

2. Online Partnership

Jawa Pos Radar Solo is a company engaged in media, especially print media. As the implementation of online partnership, Jawa Pos Radar Solo cooperates with media

application so that the printed products of Jawa Pos Radar Solo can be accessed through the application.

As a media company, Jawa Pos Radar Solo also collaborates with various advertisers such as Mitsubishi Motors which uses Jawa Pos Radar Solo's services to display advertisements in the form of images on Jawa Pos Radar Solo's Instagram account, Hotel Asia which uses advertising services through Jawa Pos Radar Solo's Instagram video reels, and Astra Motor which places advertisements through the Jawa Pos Radar Solo website.

3. Interactive Advertising

In implementing interactive advertising, Jawa Pos Radar Solo pays attention to website design that is attractive, easy to use, and by brand identity. The appearance of Jawa Pos Radar Solo website has attracted readers and can cause attention. In terms of content on the website, Jawa Pos Radar Solo provides content that is relevant, informative, and useful for consumers.

This is evidenced by the appropriate positioning of advertisements within the website, and using words or images that encourage customers to take certain actions, such as clicking, buying, subscribing, or contacting. Jawa Pos Radar Solo website has a good ad placement. The ad placements are divided into top banner, rectangle, half page, interstitial ads, and advertorial ads. The placement helps provide a neat appearance of Jawa Pos Radar Solo website so that users do not feel disturbed by seeing ads and reading news.

Jawa Pos Radar Solo also offers advertising services on its social media such as TikTok Jawa Pos Radar Solo which has the account name Radar solo, displaying advertisements in the form of interesting short videos to attract the attention of TikTok Jawa Pos Radar Solo account followers.

Jawa Pos Radar Solo also applies interactive advertising through their Twitter account. With the account name RADARSOLO_ which is directly connected to their website. The use of interesting language makes followers of Jawa Pos Radar Solo's Twitter account interested in the advertisements displayed. To access the ad, followers only need to click on the ad which will be directly connected to the Jawa Pos Radar Solo website.

In the Instagram account of Jawa Pos Radar Solo with the account name radarsolo, the application of interactive advertising is carried out through uploads in the form of short videos such as reels and instastory and image uploads accompanied by interesting captions.

Jawa Pos Radar Solo's Facebook account name Jawa Pos Radar Solo applies interactive advertising by uploading advertisements accompanied by interesting captions that aim to attract audiences from their Facebook account.

The implementation of interactive advertising in YouTube Jawa Pos Radar Solo with the account name Radar Solo TV is done by displaying live broadcast videos. From the above efforts, evaluation can be done by using tools such as Google Analytics, Facebook Insight, or email marketing software to track and analyze data such as the number of visitors, clicks, impressions, conversions, and others.

4. Opt-in Email Marketing

Opt-in email marketing is a medium that uses internal lists for customer activation and retention. This method adds to the contact list in email marketing, through customers who have registered who have agreed and know that they will get regular emails containing advertisements from marketers. On the website of Jawa Pos Radar Solo, a user can access Jawa Pos Digital Edition to subscribe to the digital newspaper owned by Jawa Pos Radar Solo which is listed in the footer of the website. In opening the Jawa Pos Digital Edition, consumers are asked to provide personal information during registration or online registration, including name, email address, gender, age, occupation, and others. This indicates that consumers are voluntarily permitted to receive marketing emails.

5. Social Media Marketing

Jawa Pos Radar Solo uses social media such as Instagram with the account name radarsolo, TikTok with the account name Radar Solo, Youtube with the account name Radar Solo TV, Facebook with the account name Jawa Pos Radar Solo, and Twitter with the account name RADARSOLO_. to raise the level of brand awareness by involving and encouraging customer communication with the company.

The Instagram account of Jawa Pos Radar Solo has an attractive profile with visual content in the form of pictures and short videos about news around Greater Solo to national news. Jawa Pos Radar Solo Instagram account has an irregular posting schedule due to the nature of the news that is always updated. In addition to an attractive profile and content, the comment column in each upload is also important in the application of digital marketing communication. However, in its implementation, the interaction between Instagram followers and Jawa Pos Radar Solo is still lacking. Apart from uploading feeds and reels, Jawa Pos Radar Solo also often utilizes the Instagram Stories feature to spread the news. The Instagram Story contains daily digital newspaper updates.

Jawa Pos Radar Solo utilizes TikTok to spread the news and become one of the methods for the implementation of their digital marketing communication. In TikTok Jawa Pos Radar Solo with the account name Radar Solo displays an attractive profile and interesting and innovative content. The content is in the form of news coverage footage and advertisements in the form of short videos. Jawa Pos Radar Solo's TikTok account has an irregular posting schedule due to the nature of the news that is always updated.

In utilizing Facebook, Jawa Pos Radar Solo has an attractive and professional Facebook page with logo, informative description and link to their website. Jawa Pos Radar Solo's Facebook posts feature current and interesting news by including pictures and videos with clear captions.

Jawa Pos Radar Solo utilizes Twitter to share current news content. Jawa Pos Radar Solo can utilize this by sharing links to blogs within their website. The Twitter upload, displays short, concise, and interesting content with pictures inserted about the uploaded news. In each of these uploads, Jawa Pos Radar Solo always uses hashtags that are relevant to the news topics they cover. This will help their uploads to be found by users who are interested in the same topic.

In utilizing YouTube under the name Radar Solo TV to spread news and advertisements either live or not. The content presented is in the form of videos, YouTube Short, and YouTube live. YouTube Jawa Pos Radar Solo has an irregular posting schedule due to the nature of news that is always updated and advertisements that are not certain every day.

To implement digital marketing communication, the digital marketing communication model used by Jawa Pos Radar Solo is AIDA model. Where the AIDA model is a digital marketing communication model consisting of Attention, Interest, Desire, Action. Jawa Pos Radar Solo implements the AIDA model by:

First, Jawa Pos Radar Solo focuses on the Attention step by creating interesting and relevant content to attract the attention of potential audiences. They have used catchy titles, attractive images, and enticing descriptions to draw users' attention to the content and news they upload on their website and social media accounts. An example that has been implemented is the design of news that is interesting and informative for consumers.

Then, they seek to generate Interest by presenting content that is informative, useful and interesting to the audience. This has been done by presenting the latest news or special offers that invite user interest and involvement in placing advertisements.

Furthermore, in the Desire step, Jawa Pos Radar Solo ensures that they communicate the added value and benefits of their products or services interestingly and convincingly way. Through relevant and persuasive content, they can build desire in potential consumers to own or use the products offered. Jawa Pos Radar Solo has used strategies such as presenting special offers that make potential customers more interested. This is done by providing promo prices for advertising in the Jawa Pos Radar Solo media.

After that, Jawa Pos Radar Solo encourages Action from users by providing a clear call to action and directing them to interact further. This can be done through clear calls to action, links to destination pages, or invitations to participate in contests or discussions. One of the implementations that Jawa Pos Radar Solo has done is by providing an advertisement offer on their website by simply clicking on the column provided.

By applying this AIDA model, Jawa Pos Radar Solo has planned and implemented their digital marketing communication more structured and effective. This model helps them in driving the audience from attention to action stage. Thus, they have expanded their digital marketing reach and increased engagement and interaction with audiences at Jawa Pos Radar Solo.

Digital Marketing Communication Methods at Jawa Pos Radar Solo consist of online marketing, social media marketing, word of mouth (WOM), and mobile marketing. Online marketing conducted by Jawa Pos Radar Solo is delivered through online media, either paid or unpaid. Online marketing can be done through Jawa Pos Radar Solo Website, Display Ads Jawa Pos Radar Solo, and E-mail Jawa Pos Radar Solo.

Jawa Pos Radar Solo utilizes the blog in their website as a platform to publish the latest news. Through this blog, they present the latest information on various topics including national news, football news, regional news around Greater Solo, economic news, entertainment, travel and culinary news, technology and automotive news, and foreign news

relevant to their readers. By using blogs as a communication tool, Jawa Pos Radar Solo can provide actual and useful content to their website visitors.

By utilizing the blog as a communication tool, Jawa Pos Radar Solo also allows readers to share article or news through their personal Facebook, Twitter, and WhatsApp. This creates a dynamic discussion space and strengthens the engagement between Jawa Pos Radar Solo and its readers.

Table 2. Number of followers of Java Online Media Account Post Radar Solo

ONLINE MEDIA JAWA POS RADAR SOLO	NUMBER OF FOLLOWERS
Instagram	9.066
TikTok	1.400.000
Youtube	1.300
Twitter	1.110
Facebook	4.600
Website	237.655

Source: Author's observation, 2023

Jawa Pos Radar Solo in implementing social media marketing communication predominantly uses various social network platforms. The various platforms used by Jawa Pos Radar Solo are Instagram, TikTok, YouTube, Twitter, and Facebook. The explanation related to Social Media used by Jawa Pos Radar Solo is as follows:

1. Instagram of Jawa Pos Radar Solo

In utilizing social media as a form of digital marketing communication, Jawa Pos Radar Solo has optimized the use of Instagram with the account name radarsolo as a broad media to reach diverse audiences. Instagram is a popular application and is used by various groups, including teenagers and adults. The existence of this application is one of the reasons why Jawa Pos Radar Solo chooses to reach a wider market.

On the Instagram account of Jawa Pos Radar Solo, they consistently update the latest news about Greater Solo. In addition, Jawa Pos Radar Solo also uses this media to publish advertisements for its customers who use advertising services from Jawa Pos Radar Solo.

In terms of the number of followers, Jawa Pos Radar Solo's Instagram account has managed to gather 9,476 followers. However, overall, the average number of likes received in each upload reaches 43, with only 1 average comment per upload from a total of 51 uploads during the research that the author conducted in February.

Jawa Pos Radar Solo's use of Instagram as one of their digital marketing communication strategies proves their efforts in expanding their reach and interaction with their audience. However, to achieve a higher level of engagement, it may be necessary to evaluate and refine the content and interaction strategies to better attract the attention of Instagram users and encourage active participation from them.

2. Facebook Jawa Pos Radar Solo

In the strategy of implementing digital marketing communication, Jawa Pos Radar Solo has taken a smart step by utilizing Facebook media with the account name Jawa Pos

Radar Solo as one of the tools to win consumers. Facebook, as one of the largest social networks, offers various opportunities for Jawa Pos Radar Solo to increase its presence and interaction with their audience.

Facebook provides various interactive features such as comments, likes, and shares that allow Jawa Pos radar Solo to interact directly with users. This allows them to get more active feedback, responses, and interactions from their consumers. Jawa Pos Radar Solo can utilize these features to answer questions, gather opinions, and build closer relationships with their audience.

Jawa Pos Radar Solo has followers on its Facebook account with a fairly large number of 4.7 thousand users. In addition, the number of likes of 4.2 thousand for all their posts shows the popularity and influence that Jawa Pos Radar Solo has.

3. TikTok Jawa Pos Radar Solo

TikTok is a video-based social media that has achieved tremendous popularity around the world, including in Jawa Pos Radar Solo. TikTok users actively share and consume short video content, making it a potential tool for digital marketing strategies, especially in the Greater Solo area.

One of the factors that makes TikTok an attractive choice for marketing in Jawa Pos Radar Solo is that the TikTok account of Jawa Pos Radar Solo which has the account name Radar Solo has achieved significant achievements. With a follower count of 1,400,000 followers the account has great potential to reach a wide audience in the region. In addition, the average number of likes reached 6,099, and the average number of comments was 94, and the average views reached 218,211 per upload from a total of 12 uploads. This shows a high level of engagement from users in the uploaded content.

By looking at these numbers, it can be concluded that Jawa Pos Radar Solo's TikTok account has a strong appeal to TikTok users in the region. In the context of digital marketing, this opens a big opportunity for businesses in Jawa Pos Radar Solo to use the account as a means to promote their products or services.

4. Twitter of Jawa Pos Radar Solo

Jawa Pos Radar Solo also utilizes Twitter with the account name RADARSOLO_ as one of the tools in their digital marketing communication implementation. Twitter is one of the most popular and widely used social media around the world, including in Jawa Pos Radar Solo. By using Twitter, Jawa Pos Radar Solo can utilize the features and advantages of this platform in their digital marketing strategy.

One of the main advantages of using Twitter in digital marketing communication is its ability to deliver messages quickly and directly. With the limitation of the number of characters in each tweet, Jawa Pos Radar Solo has to deliver their message shortly and concisely manner by uploading news links from the Jawa Pos Radar Solo website. This allows them to grab the audience's attention quickly and deliver relevant information regarding the products, services or promotions they offer.

In addition, Twitter also allows Jawa Pos Radar Solo to have direct interaction with their audience through reply, retweet and like features. Through this interaction, they

can respond to questions, feedback, or comments from users, as well as maintain a closer and more personalized relationship with their audience. This is important in building consumer trust and loyalty.

Jawa Pos Radar Solo's Twitter account has 1,110 followers, with the potential to increase audience engagement through relevant content and effective marketing strategies. Although the number of likes and comments is still small, Jawa Pos Radar Solo can focus on improving content quality by analyzing audience preferences. Average views reached 1,174 per upload out of a total of 443 uploads, showing the potential to increase visibility through the use of hashtags, interesting images or videos, and appropriate publication timing. Consistency in sharing content and regular data analysis will help build strong relationships with followers and improve content quality. With effective marketing strategies and quality content, Jawa Pos Radar Solo can increase interaction, engagement, and follower growth on their Twitter account, optimizing the potential of digital marketing at Jawa Pos Radar Solo.

5. YouTube of Jawa Pos Radar Solo

Jawa Pos Radar Solo utilizes YouTube with the account name RADAR SOLO TV as a form of digital marketing communication implementation. The YouTube account of Jawa Pos Radar Solo has 1,300 subscribers with an average number of likes of only 1 in 10 video uploads. Although Jawa Pos Radar Solo has a relatively low number of subscribers and the average number of likes is still minimal in 10 video uploads, they can optimize the use of YouTube as a digital marketing communication channel. By understanding audience preferences, creating engaging content, utilizing relevant YouTube features, maintaining consistency, and actively interacting with users, Jawa Pos Radar Solo can increase engagement and growth of their YouTube channel as well as expand their digital marketing reach in Jawa Pos Radar Solo.

Jawa Pos Radar Solo relies on employees as word-of-mouth marketing in their surrounding domain, such as family or colleagues outside the office to choose the Radar Solo portal as a reference for finding information. This is proven by the increasing number of followers on social media accounts of Jawa Pos Radar Solo. In addition to increasing the number of followers on social media accounts, the purpose of word of mouth is to increase the number of newspaper sales, both printed newspapers and digital newspapers that can be accessed through Jawa Pos Digital Edition.

Jawa Pos Radar Solo also conducts Mobile marketing, by cooperating with an application called myedisi that can be downloaded by Android users and for iOS (iPhone) users. With the application, users can read the print version of Jawa Pos Radar Solo.

Besides cooperation with media application, Jawa Pos Radar Solo also disseminates its news through an application called Koran Jawa Pos Digital. This application is an application owned by PT Jawa Pos Multimedia Group. In the application, there are various digital newspapers from various other city radars, including Jawa Pos Radar Solo. The application is also data accessed through the following link: <https://digital.jawapos.com/> for consumers

who do not want to install the application but want to subscribe to Jawa Pos Radar Solo newspaper.

CONCLUSION

Based on the discussion about digital marketing communication in Jawa Pos Radar Solo, it can be concluded that they have implemented various channels, pathways, models, and methods in digital marketing communication. The implemented digital marketing communication channels include online public relations, online partnership, interactive advertising, opt-in email marketing, and social media marketing. In implementing digital marketing communications, Jawa Pos Radar Solo uses a one-way communication approach with full control of their website, as well as a two-way communication approach on social media. They follow the AIDA (Attention, Interest, Desire, Action) digital marketing communication model in their marketing communication strategy by presenting interesting content and current news to attract users' attention and interest. Jawa Pos Radar Solo also applies various online marketing methods such as website, display ads, email, and social media, as well as utilizing word of mouth and mobile marketing to expand reach and engagement with their audience. Jawa Pos Radar Solo uses a comprehensive digital marketing strategy that includes Online Public Relations, Online Partnership, Interactive Advertising, Opt-in Email Marketing, and Social Media Marketing. The integration of these instruments is in line with the AIDA model, creating a structured and effective communication strategy that covers multiple digital channels. The company's commitment to constant evaluation and adaptation through data analysis ensures a dynamic and impactful digital marketing presence in Solo Raya. The strategy of using various social media platforms such as Instagram, TikTok, YouTube, Facebook, and Twitter helped increase the brand reach of Jawa Pos Radar Solo among the people of Greater Solo and beyond. The use of various interactive elements in the content, such as links, videos, and invitations to participate, can increase user interaction and engagement on social media.

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THE ROLE OF INFLUENCERS TO INCREASE SALES OF GOODS AND SERVICE

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ABSTRACT

With increasing levels of digital media consumption, organizational spending on online promotion continues to grow steadily and dynamically. However, in line with this growth in spending, it is clear that the effectiveness of promotional activities in the digital world has decreased. Today, organizations are looking for alternatives to influence consumers in an increasingly complex market. One of the key trends emerging is the adoption of the influencer marketing concept. The purpose of this article is to analyze the role, position and significance of digital influencers in the overall functioning of the online promotion system, as well as the impact of the influencer marketing concept on sustainable development. A literature analysis was conducted to understand the origins of this phenomenon, along with its scale, causes and impact on the functioning of the digital promotion system. After completing this stage, a questionnaire survey was conducted among a group of individual internet users to obtain primary data. The research findings show great potential in activities involving digital influencers. This potential is mainly related to the effective delivery of information regarding products or services, their impact on increasing brand awareness, and their influence on the sales of the company's products and services. This research confirms that digital marketing strategies involving influencers can achieve success, where influencers play a key role in persuading potential buyers through promotions on social media. The findings make a significant contribution to understanding the integration of influencers' roles in digital marketing strategies to achieve increased sales.

Keywords: Digital Influencer, Promotion, Brand

INTRODUCTION

The success and increase in sales is strongly linked to the strategic role of influencers in marketing. Product brands play a central role in business operations, which include recognition, distribution, and reaching target consumers (Wirapraja et al., 2018). Influencers, as a marketing tool that involves influential individuals (public figures) in society or certain target consumer segments, are a key element in building brand awareness (Wirapraja et al., 2018).

In the face of business fluctuations, especially in the era of social media, companies must rethink their marketing strategies. Younger generations tend to be more exposed to marketing campaigns and trust information from influencers (Kotler et al., 2017). The transformation of the market towards e-commerce and the changing view towards traditional marketing that is considered obsolete, shows that the influencer approach is becoming more effective (Opreana et al., 2015). Over the past few years, social media has become not only a "word-of-mouth" communication tool but also a social blending system that can spread product information quickly (Stephen & Toubia, 2010).

The ability of influencers to shape customer attitudes and behavior, including assisting in the purchase decision-making process, plays an important role in modern marketing (Adha et al., 2020). Influencers consistently introduce products or services to their followers. This includes reviews, testimonials, or usage demonstrations, which help the audience understand the product more deeply. Each influencer has unique characteristics that support them in promoting products. For example, Fadil Jaidi, a celebgram with 7.5 million followers on Instagram, not only has a large follower base but also attracts attention through his playful style of promoting, including cohesiveness with his father. With these characteristics, Fadil Jaidi is considered a mega influencer because she has a large number of followers and makes a big impact on the products she promotes.

Influencers with a large follower base and a huge impact on their audience are referred to as mega influencers (Made & Komang, 2019). The 2020 pandemic recorded a decline in business for PT Pos Indonesia, the leading expedition company in Indonesia (Aminah, 2020). PT Pos Indonesia's branch in Cianjur, West Java, which usually receives 50-60 customers daily, saw a drop to 20-30 customers due to the impact of the pandemic. Consumers' choice of expedition during the pandemic has also changed, with JNE Expedition ranking the highest, followed by JNT Expedition. PT Pos Indonesia ranked the lowest according to customer preference.

While business activities can be carried out online, entrepreneurs are now realizing that sales of goods and services beyond medical and basic needs have decreased. Local entrepreneurs have started to rely on the help of influencers to increase sales of their products, in addition to relying on the role of social media and readily available e-commerce platforms. People actively observe the actions of influencers or public figures, and according to their reviews, influencers have an important role in promoting and recommending products. Therefore, this study aims to assess how the presence of influential figures can affect product

sales. The term "influencer" has become familiar, referring to someone who is active on social media and has thousands, hundreds of thousands, or even millions of loyal followers.

Corporate media influencers are used for three main reasons, as outlined by Sugiharto & Ramadhana (2018). First, to present; where information becomes the main focus to present things that the audience does not yet know. Second, persuade; where the influencer attempts to persuade the audience to accept a point of view or even adopt certain feelings and behaviors. Third, entertaining; where advertising content has two focuses, namely informative and persuasive to describe the end result of the advertising process, as well as entertainment to attract audience attention through visual elements and messages delivered.

The use of influencers can shape a product's brand image more effectively and economically than using artists or public figures who are usually endorsed by famous celebrities (Hariyanti & Wirapraja, 2018). Factors that are often taken into consideration in the selection of influencers involve the individual's ability, expertise, popularity, and reputation. Often, influencers and motivators are confused, even though they have different roles. Motivators, as motivational givers, present solutions and provide enlightenment for their audience (Nurfauziah, 2020).

Sales are the number of goods sold by a company within a certain period of time (Herlambang, 2014). To achieve optimal sales and meet targets, companies need to understand the sales process that involves identifying customers, classifying needs, and ensuring customer satisfaction through providing the right solutions and products (Yet, 2011). In today's digital era, marketing has embraced digital technology, especially by utilizing social media as a marketing platform. People's daily interactions on social media platforms are increasingly integrated, and social media advertising offers a number of advantages, including cost efficiency and extensive global reach.

Influencers, with their meaning as someone who has the power to influence others to make purchasing decisions based on their personal experiences and opinions, have become a key element in modern marketing. They emerge from a variety of backgrounds, including celebrities and celebgrams, and have a loyal base of followers across various social media platforms. Therefore, this research is focused on analyzing the role and strategy of using influencers in promoting products, particularly on the social media platform Instagram, which is one of the most active platforms in Indonesia. The presence of influencers on social media not only contributes positively to brand image, but also becomes an important element in marketing transformation towards the digital era.

Literature Review

Influencer

To increase marketing effectiveness, it is recommended to utilize social media through Influencer marketing (Tjiptono & Fandy, 2016). Influencers, in this context, refer to individuals

(public figures) on social media who have a significant number of followers, and the messages they convey can influence or respond to the behavior of their followers (Tjiptono & Fandy, 2016). The successful utilization of influencers depends on the suitability of the influencer's characteristics to the product they represent. The audience's interest in an influencer can easily influence them, utilizing this interest in the persuasion process (Sugiharto, Ramadhana, Rezi, 2018).

Influencers can be categorized into three types: a. Mega Influencers: These are prominent celebrities who are popular in the real and virtual world. They already have strong personal branding, requiring no additional establishment by a brand. The number of followers on their social media reaches more than 1 million people. Examples are Agnes Monica, Ayu Ting Ting, Raffi Ahmad, and Raisa. b. Macro Influencers: Are professional creators who share their lives with a focus on a specific topic. Their follower count ranges from 100,000 to 1 million people. Examples include Alexander Thian (Writer and Traveler), Ryan Adriandhy (Stand Up and Animator), and Putu Aditya (Writer and Videographer). c. Micro Influencer: These are individuals with between 1,000 to 100,000 followers. Often referred to as buzzers, they are known for providing authentic reviews based on experience, building trust from companies and followers.

In the context of advertising, influencers deliver persuasive messages containing valuable information, often involving product reviews or other informative content, with a personal aesthetic touch to create a pleasant experience for their followers (Lou, 2019). An influencer's appeal is not only visual but should also be based on credibility and a deep understanding of the product they represent (Hill, 2018). The success of influencers in advertising can involve both logic and emotion, where authentic and audience-relevant representations are considered more effective in reaching and influencing consumers from different walks of life (Schiffman, 2008). The popularity and reputation of influencers greatly influence the level of consumer trust in the advertised product or brand (Shimp, 2003), and have been proven to be an effective means of building solid relationships between brands and their consumers (Hamalainen, 2016).

Social Media

Social media is an internet-based technology that facilitates conversation (Tjiptono & Fandy, 2016). Social media has several characteristics, including the importance of information, the ability to store and disseminate information, and form communication networks between users (Nasrullah & Rulli, 2017).

Influencers bring a dimension of credibility and measurable focus in every promotion. Good credibility allows them to influence consumers' purchasing decisions, while a clear focus on the product is reflected in multimedia content, such as videos, photos and audio (Sugiharto, Ramadhana, Rezi, 2018). Influencer content provides audiences with a foundation for

evaluating their choices in purchasing decisions, including product, brand, and purchase channel choices (Priansa & Donni, 2017).

Social media is also characterized by popularity, which encourages users to create potentially viral content. Content that has high popularity and virality on social media can create a significant spreading effect among users (Vallet et al., 2017). The use of social media, such as YouTube and Twitter, allows users to plan content with viral potential and predict the extent to which content can spread.

Blogger

According to the Oxford dictionary, a blogger is someone who regularly writes on an internet-connected page or platform. Digital marketing, in essence, is the application of the internet and related digital technologies in an effort to achieve marketing objectives (Chaffey & Chadwick, 2016:11). In this context, digital marketing can improve the understanding of consumers, enabling focused communication and online services according to their individual needs.

RESEARCH METHOD

This research applies a descriptive qualitative method by adopting a literature review approach. This approach involves analyzing literature from previous studies that are relevant to the object of research. Data was collected through documentation techniques by carefully reviewing indexed journals at both national and international levels. Information from these sources is then combined to form a new literature that discusses the theory of influencer role strategies in improving goods and services products.

RELIABLE RESEARCH

Table. 1 Relevant Research

No	Researcher/Year/Titles	Methodology	Goals	Research Results
1	The Role of Digital Influences in the Diffusion of New Products (Maden 2019)	This study was a descriptive study using quantitative content analysis	Through an investigation into the verbal and visual texts of Instagram posts, This research seeks to understand the diffusion of new products through digital influencers	These findings indicate the 'product category' of NPE supported by DI. A total of 128 uploads are divided into 24 categories, of which the most frequently uploaded are clothes. The post is evaluated as (or considered to be) 'spontaneous or professional', meaning that whether influencers share content due to brand collaboration with economic incentives or simply by voluntary will

Continued Table. 1 Relevant Research

No	Researcher/Year/Titles	Methodology	Goals	Research Results
2	Brand communication through digital influencers: Leveraging blogger engagement (Uzunoğlu & Misci Kip, 2014)	Qualitative Research with literature review (Library Study)	This study outlines the role of bloggers in brand communication, and reveals how they can engage with bloggers, who are currently considered online opinion leaders, from the perspective of two-step flow theory	Based on the findings from the interview, We propose a model that leverages the influencer role of bloggers from the perspective of two-step flow theory. This model is named as a model of brand communication through digital influencers
3	The impact of digital influencers' characteristics on purchase intention of fashion products (Gomez et al, 2022)	The mixed method approach was carried out by combining interviews	The purpose of the research is to investigate the direct and indirect relationships of trust, expertise, content quality, similarity, para-social interaction, and the relationship between content and content. and the attitude towards posts is responsible for purchasing intentions	Research results show that blog content quality and para-social interaction positively affect purchasing intentions in fashion brands. In addition, blog content quality plays a mediating role between trust and purchase intention
4	Online Engagement and the Role of Digital Influencers in Product Endorsement on Instagram (Silva et al, 2020)	A qualitative approach is used to investigate uploads of digital influencers based on semiotic image analysis and critical incident techniques	This article aims to analyze the forms of engagement resulting from product support by digital influencers on Instagram, and to analyze the forms of engagement that result from product support by digital influencers. taking into account the characteristics of their online posts	The results of this study reinforce that digital platforms enable different forms of engagement by building new configurations that influence relationship marketing and promotion strategies
5	Digital product innovation within four classes of innovation networks (Lyytinen et al, 2016)	Research using qualitative method with literature review	Research aims to analyze how ongoing digitalization of product innovation is reshaping the creation and sharing of knowledge in innovation networks	We argue that the advancement of digital technology (1) increases the connectivity of innovation networks by reducing communication costs and increasing their reach and scope and (2)

Continued Table. 1 Relevant Research

No	Researcher/Year/Titles	Methodology	Goals	Research Results
				increases the speed and scope of digital convergence, which increases the heterogeneity of network knowledge and the need for integration
6	Digital twin-driven product design, manufacturing and service with big data (Tao et al, 2018)	Research uses descriptive qualitative	This study first investigated the application of Digital twin-engineered design, manufacturing, and product service methods and frameworks	The overall results of this study can be summarized as follows: (1) In order to address data-related problems in the product life cycle, this study proposes an innovative method for the design, manufacturing, and service of products supported by digital twins. (2) This research explores in-depth the methods and frameworks of digital twin-driven design, manufacturing, and product services
7	Analysis of the role of digital influencers and their impact on the functioning of the contemporary on-line promotional system and its sustainable development (Wielki, 2020)	Qualitative method with literature review	The purpose of this article is to analyze the role, place, and significance of digital influencers in the overall functionality of online promotion systems, and the impact of influencer marketing concepts on their ongoing development	Research results suggest that there is great potential for activities involving digital influencers. This potential is primarily concerned with the effective transmission of information about a product or service, its impact on increased brand awareness, and its impact on the sales levels of products and services offered by companies

Source: Data processed by researchers (2024)

RESULTS AND DISCUSSION

The Role of Influencers

Influencers are defined as individuals or actors who have the capability to influence purchasing decisions through their personal views, advice, or opinions (Hanindharputri & Putra, 2019). Unlike celebrities who only focus on entertainment, the role of influencers involves a broader realm, including the delivery of information, education, and the process of persuasion to the audience (Jiang, 2018). The credibility of an influencer is assessed based on how they

publicize their lifestyle and daily activities, along with the expansion of relationships and the formation of close relationships with their followers (Karouw & Worang, 2019).

Moreover, an influencer is able to shape a brand image in a more cost-efficient manner when compared to the use of artist services. The selection of influencers is based on their ability, expertise, popularity, and personal reputation (Hariyanti & Wirapraja, 2018). In Ledbetter's perspective, an influencer functions as an intermediary between brands and consumers, utilizing a high level of openness and social influence to achieve a certain level of success. As a party that tries to influence others to take certain actions, influencers become a crucial element in shaping the relationship between brands and consumers.

Advantages of Using Influencers

1. **Increase Brand Awareness:** Collaboration with influencers can provide an increase in brand interest, which includes coverage and engagement. Brand awareness can strengthen the relationship between brands and consumers, shaping brand understanding and retention.
2. **Expanding Target Market:** By carefully selecting influencers, companies can expand their target market. The process of evaluating segmentation and focusing on marketing strategies can help identify groups that have the potential to provide a positive response.
3. **Build Closeness with Consumers:** Being active on social media, such as responding to comments and messages, helps build rapport with consumers. The influencer's credibility, gained through trustworthiness, expertise, similarity, and attractiveness, can build consumer trust in the brand.
4. **Increase Sales** Digital marketing strategies with influencer engagement can be key to increasing sales, especially if closely monitored through available analytics. The use of social media performance analysis apps or independent analytics can help monitor the effectiveness of this strategy. Influencer marketing, as an advertising communication strategy, emphasizes the role of key individuals or opinion leaders to build brand trust (Scott, 2015).

The success of an influencer in building a positive image and increasing their credibility can strengthen their ability to carry out product or brand marketing communication activities (Schouten, Janssen, Verspaget, 2020). An influencer plays an important role in conveying information about products, with the main goal of significantly increasing sales and creating a positive image of the company in the eyes of consumers (Hariyanti, 2020).

The use of social media is not only a platform for self-actualization, but also a business tool that can be used for marketing. Social media is not only a place to interact, but also a channel to get reviews and information about products or services. This can capture the attention and response of customers, influence their purchasing decisions, and potentially increase sales transactions.

Factors Increasing Product Sales and Repurchase Decisions

Repurchase, which refers to the act of consumers buying products or services without any special feelings towards the purchase, can be influenced by customer loyalty to a store, brand, or supplier (Ng et al., 2020). This loyalty is reflected in consistent purchases and includes behaviors such as cross-purchasing products or services, providing references, and showing immunity to competitors (Severesia et al., 2022).

Repurchase can be broken down into two consumer behaviors: a. Repeat Problem Solving: Appears when consumers are not satisfied with the previous product and choose another alternative or when the first purchase has been a long time and has undergone many changes (Tunjungsari et al., 2020). b. Habitual Behavior: Seen in individuals who continue to buy the same brand or product. This can be due to loyalty to the brand or product or due to convenience, where individuals are reluctant to evaluate alternatives.

Promotion

Promotion, as a company's activity to provide information, persuade, influence, and remind consumers to buy products, involves various elements such as advertising, sales promotion, personal selling, public relations, and direct marketing (Muzakir & Wulandari, 2020).

Promotion objectives include three main aspects:

1. Providing Information: Increase awareness of new products, explain how products work, suggest new uses, and build a company image.
2. Persuading Target Customers: Encourage brand switching, change perceptions of product attributes, influence current purchases, and woo customers to visit.
3. Remind: Remind consumers of the need for products in the near future, remind them where to buy products, and maintain consumer awareness.

Promosi juga dapat berpengaruh pada minat untuk melakukan pembelian ulang. Promotion can also affect the interest in making repeat purchases. The application of promotional prices, such as price reductions or increasing product quantity, can increase value and encourage repeat purchases (Vasan, 2021). Through effective promotions, potential customers can understand product information and be motivated to make purchases. The success of promotion is also related to building communication, trust, and avoiding suspicion to motivate customers to make repeat purchases (Dawes, 2018).

Product

Products, which include everything that can be offered to the market to satisfy consumer wants or needs, involve complex properties that are palpable or non-palpable (Gaiardelli et al., 2021). This includes aspects such as packaging, color, price, brand prestige, service, and embodiment that are recognized by buyers.

Products undergo a life cycle involving four stages, namely introduction, growth, maturity, and decline (Jasmani et al., 2020). Each stage has its own characteristics, ranging from high promotional costs in the introduction stage to rapid sales growth in the growth stage. Understanding these stages helps companies to take appropriate strategies in marketing their products.

Product Life Cycle and its Effect on Marketing Decisions

Growth Stage

In the growth stage of the product life cycle, sales increase faster than promotional costs, and profits also increase (Kjaer et al., 2019). This is due to several factors, including:

- a. Promotional costs are spread over a larger volume: As sales grow, promotional costs can be spread over a larger volume, resulting in a lower cost per unit.
- b. Production costs per unit fall faster than price declines: Producers' expertise and production efficiency make per-unit production costs fall faster than price declines, resulting in increased profits.

Maturity Stage

The maturity stage occurs when the sales growth rate slows down, and the product enters a period of relative maturity. This stage lasts a long time and is a tough challenge for marketing management. Most products are at the maturity stage, which makes management focus on marketing strategies for mature products.

Decline Stage

In the decline stage, most products experience a decline in sales. Factors causing this decline include technological developments, shifting consumer tastes, and intensifying competition. The decline in sales can be slow, and companies have to face challenges such as overcapacity, price wars, and profit erosion. Some companies may decide to exit the market, while those that survive may reduce product offerings or reduce promotional budgets.

Factors Affecting Consumer Purchasing Decisions

Some of the factors that influence consumer purchasing decisions include product quality, which includes not only responsible features, but also attributes and benefits perceived by customers (Qalati et al., 2021). Product quality can be measured through performance, durability, features, reliability, aesthetics, and perceived quality (Peña-García et al., 2020).

Price

Price is the element of the marketing mix that generates revenue, while other elements incur costs (Mohammed & Murova, 2019). The understanding of price involves the amount of

money charged for a product or service, and it includes all the value provided by the customer to benefit from the product or service (Konuk, 2019).

There are five objectives of pricing:

1. Survival: Setting a price below total cost or below the market price to survive in the short term.
2. Maximize Current Profit: Setting the lowest possible price to maximize profit assuming the market is price sensitive.
3. Maximizing Sales Yield (Maximum Current Revenue): Understand the demand function to maximize sales results and gain a large market share.
4. Maximum Market Skimming: Setting a high price initially and then lowering it or releasing a product at a lower price.
5. Determinant Demand: Setting prices to influence demand and prevent fierce competition.

Pricing on new products can use skimming pricing or penetration pricing strategies, each with specific objectives (Hermiyenti & Wardi, 2019). Skimming pricing provides high prices with vigorous promotion, while penetration pricing sets low prices initially to gain a large market share and prevent competition (Mamedov et al., 2022).

Review of established product pricing strategies: companies should periodically evaluate the pricing strategies of products that have been introduced in the market (Nico Gerard Doan & Ali, 2021). In this regard, there are several factors that motivate the need for a review:

1. Changes in the Market Environment: If major competitors reduce the prices of their products, the company must respond by adjusting its pricing strategy to remain competitive.
2. Shifts in Demand: If there are changes in consumer tastes or demand levels, price adjustments may be necessary.

Alternative price review strategies: in reviewing product prices, companies have three strategy options: a) Maintain Price: The objective is to maintain the position in the market and strengthen the positive image of the company in the eyes of the public. b) Lower Prices: This strategy is difficult to implement as it requires substantial financial resources. Reasons for lowering prices may involve defensive, offensive or response strategies to customer needs. c) Raising Prices: Undertaken to maintain profitability during inflationary periods and to map out specific markets. Two key conditions are relatively low price elasticity and support from other marketing mix elements.

Brand

The important role of brands in marketing: brands play a key role in marketing strategy, and consideration of brands is often a determining factor in consumer purchasing decisions (Rahmah et al., 2018). Brand definitions include:

1. Brand as a name, word, sign, design symbol, or a combination of all of them that identifies a particular manufacturer or seller of products and services.
2. Brand as a consideration factor taken by consumers before making a purchase, is a long-term strategy with significant economic value.
3. Brand Equity and Its Measurement: Brand equity is used to measure the performance of a brand, with five main dimensions (Ishaq & Di Maria, 2020):
 - a. Brand Awareness: The level of recognition or memory of potential buyers of the brand (Novansa, 2017).
 - b. Brand Association: Everything related to brand associations in consumers' memories.
 - c. Perceived Quality: The consumer's perception of the quality or superiority of the brand's products or services.
 - d. Brand Loyalty: The level of consumer loyalty to the brand.

Marketing Strategy with Influencer Utilization: With the advancement of technology, marketing strategies are getting more sophisticated, including the use of influencers as a marketing tool. The selection of influencers is based on their ability, popularity and reputation. They can form a positive image for the brand, convey information, and build consumer trust (Cornelia & Pasharibu, 2020). The use of influencers has proven to be effective especially among millennials who tend to rely on User Generated Content (UGC), such as reviews and testimonials, in making purchasing decisions. By utilizing influencers, companies can increase public trust, expand brand awareness, and reach target markets more effectively, especially in the digital era dominated by the millennial generation.

CONCLUSIONS

In this study, several conclusions can be drawn based on the results and discussions that have been carried out:

1. Marketing Potential of the Modern Era: Marketing potential in the modern era is highly dominated by efforts through social media accessed through personal devices. The internet, especially social media, is the main platform for companies to reach consumers.
2. Influencer Marketing as a Marketing Strategy: Marketing strategies through influencer marketing have proven to be effective in the context of digital marketing. Using influencers as intermediaries can expand reach and increase brand appeal.
3. Efficiency in Promotional Expenditure: The utilization of influencer marketing can significantly cut down the cost spent on promotion. It can be an efficient and effective alternative to traditional marketing methods.
4. Enhanced Brand Image and Consumer Awareness: The application of influencer marketing proves to be very suitable for effectively enhancing brand image and gaining consumer attention, which in turn increases brand awareness.

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TAX AGGRESSIVENESS IS SEEN FROM THE CURRENT RATIO, RETURN ON ASSETS, DEBT TO ASSET RATIO, AND CAPITAL INTENSITY IN THE COMPANY IN THE TOURISM, RESTAURANT AND HOTEL INDUSTRY

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ABSTRACT

COVID-19 greatly affected the company's financial condition during 2018-2021, having an impact on the creation of huge losses that it tends to cause several factors to carry out tax aggressiveness, especially among companies listed on the Indonesia Stock Exchange (IDX). Tax aggressiveness or reducing the company's profit income to minimize the tax burden to avoid bankruptcy or maintaining company glory. The purpose of this study is to determine the factors that influence tax aggressiveness from independent variables in the form of the current ratio, return on assets, debt-to-asset ratio, and capital intensity.

Quantitative data is used in this study, including data on companies listed on the IDX for the period 2018-2021, including companies in the tourism, restaurant, and hotel industries listed on the IDX during 2018-2021. A total of 108 data or companies from 27 companies became research samples, through the purposive sampling method and using research analysis tools in the form of description analysis, classical assumption test, and hypothesis testing.

This study partially shows the results of the current ratio variable have a positive effect, return on assets has a negative effect, debt to asset ratio and capital intensity do not effect on tax aggressiveness during 2018-2021. The current ratio variable, return on assets, debt to asset ratio and capital intensity simultaneously affect tax aggressiveness.

Keywords: Current Ratio, Return On Asset, Debt To Asset Ratio, Capital Intensity, Tax Aggressiveness

INTRODUCTION

In recent years the Indonesian economy has experienced a very crisis decline which also affects companies listed on the IDX, one of which is in companies in the tourism, restaurant and hospitality industries. The economic crisis was due to the COVID-19 pandemic at the end of the month of 2019. The resulting profit before tax in 2019 averaged Rp 105,465,509,770 from 2018 of Rp 52,631,895,664 before the Covid-19 pandemic. In 2020 it decreased by Rp 32,421,423,224 and in 2021 it decreased again by Rp 6,289,567,386 when Covid 19 occurred. The average profit after tax before COVID-19 in 2018 was IDR 43,459,856,557 and increased in 2019 by IDR 95,966,244,639. Profit after tax at the time of COVID-19 was IDR 38,752,733,997 in 2020 and decreased again by IDR 11,713,104,996 in 2021 when Covid 19 occurred.

Tourism companies, restaurants, and hotels have experienced a temporary decrease in tourists to comply with the PPKM (Enforcement of Restrictions on Community Activities) policy on mobility between regions including tourist activities. It was noted that in Bali Immigration in early February 2020, there was a significant decrease in the number of tourists by up to 33%, the main factor was due to a decrease in Chinese tourists who were the largest visiting tourists in Indonesia. There has been a decrease in the number of hotels on the island of the gods by 70% since the COVID-19 pandemic occurred, a total of 1,266 hotels in 32 provinces in Indonesia stopped operating as of April 2020. This situation encourages the government to establish policies to improve industry performance during the pandemic. The company experienced an increase in profits before the occurrence of COVID-19, but after the COVID-19 pandemic experienced a decline in performance (Esomar & Christianity, 2021).

The decline in profits experienced by tourism, restaurant, and hotel companies causes the risk of bankruptcy so that companies maintain asset value tend to be able to take tax aggressiveness or reduce tax liabilities. Tax aggressiveness is influenced by the current ratio, return on assets, debt-to-asset ratio, and capital intensity.

Table 1. Average current ratio, return on asset, debt to asset ratio, and capital intensity

TH	MEAN			
	CR	ROA	DAR	CIV
2018	189%	2 %	39%	54%
2019	319%	2%	40%	52%
2020	677%	7%	40%	49%
2021	391%	5%	43%	48%

Source: Secondary data processed in August 2023

The table above states that there was a decrease and increase in the current ratio during 2018-2021. The current ratio increased to 319% in 2019 from 189% in 2018 and increased again to 677% in 2020 a drastic decline to 391% in 2021. The table shows that the level of the current ratio greatly affects the tax burden that must be paid. Return on assets increased 7% in 2020 from 2018 and the same 2019 had a value of 2%, but in 2021 it decreased again to 5%. The debt-to-asset ratio over the four years increased by 40% in 2019 and 2020, which previously amounted to 39% in 2018. In 2021, the debt-to-asset ratio value increased to 43%

during the pandemic. In addition to the current ratio, return on assets, and debt to asset ratio; capital intensity was also found to decrease during the four years. In 2019, the capital intensity value decreased by 52% from 54% in 2018, then decreased again in 2020 by 49% and in 2021 to 48%. The problem of increasing and decreasing the tax burden which is influenced by the current ratio, return on assets, debt to assets, and capital intensity on tax aggressiveness, can have a negative and positive impact on tourism, restaurant, and hotel companies listed on the IDX in 2018-2021.

Tax aggressiveness during this pandemic can be utilized by companies to reduce the risk of loss so that the impact of corporate bankruptcy is small by reducing the company's tax burden. Tax aggressiveness is legal or illegal tax planning to engineer taxable profit. The three-period pandemic period resulted in tourism, restaurant, and hotel industry companies experiencing rapid losses due to the decline in foreign and local tourists. During the current pandemic, tax aggressiveness is very influential for companies in reducing the company's tax burden. Company characteristics proxied through profitability (ROA) are a form of tax incentives; while companies proxied that have the characteristics of the level of debt (DER) and company size are a form of non-tax incentives (Susanto & Viriany., 2018).

In 2020 the state tax revenue greatly decreased due to the pandemic amounting to Rp1,404,507.50 while in 2019 it was Rp1,546,141.90 and in 2018 it was Rp1,518,789.80 (in billion rupiah), (Hasanah, 2022).

Capital intensity is often associated with the level of fixed assets of a company that can have an impact on reducing the company's tax burden due to the depreciation of these fixed assets (Margaretha et al., 2021). Companies with fixed assets in the future give rise to depreciation expenses every period, resulting in a decrease in profit before tax. Capital intensity has a positive impact on tax aggressiveness, while (DAR) debt to asset ratio and (ROA) return on assets have a significant negative impact on tax aggressiveness (Mulya & Anggraeni, 2022). Tax aggressiveness is influenced by the negative impact of capital intensity (Utomo & Fitria, 2021).

Previous research during the Covid-19 pandemic concluded that CR (current ratio), DAR (debt to asset ratio), ROA (return on assets), and CIV (capital intensity) have different impacts on tax aggressiveness for each period and industrial company on the IDX. Based on previous research, it has a different influence between industries and the occurrence of a pandemic period which causes a crisis in the income of tourism, restaurant, and hotel companies so researchers conducted a study entitled "The Effect of Current Ratio, Return on Asset, Debt to Asset Ratio, and Capital Intensity on Corporate Aggressiveness in the tourism, restaurant and hotel industry on the Indonesia Stock Exchange 2018-2021".

THEORETICAL FOUNDATIONS

Agency Theory

Agency theory is a company condition where management and owners work together in a contract that contains the company's management working optimally to provide satisfaction to the owners of capital (Jensen, M. C., & Meckling, 1976).

Agency theory can lead to conflicts commonly called agency conflicts because management/agents and shareholders have different interests. The emergence of conflicts between agents and shareholders usually occurs if the agent acts not in the interests of the company, therefore agency costs are determined. Agents and shareholders have their responsibilities and goals whereas managers/agents have a moral responsibility to provide optimal profits to shareholders optimally but managers always want considerable compensation from a contract.

Current ratio

The current ratio is a ratio used to assess the company's ability to fulfill short-term obligations by calculating the value of current assets against the company's current financial debt. The current ratio is part of the liquidity ratio that can explain the level of the company's ability to fulfill short-term obligations (Apriliana, 2022). The current Ratio according to (Fahmi, 2011: 78) is part of the liquidity ratio used to measure short-term ability to meet debt needs when due.

$$CR = \frac{\text{current assets}}{\text{current liabilities}}$$

Return On Asset

Return On Asset (ROA) is a profitability ratio that is used to measure the ability of the company's financial statements to create profits, namely the greater the profit formed, the smaller the debt burden borne by the company (Ayu et al., 2021). Taxes can reduce the company's profit or profit so that it is considered an expense, so it can be concluded that profit greatly affects the payment of the tax burden borne by the company. The high ROA calculation results achieved illustrate the high ability of asset management to generate profits while increasing profits will increase the tax burden that must be incurred by the company. (Astawinetu et al., 2020; 78). The tax burden that must be paid during a pandemic will affect the company to carry out tax aggressiveness so that the tax burden is lower than the payment that the company should bear (Priscilia & Agoes, 2019).

$$ROA = \frac{\text{profit after tax}}{\text{total assets}}$$

Debt to Asset Ratio

DAR (Debt to Asset Ratio) is the ratio of total liabilities divided by total equity or it can be interpreted that DAR shows that increasing the financing of the company's assets has an impact on increasing the burden to be paid to finance these assets in the company so that the burden that arises results in a decrease in profit before tax. This indicates that the company will be more aggressive in minimizing its tax burden when it has a high leverage value (Mulya & Anggraeni, 2022). The debt to asset ratio is used to measure debt by comparing total debt and total assets or it can be explained that if the debt to asset ratio is higher, the more debt burden that must be paid, the more difficult it is to find additional loans for the company because it is feared that the company cannot cover the debt (Kasmir, 2016: 48).

$$\text{DAR} = \frac{\text{total debt}}{\text{total assets}}$$

Capital intensity

Capital Intensity (CIV) is the company's capital accumulation where the capital is a form of investment into fixed assets, while the assessment of capital intensity can be done through comparing net fixed assets with total assets. Capital intensity is often associated with the amount of fixed assets owned by a company. The decrease in corporate tax burden is a form of impact that can be given by fixed assets, this condition occurs due to depreciation of fixed assets. Therefore, in the future, the company's fixed assets will bring up the depreciation expense per period until it then has an impact on reducing profit before tax. Thus it is concluded that the more companies have fixed assets, the greater the risk of being aggressive towards taxes carried out by the company (Margaretha et al., 2021).

$$\text{CIV} = \frac{\text{Net fixed assets}}{\text{Total assets}}$$

Tax aggressiveness

Tax aggressiveness is a form of action to minimize the tax burden through planning classified or not in tax violations. Tax aggressiveness defines where the company has the desire to minimize the company's profit or profit as much as possible by using one of them ETR (Effective Tax Rate) or comparing the amount of income tax expense paid with pre-tax income (Endin Alfin, 2022).

Tax aggressiveness can be influenced by several factors such as companies with situations of difficulty meeting short-term obligations due to lower CR values; ROA, DAR, and higher CIV. Tax aggressiveness usually occurs when companies make tax savings to have the maximum possible profit. Other benefits occur for management to maximize the compensation received from the company's owners and shareholders. Tax aggressiveness can reduce the tax burden to avoid the risk of bankruptcy of the company, increase company profits, tax aggressiveness also has a negative impact on the company such as being able to drop the value of the company, add the cost of capital, and the tax apparatus asks the company to be responsible for paying the tax burden that is still lacking. Tax aggressiveness can be calculated using the Effective Tax Rates (ETR) formula.

$$\text{ETR} = \frac{\text{Income tax expense}}{\text{Profit before tax}}$$

RESEARCH METHOD

This research employs a quantitative research method, in which data in the form of numbers are collected, calculated, analyzed, and described. The data source for this research is obtained from www.idx.com. The type of data analysis utilized involves the method of

descriptive statistical analysis, classical assumption tests in the form of normality, multicollinearity, autocorrelation, and heteroskedasticity tests. Meanwhile, hypothesis testing includes multiple regression tests, t/significance tests, F/ANOVA tests, and R/determinant coefficient tests. This method is conducted using the IBM SPSS software program.

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + \epsilon$$

This research applies quantitative research methods, which are forms of data in the form of numbers, calculated analyzed, and described. The data source for this research is obtained from www.idx.com. The type of data analysis used uses descriptive statistical analysis methods, classical assumption tests in the form of normality, multicollinearity, autocorrelation, and heteroscedasticity tests, while hypothesis testing includes multiple regression tests, t/significant tests, f/anova tests, R/coefficient of determination tests.

This method is carried out from the IBM SPSS software program.

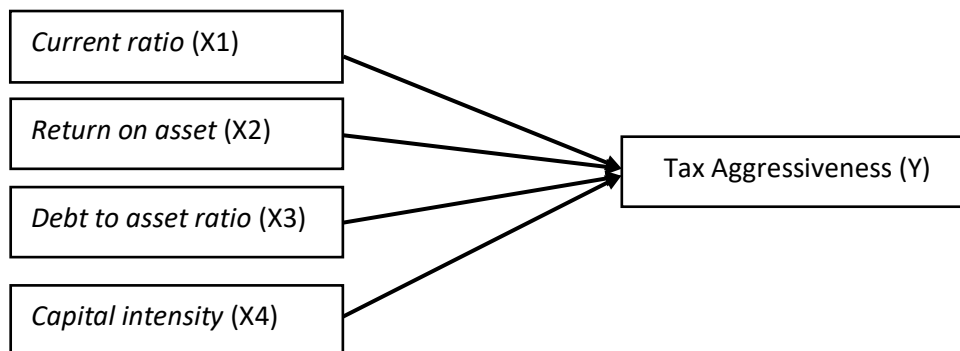


Figure 1. Research Framework
Source: Secondary data processed in August 2023

RESULTS AND DISCUSSION

Descriptive statistical analysis

Table 2. Average Variable Calculation Results for 2018-2021

Keterangan	N	Minimum	Maximum	Mean
CR	108	4.00	14025.00	394.9722
ROA	108	-66.00	26.00	-2.1296
DAR	108	.00	141.00	40.8148
CIV	108	1.00	199.00	50.2222
ETR	108	-117.00	102.00	-4.5370

Source: Secondary data processed in August 2023

Able to be described in Table 2 above, the average current asset for four years is 394.97 or 3.94%, this gives an idea that companies in the tourism, restaurant, and hotel sectors are liquid/healthy. The availability of current assets owned by the company can guarantee to pay liabilities that are close to maturity. For companies with a high liquidity ratio, it provides information that the company is liquid/healthy. While the return on assets on average for four years found a decrease of 2.12 or an average decrease of 0.021%. The decline in profits experienced by tourism, restaurant, and hotel sector companies is the impact of

COVID-19, so companies must take steps to save operational activities. The average debt-to-asset ratio in four years was 40.8148 or 4.08%, which means that the company's level of dependence on debt used to run the company's operations averaged 4.08%. Capital intensity for four years averaged 50.2222 or 5.02%, which means that the company's assets used for fixed asset investment amounted to 5.02%. Effective tax rates in four years on average decreased by 4.53 or 0.045%. When viewed from the calculation of the table above, the average of four years the company has a high liquidity ratio, meaning that the company is liquid, will affect the tax aggressiveness that goes down. The tendency of illiquid companies or liquidity difficulties will have the potential to disobey tax regulations which will increase tax aggressiveness.

Table 3. Coefficient of Cetermination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.783	.613	.598	9.09299

Source: Secondary data processed in August 2023

Based on this table, it is known that the results of the coefficient of determination can be known R Square value of 0.613 or 61.3% which describes the simultaneous influence between the independent variable and the dependent variable of 61.3% while the remaining 38.7% is a form of influence of other variables that are not studied during the study, including debt to equity ratio, company size, company risk, and fiscal loss compensation.

Table 4. ANOVA Test Result

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	13331.854	4	3332.964	3.420	.011 ^b
Residual	100374.998	103	974.515		
Total	113706.852	107			

Source: Secondary data processed in August 2023

The results of Table 4 indicate that the significant value is 0.011 with a calculated f value of $3.420 > 2.459$, so it can be interpreted that the independent variables including current ratio, debt to ratio, return on assets, and capital intensity affect the dependent variable (tax aggressiveness).

Table 5. T-test Results

Model	Unstandardized Coefficient (B)	T	Sig.
Constant	-7.625	-1.932	.056
CR	.007	6.646	.000
ROA	-.336	2.164	.033
DAR	.005	.065	.948
CIV	-.015	-.300	.765

Source: Secondary data processed in August 2023

Based on Table 5, it can be seen as follows:

1. The current ratio on tax aggressiveness

Table 5 reflects that the current ratio positively affects tax aggressiveness, confirmed by the sign value of $0.00 < 0.05$ and the t value of $6.646 > t$ table 1.983.

2. Return on assets on tax aggressiveness

Based on the table, it can be seen that the amount of sign $0.033 < 0.05$ with the amount of t count $2.164 > t$ table 1.983, means that ROA negatively affects tax aggressiveness.

3. Debt to asset ratio on tax aggressiveness

Based on the table, it can be seen that the sign value is $0.948 > 0.05$ and strengthened by the amount of t count $0.065 < t$ table 1.983, which can prove that the debt to asset ratio negatively or positively does not effect on tax aggressiveness.

4. Capital intensity on tax aggressiveness

Based on the table, it can be seen that the sign value is $0.765 > 0.05$ with the amount of t count $0.765 < t$ table 1.983, which means that capital intensity has no effect either positively or negatively on tax aggressiveness.

Discussion

Based on the results of multiple linear regression, it can be concluded that the coefficient of determination worth 0.613 can be interpreted that the independent variables in the form of current ratio, debt to asset ratio, return on assets, and capital intensity affect tax aggressiveness by 63.1%.

1. The current Ratio (CR) has a positive effect on tax aggressiveness

Based on the testing of Table 5, it can be concluded that the current ratio positively affects tax aggressiveness significantly due to the higher the current ratio value, the higher the tax burden must be borne so that it tends to increase tax aggressiveness on the grounds of maintaining assets and prioritizing payment of due liabilities from the company's operational activities rather than high tax payments. In measuring liquidity, what is important is not the size of the difference between current assets and current debt but must be seen in the relationship or comparison that reflects the ability to return debt (Dewi, 2017). A company experiencing low liquidity conditions, in the short term the company does not have enough cash, which means that the company's finances are in an unhealthy condition and tend to carry out tax aggressiveness (Mappadang, 2021).

For example, the Surya Permata Andalan Tbk (NATO) company for four years (2018-2021) has the highest current ratio value of 27 companies, which is 140.00. With a higher current ratio value, it can be illustrated that the Surya Permata Andalan Tbk (NATO) company tends to have a high tax burden due to the higher the assets obtained, the higher the company's tax liability. This can influence the company to carry out tax aggressiveness aimed at maintaining assets. This research is strengthened by the results of research which explain that the current ratio positively affects tax aggressiveness (Endin Alfin, 2022) and (Ayu et al., 2021).

2. Return on assets has a negative effect on tax aggressiveness

Based on the hypothesis test in Table 5, it can be concluded that ROA has a negative and significant effect on tax aggressiveness because companies tend not to pursue tax aggressiveness, and companies can pay off tax obligations honestly and report corporate tax payments.

The high profitability indicates that the company's profit is large, and accompanied by the complexity of the company's operational activities can increase awareness of compliance with its tax obligations by applicable laws. This will result in the company reducing its tax aggressiveness because it has high profitability.

For example, the company Satria Mega Kencana Tbk (SOTS) with the lowest return on asset value for four years (2018-2021), namely -0.66, and the highest return on asset value of 0.26 from the company Anugrah Kagum Karya Utama Tbk (AKKU). This condition can be interpreted as the increasing ROA value causes companies to tend not to carry out tax aggressiveness due to the increasing ROA value, indicating the company's high ability to fund operational activities without carrying out tax aggressiveness. This research is strengthened by the results of research that conclude ROA has a negative effect on tax aggressiveness (Ayu et al., 2021) (Prasista, Setiawan, 2016).

3. Debt to asset ratio affects tax aggressiveness

Based on Table 5 testing, the debt-to-asset ratio has no significant effect on aggressiveness or DAR tends not to trigger tax aggressiveness because it is a measuring tool for how high the company's dependence on creditors and the company's high level of debt is monitored by creditors as a result of always paying tax obligations on time. During the COVID-19 pandemic, tourism, hotel, and restaurant sector companies experienced a drastic decline in revenue, so the amount of debt did not increase, because to survive operations also requires large funds, not to mention the addition of debt installments. This indicates that the company will reduce its tax aggressiveness because it has high debt. For example, the company Pioneerindo Gourmet Internasional Tbk (PTSP) has a debt level of half of its assets so it tends to always get supervision from the government. This research is corroborated by (Yuliana & Wahyudi, 2018) and research (Hidayat Eta Febrina, 2018). The results of this study are different from (Alkausar et al., 2020), which concluded that leverage, firm size, and profitability do not effect on tax aggressiveness.

4. Capital intensity affects tax aggressiveness

Based on Table 5 testing, capital intensity does not significantly affect tax aggressiveness. this situation is because there are tax provisions related to the depreciation of the company's fixed assets and the company cannot implement savings so that it has an impact on tax payments.

The company's investment activities meet operational activities and funding assets to maximize company profits. The higher the equity/capital owned by the company to fulfill operational activities and asset funding, the more complex the company's operations will be, so it is expected to be able to increase company profits as much as possible. The high profit of the company will result in a high corporate tax burden that

must be borne in that period, therefore the company increasingly takes aggressive tax planning actions as a form of effort to reduce the amount of tax burden in that period.

For example, in the company Hotel Sahid Jaya Internasional Tbk (SHID) which has a ratio of 2: 1 between profit before tax and tax burden that must be borne, the tax supervision of the company is stricter. The results of the study reinforced that exposure to capital intensity does not effect on tax aggressiveness (Margaretha et al., 2021).

5. The current ratio, return on asset ratio, debt to asset ratio, and capital intensity simultaneously affect tax aggressiveness. The current ratio is a measure of Company performance, if the company is liquid then it does not have the potential to carry out tax aggressiveness, the higher the current ratio percentage indicates the more liquid the company is. The description of the company's ability to generate profits is shown by Return on Asset, comparing profits with the previous period, and can be used to assess the amount of net profit that can be obtained from each rupiah of funds invested in assets. As a benchmark, the DAR company reflects the amount of the company's dependence on creditors in financing assets, which means that companies with high levels of debt will be considered by creditors, so companies that have high levels of debt tend to be more obedient and aware of their tax obligations in line with existing and agreed legal regulations.

CONCLUSION

Based on the results of the discussion of the effect of the current ratio, return on assets, debt to asset ratio, and capital intensity on corporate tax aggressiveness in the tourism, restaurant, and hotel industry on the IDX in 2018-2021, it can be concluded:

1. The current ratio has a positive effect on tax aggressiveness, increasing tax burdens tend to support tax aggressiveness on the grounds of maintaining assets and paying due tax burdens.
2. The return on asset ratio has a negative effect on tax aggressiveness because companies pay more on time. After all, the tax burden is smaller and maintains security from government taxes.
3. Debt to asset ratio does not effect on tax aggressiveness because companies are supervised by loan creditors who are lenders so they choose to pay taxes on time.
4. Capital intensity does not effect on tax aggressiveness because companies prefer to pay the tax burden because they cannot make savings.
5. Tax aggressiveness is affected by the current ratio, debt-to-asset ratio, return-on-asset ratio, and capital intensity simultaneously.

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**ANALYZING THE EFFECT OF JOB SATISFACTION AND EMPLOYEE WORK
EXPERIENCE ON EMPLOYEE PERFORMANCE LOYALTY**

(Case Study: Assalam Hypermarket)

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ABSTRACT

Human resources or HR is one of the elements in the company that is quite important to ensure the smooth running of operational activities in the company. Employee satisfaction and work experience are several factors in maintaining the level of employee performance loyalty in a company. This study was conducted to examine the relationship between the influence of job satisfaction and work experience felt by employees on the level of employee performance loyalty at Assalam Hypermarket. This study collects data with questionnaires from 100 sample data of employees who work at Assalam Hypermarket. The discussion method used is descriptive quantitative by testing several instrument items that describe the level of satisfaction and work experience of employees using validity and reliability tests. After that, the researcher analyzes using multiple linear regression techniques. In this study, researchers used the SPSS application to conduct tests. From this study, it was concluded that job satisfaction had an effect of 64.5% and work experience had an effect of 28.5% on the level of employee performance loyalty in the company. The results showed that several aspects of work experience still need to be improved by Assalam Hypermarket.

Keywords: Job Satisfaction, Performance, Work Experience, Employee Loyalty, Multiple Linear Regression

INTRODUCTION

Human resource management abbreviated as HR in the company is one of the keys to achieving the company's operational success (Amalia & Wenerda, 2019). If human resources can be managed properly, the company can carry out its business and operational activities properly. The management of human resources in the company is known as human resource management. Human resource management is defined as the activity of planning, organizing, directing, and supervising the activities of procuring, developing, compensating, integrating, maintaining, and releasing human resources to achieve various individual goals of the organization and society (Flippo, 2019). Human resource management itself consists of a variety of general activities in organizing, controlling, and monitoring activities related to human resources within the company. Therefore, the company's ability to manage its human resources is a basic thing that needs to be mastered so that the company is also able to adapt to the development and demands of its human resources. Employee loyalty or loyalty depends on each of them. However, the company is obliged to fulfill the rights of the obligations fulfilled by employees (Sutrisno, 2022). Companies should ideally innovate to motivate employees so that their work dedication is higher for the company. This is motivated by the fact that the level of employee loyalty to the company will increase if the level of job satisfaction received by employees is also higher (Kasmawati, 2014).

Job satisfaction is the result of employees' perceptions of how well their jobs provide things that are considered important to the company (Luthans, 2006). Job satisfaction felt by employees can encourage employees to give their best for the company (Darma et al., 2019). If this can be achieved, it can bring benefits both in terms of economy and psychology for the company. At a higher level, over time, a balanced and harmonious corporate culture will emerge between the positionholder and his employees. This will create a sense of trust and mutual protection within the company, resulting in great job satisfaction for employees. The company can also provide appropriate reciprocity for employees who have shown good performance according to their achievements and company policies. Employee job satisfaction is influenced by several elements in the job such as position (position), rank (class), age, financial security, social security, quality, and supervision.

Human resource management needs to be carried out by company organizations with professionals to balance the needs of employees, the demands of the times, and the company's capabilities. This balance is the main key for the company to develop productively and teach because the development of the company's business and organization is highly dependent on the productivity of the existing workforce (Budiani, 2011). To get employee loyalty, the company must meet employee needs. The company must ensure that the rights and obligations of employees can be channeled properly. Employee work experience also influence on job satisfaction and employee loyalty to the company (Willianto, 2019). Employee work experience will help employees in completing their duties. And this will have a positive impact on employee satisfaction and loyalty at work (Sugiyono, 2020). If an employee has mastery of his job and has good knowledge and skills, the employee tends to have a high level of job loyalty (Khairani, 2019).

Assalam Hypermarket is one of the largest retail companies in Solo. By raising the Islamic concept, the Assalam hypermarket has its impression on its customers. Not only running a business to ensure that customers get what they need, HR management at Assalaam Hypermarket is also considered by the manager well. Assalam Hypermarket has a system for managing employee productivity within the company by carrying out several special strategies. The common way carried out by the Human Resource Development (HRD) division of Assalaam Hypermarket in managing its human resources aims to increase the company's work motivation. In companies with good human resource management, the company's operational activities and productivity will be smoother and more developed (Hamali, 2013). This is also the hope for Assalam Hypermarket. In addition, a timely payroll system, the implementation of rules and regulations by the company in accordance with the applicable SOPs are some of the strategies to carry out the company's survival into the future. To measure the level of satisfaction with employee loyalty, the HRD division distributes questionnaires to all Assalaam Hypermarket employees once a year.

The level of loyalty owned by employees will have a positive impact on company growth (Fajariani & Surya, 2015). To create a company work environment that can increase employee job satisfaction, the HRD of Assalam Hypermarket provides several facilities and training. In addition, to appreciate the dedication of employees who have carried out at the company where they work, Assalam Hypermarket applies one of the awards, namely by giving the title of senior staff (SS). Meanwhile, to increase employee work experience, HRD routinely provides training to employees according to company needs.

Work experience is a knowledge, skills, and abilities that employees have to carry out the responsibilities of the previous job (Marwansyah in Wariati, 2015). Experienced people are prospective employees who are ready to use (Hasibuan, 2016). Employee work experience can include personal background such as education, courses, training that has been attended. In addition, the talents, interests, attitudes, needs, analytical skills, and technical skills that employees master are some of the experiences that employees must have to advance the company. Thus, job satisfaction and employee work experience significantly need to be a concern for companies to increase employee loyalty.

Several studies on human resources to assess the level of employee loyalty have been conducted previously by researchers. Researchers research to analyze the relationship between the job satisfaction of Grand Maleo Makassar hotel employees and its effect on employee performance (Astika, 2021). In her research, Astika used quantitative descriptive methods and multiple linear regression analysis. From this study, it was found that job satisfaction had a significant effect on employee performance. Another study examined the effect of job satisfaction and work experience on employee loyalty at PT Dong Young Tress Indonesia (Sasongko, 2018). This study quantitatively obtained results that can explain that the level of employee job satisfaction has influences on employee loyalty. While work experience does not influence on employee loyalty. This study also shows that job satisfaction and work experience have a simultaneous influence on employee loyalty.

Based on research that has been done before, the researcher wants to know what instruments affect the loyalty of employees who work at Assalam Hypermarket. By testing and analyzing using multiple linear regression, researchers hope to be able to provide an overview of how the level of job satisfaction is felt by Assalam Hypermarket employees so that companies can improve facilities and training for employees who excel and who are already highly dedicated to the company. Thus, the company can continue to advance the quality and quality of the company along with improving the welfare of its employees.

RESEARCH METHOD

This research applies a case study research design in the testing conducted. Case study research design is a design in research by conducting a careful investigation of the object of research by collecting complete information (Crewell, 2014). Information can be collected using various data collection procedures. In this study, researchers used a case study research design because of the researcher's desire to obtain measurable and valid information regarding human resource management at Assalam Hypermarket. The researcher also wanted to get an instrument of job satisfaction and work experience felt by Assalam Hypermarket employees and their influence on employee performance loyalty within the company.

Researchers collected data by distributing questionnaires to all employees at Assalam Hypermarket as primary data in the study. From the data collected, researchers obtained 100 sample data which will be further tested using multiple linear regression analysis methods. In the questionnaire, researchers used a Likert scale from 1 - 5 to describe the level of employee satisfaction and work experience.

Table 1. Research Respondents

Position	Percentage	Total
Manager	5%	5
Supervisor	13%	13
Staff	82%	82

Source: Data processed by researchers (2021)

In addition to the primary data shown in Table 1, researchers also obtained supporting data from the HRD division of Assalam Hypermarket in the form of questionnaire records from previous years. This is useful for researchers to examine more deeply the instruments of job satisfaction and work experience of Assalam Hypermarket employees and their influence on employee loyalty.

Researchers use quantitative descriptive research methods in determining variables that have a significant influence on job satisfaction and employee work experience. This needs to be well designed because it affects the level of assessment that employees will give to answer every question in the questionnaire that has been formulated with HRD Assalam Hypermarket. A research variable is an attribute trait or value of people, objects or activities that have certain variations set by researchers to study and then draw conclusions (Sugiono, 2019). In research with a survey method conducted by distributing questionnaires to targeted respondents, determining instrument variables is important to obtain results that can

represent the actual situation in the field. Concepts in research also depend on previously determined research variables. This concept is then what the researcher must examine so that all factors in job satisfaction, work experience, and employee performance loyalty can be fulfilled.

Independent variables are variables that affect or cause changes or the emergence of dependent variables (bound) (Sugiyono, 2015a). Independent variables are also referred to as variables that have an influence. This variable is treated carefully because it has the power to determine the results of the study. In quantitative research, this type of variable is often represented as variable X (Sujarweni, 2014). Variable X in this study is job satisfaction (X1) and Work Experience (X2). In addition to the independent variable, the relationship research is also known as the dependent variable. The dependent variable is the variable that is influenced or the result, or because of the independent variable (Sugiyono, 2015a). The dependent variable can be referred to as the affected, effect, and dependent variable. In research, this variable is known as variable Y. Variable Y is the variable that is the focus of observation and measurement. The Y variable is the variable that determines how much influence is caused by the independent variable. Variable Y used in this study is employee performance loyalty.

Samples in research must fulfill some of the numbers and characteristics possessed by the actual population (Sugiyono, 2015b). Based on data that has been collected by researchers, it is known that the total population of employees working at Assalaam Hypermarket with various positions is 164 employees. So, researchers use the Solvin technique to determine how many samples researchers will use in research testing as follows:

$$n = N / (1 + (N \times e^2))$$

Description:

n = Sample Size

N = Population Size

e = Percent allowance for inaccuracy, which is 10%

Thus, the calculation results are obtained

$$n = 164 / (1 + (164 \times (0,1^2)))$$

$$= 164 / 1 + 1,64$$

$$= 164 / 2,64$$

$$= 62,12$$

From the above calculations, it can be said that the sample that researchers use in research has adjusted the standard where researchers use 100 employee data that will be analyzed using simple linear regression. The 100 employee data already represents all divisions in the Assalam Hypermarket company. 100 employee data were also randomly selected to minimize objectivity that might occur in research.

RESULTS AND DISCUSSION

Respondent Profile

The analysis is carried out on the respondent's profile to provide an overview of the distribution of the characteristics of respondents who are the test subjects in the study.

Furthermore, this respondent data will go through a series of tests, processing, and statistical calculations using the SPSS tool.

Respondent Profile Based on Gender

Table 1 shows the gender distribution of respondents that researchers get. From Table 1, it is known that there are 67 male employees and 33 female employees who responses according to research needs. Responses were obtained from respondents without coercion and through a fairly long curation with HRD Assalam Hypermarket.

Table 1. Research Respondents

Gender	Percentage	Total
Male	67%	67
Female	33%	33
Total	100%	100

Source: Data processed by researchers (2021)

Profile of Respondents by Age

Table 2 shows that research respondents are spread across various age groups. For the age group in the range of 20 years to less than 30 years, there are 37 respondents or 37%. While the age range of 30 years to less than 40 years has respondents as many as 25 people or 25%. In the age range of 40 years to less than 50 years, there were 36 people or 36%, and respondents with an age of more than 51 years were 2 people or 2%.

Table 2. Age of Research Respondents

Age	Percentage	Total
20 - < 30 years	37%	37
30 - < 40 years	25%	25
40 - < 50 years	36 %	36
> 50 years	2 %	2
Total	100%	100

Source: Data processed by researchers (2021)

Profile of Respondents Based on Position

Table 3 shows that most respondents are respondents with positions as staff as many as 82 people or 82%, then respondents with positions as supervisors as many as 13 people or 13%, and respondents with positions as managers as many as 5 people or 5%.

Table 3. Position of Research Respondents

Position	Percentage	Total
Manager	5%	5
Supervisor	13%	13
Staff	82%	82

Source: Data processed by researchers (2021)

Instrument Testing

Validity Test

The validity test is a test to measure the accuracy and accuracy of the instrument that has been determined. This test aims to assess how appropriate the selected instrument is to the needs of the variables in the study. In other words, the validity test can be used as a reference that the specified measurement instrument is something that must indeed be measured in research based on the responses given by respondents. Instrument items can be said to be valid if the calculation results of the r value are greater than r table.

The value of r table itself can be calculated from $(\alpha, n - 2)$ in the product moment table. Instrument testing carried out in this study known as n is a total of 100 sample data. While α or the significant value used in the study is 5%. A significant value of 5% is used because researchers want to have a degree of confidence of 95% of the results obtained. Therefore, the value of the t table is $(0.05, 100-2)$ or in other words it is 0.197. So an instrument item can be said to be valid if its r count is greater than 0.197.

Table 4 shows the results of the validity test of the questionnaire about the job satisfaction of Assalam Hypermarket employees while working at the company.

Table 4. Job Satisfaction Validity Test

Question	R count	R table	Description
Job Satisfaction 1	0,802	0,197	VALID
Job Satisfaction 2	0,790	0,197	VALID
Job Satisfaction 3	0,757	0,197	VALID
Job Satisfaction 4	0,816	0,197	VALID
Job Satisfaction 5	0,804	0,197	VALID
Job Satisfaction 6	0,851	0,197	VALID
Job Satisfaction 7	0,796	0,197	VALID
Job Satisfaction 8	0,756	0,197	VALID

Source: Data processed by researchers (2022)

Table 5 shows the results of the validity test of the questionnaire about employee work experience. In this section, several questions are given to employees related to the length of work, skill improvement facilities received and rewards provided by the company. From the test results it is known that the items used to test the variables are appropriate and by the research objectives.

Table 5. Uji Validitas Pengalaman Kerja

Question	R count	R table	Description
Work Experience 1	0,859	0,197	VALID
Work Experience 2	0,880	0,197	VALID
Work Experience 3	0,835	0,197	VALID
Work Experience 4	0,867	0,197	VALID
Work Experience 5	0,800	0,197	VALID
Work Experience 6	0,865	0,197	VALID
Work Experience 7	0,431	0,197	VALID
Work Experience 8	0,683	0,197	VALID

Source: Data processed by researchers (2022)

Table 6 shows the results of the validity test conducted on the level of loyalty of employees who work at Assalam Hypermarket, both those who have worked for decades and those who have only been working for a few years. Table 6 also shows that how well the management of human resources has been carried out by HRD Assalam Hypermarket to provide a sense of security and comfort while working at the company. This can also be a benchmark for companies in improving employee welfare to continue to provide their best performance for the company.

Table 6. Job Loyalty Validity Test

Question	R count	R table	Description
Employee Loyalty 1	0,803	0,197	VALID
Employee Loyalty 2	0,872	0,197	VALID
Employee Loyalty 3	0,767	0,197	VALID
Employee Loyalty 4	0,737	0,197	VALID
Employee Loyalty 5	0,806	0,197	VALID
Employee Loyalty 6	0,863	0,197	VALID
Employee Loyalty 7	0,822	0,197	VALID
Employee Loyalty 8	0,810	0,197	VALID

Source: Data processed by researchers (2022)

Based on Tables 4, 5, and 6, it can be seen that all research instrument items are important instruments to be studied to find out how appropriate the instrument items are to test the research variables. All statement instruments both on job satisfaction variables, work experience, and employee loyalty show that the value of $r \text{ count} > r \text{ table}$. So it can be said that all instrument items used to examine the relationship between job satisfaction and work experience to employee loyalty are valid.

Reliability Test

The reliability test is an advanced testing stage that can only be done if the instrument items on the questionnaire are declared valid. The reliability test needs to be done to see how consistent the instrument items are if the test is repeated. In this study, researchers used the Cronbach's Alpha reliability test analysis technique. According to Sujarweni (2015), the questionnaire is said to be reliable if it has a Cronbach's alpha value > 0.6 . So, to get the result that the instrument determined by the researcher is consistent, each statement item must have a Cronbach's Alpha value > 0.60 .

Table 7. Reliability Test of Job Satisfaction

Reliability Statistics	
Cronbach's Alpha	N of Items
0,916	8

Source: Data processed by researchers (2022)

Table 7 shows that the Cronbach's Alpha value of all items of the job satisfaction measurement instrument is 0.916. The instrument item of the job satisfaction variable itself consists of 8 question items. From the calculation results, it is found that the job satisfaction

instrument in the study is consistent (reliable) because it has a Cronbach's Alpha value of $0.916 > 0.60$.

Table 8. Work Experience Reliability Test

Reliability Statistics	
<i>Cronbach's Alpha</i>	<i>N of Items</i>
0,876	8

Source: Data processed by researchers (2022)

Table 8 shows that the Cronbach's Alpha value of all work experience measurement instrument items is 0.876. The work experience instrument item consists of 8 question items. From the calculation results, it was found that the work experience instrument in the study was consistent (reliable) because it had a Cronbach's Alpha value of $0.876 > 0.60$.

Table 9. Employee Loyalty Reliability Test

Reliability Statistics	
<i>Cronbach's Alpha</i>	<i>N of Items</i>
0,925	8

Source: Data processed by researchers (2022)

Table 9 shows that the Cronbach's Alpha value of all items of the employee performance loyalty measurement instrument is 0.925. Employee performance loyalty instrument items consisting of 8 question items. From the calculation results, it is found that the employee performance loyalty instrument in the study is consistent (reliable) because it has a Cronbach's Alpha value of $0.925 > 0.60$.

Instrument Analysis

The job satisfaction variable (X1) is measured by calculating the average in each question item and cumulatively. Furthermore, a descriptive analysis of the X1 variable was carried out. The purpose of descriptive measurement in this study is to determine the range of values that can represent the level of job satisfaction felt by Assalam Hypermarket employees. The measurement is carried out using the Likert scale assessment category 1 - 5. Table 10 shows the results of the measurement of variable X1.

Table 10. Job Satisfaction Assessment Results

Question Item	Average Value of Answers	Category
Job Satisfaction 1	4.49	Very Satisfied
Job Satisfaction 2	4.32	Very Satisfied
Job Satisfaction 3	3.94	Satisfied
Job Satisfaction 4	4.19	Satisfied
Job Satisfaction 5	4.11	Satisfied
Job Satisfaction 6	4.1	Satisfied
Job Satisfaction 7	4.1	Satisfied
Job Satisfaction 8	4.51	Very Satisfied
Average	4.22	Very Satisfied

Source: Data processed by researchers (2022)

From Table 10, it is known that for the assessment criteria regarding job satisfaction, the results show that Assalam Hypermarket employees are very satisfied with the work and facilities obtained from the company. Table 11 shows the results of the questionnaire on employee work experience at Assalam Hypermarket.

Table 11. Work Experience Assessment Results

Question Item	Average Value of Answers	Category
Work Experience 1	4.34	Very Satisfied
Work Experience 2	4.25	Very Satisfied
Work Experience 3	4.21	Very Satisfied
Work Experience 4	4.37	Very Satisfied
Work Experience 5	4.49	Very Satisfied
Work Experience 6	4.39	Very Satisfied
Work Experience 7	2.99	Enough
Work Experience 8	4.2	Very Satisfied
Average	4.15	Very Satisfied

Source: Data processed by researchers (2022)

From Table 11 it is known that the work experience of Assalam Hypermarket employees is very good considering that employees at Assalam Hypermarket have worked for quite a long time. Assalam Hypermarket since its establishment has never laid off its employees. If the employee makes a mistake then the employee will be given a warning letter first, if the mistake is repeated then the new company will fire the employee dishonorably. Recognition from one employee who has worked for decades at Assalam Hypermarket, that the company gives attention to all employees well leave rations are given without reducing the rights owned by employees.

Table 12. Employee Loyalty Assessment Results

Question Item	Average Value of Answers	Category
Employee Loyalty 1	4.58	Very Satisfied
Employee Loyalty 2	4.24	Very Satisfied
Employee Loyalty 3	4.41	Very Satisfied
Employee Loyalty 4	4.42	Very Satisfied
Employee Loyalty 5	4.46	Very Satisfied
Employee Loyalty 6	4.21	Very Satisfied
Employee Loyalty 7	4.06	Satisfied
Employee Loyalty 8	4.09	Satisfied
Average	4.3	Very Satisfied

Source: Data processed by researchers (2022)

Table 12 shows that Assalam Hypermarket employees show a high level of loyalty to the company. This can be seen from questions related to how long employees have worked at Assalam Hypermarket, whether employees have an interest in resigning from their current

jobs and whether employees have the intention to switch professions. The average employee who has the answer to switch professions is those who are still under 30 years old and want to try their luck to continue their education or take the CPNS test.

Multiple Linear Regression Analysis

The results of tests conducted by researchers using SPSS show that there is a relationship between the variables studied, namely job satisfaction and work experience on employee performance loyalty. The test results are shown in Table 13.

Table 13. Multiple Linear Regression Analysis Results Using SPSS

Coefficients		
Model	Unstandardized Coefficients	
	B	Std. Error
1 (Constant)	3,228	1,415
Job Satisfaction (X1)	0,645	0,66
Work Experience (X2)	0,285	0,70

a. Dependent Variable: Loyalitas Karyawan (Y)

Source: Data processed by researchers (2022)

Table 13 provides a clear picture that the constant value (α value) or Alpha value is 3.228. While the statistical value of job satisfaction (B value) is 0.645 and the statistical value for work experience (B value) is 0.285, the multiple linear regression equation can be obtained as follows:

$$Y = 3,228 + 0,645 X1 + 0,285 X2 + e$$

From these results, it can be seen that 3.228 is the constant value for the level of employee loyalty (Y). The constant value (Y) explains that if the job satisfaction variable (X1) and work experience (X2) have a value of 0, then the level of employee performance loyalty by default will be 3.228. Meanwhile, from the analysis results, the X1 coefficient value is 0.645. This means that if the X1 variable increases by 1%, the level of employee performance loyalty will also increase by 0.645 (64.5%). Conversely, if the value of X1 decreases by 1%, the level of employee performance loyalty will also decrease by 0.645 (64.5%). In addition, the statistical test results show that the X2 coefficient has a value of 0.225. This means that for every 1% increase in employee work experience, the level of employee performance loyalty will also increase by 0.645 (64.5%). Vice versa, if the X2 coefficient decreases by 1%, the level of employee performance loyalty will decrease by 0.285 (28.5%).

CONCLUSIONS

Based on the research results of data analysis on the Analysis of the Effect of Job Satisfaction and Work Experience on Employee Performance Loyalty (Case Study: Assalaam Hypermarket), it is concluded that the profiles of market employees who are used as

respondents in this study are mostly male as many as 67 people (67%), women as many as 33 people (33%). Respondents aged between 20 years to less than 30 years as many as 37 people (37%), 30 years to less than 40 years as many as 25 (25%), 40 years to less than 50 years as many as 36 people (36%), and more than 50 years as many as 2 people (2%). And respondents who hold positions as staff as many as 82 people (82%), supervisors as many as 13 people (13%), managers as many as 5 people (5%).

From this study, it is found that the job satisfaction variable affects employee loyalty by 64.5%. While the work experience variable has a smaller influence, namely 28.5%. So it can be said that the level of job satisfaction and work experience influences on the level of employee performance loyalty. From the results of this study, Assalam Hypermarket still needs to improve the facilities provided to improve the work experience of its employees.

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DETERMINANTS OF SMEs PROFITABILITY: DO FIRM SIZE AND AGE STILL MATTERS?

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ABSTRACT

Small and medium-sized firms (SMEs) are critical to the global economy because they create jobs and contribute to economic growth (ILO, 2019). This study examines the profitability of SMEs using the return on asset ratio, as well as the effect of size and age on profitability, by examining data samples from 106 enterprises in Indonesia's industry sector over a ten years. In total, 1060 pieces of data were examined in this study. The goal of this study is to comprehend the current state of SMEs' profitability and to identify the effect of age and size, as many scholars have various opinions on the subject. To evaluate the effect of size and age on the observed SMEs, multiple linear regression analysis was used. According to the findings, the average SME profitability in Indonesia, as assessed by the return on assets ratio, was only 1.1%, which is relatively low. Size also has a beneficial effect on profitability, as shown by the data. Furthermore, contrary to the hypothesized premise, age has a detrimental impact on the profitability of SMEs. Finally, this study identifies potential limits and suggests strategic implications for policymakers, SME management, and future research.

Keywords: Firm Profitability, SMEs, Firm Size, Firm Age

INTRODUCTION

At both the regional and national levels, Small and Medium Enterprises (SMEs) are the lifeblood of the Indonesian economy. In general, SMEs play an important role in the national economy as key players in economic activities by the largest providers of employment opportunities of which 97 percent of total national workforce absorption (Hidranto, 2023). According to data from the Ministry of Cooperatives and SMEs, there will be 65.4 million SME business actors, and around 115 million employees in 2023, and contribute up to 60.3% of Indonesian GDP in 2019 (Tambunan, 2023). Aside from that, SMEs have an essential role, particularly in terms of employment and income sources for the poor, income distribution, and poverty reduction, and SMEs also play a role in rural economic development (Melati, 2023). According to the Indonesian government, Micro, Small, and Medium-sized Enterprises (MSMEs) will once again become heroes of national economic rebirth in 2023, with the digitization of 20 million MSMEs on e-commerce platforms, from the goal of 30 million by early 2024. The government's objective for next year 2024, as announced by the Minister of Tourism and Creative Economy, is to create 4.4 million new and high-quality jobs (Viska, 2022).

However, according to the 2022 MSME Empowerment Report, since the Covid-19 pandemic, SMEs' performance has decreased, resulting in a decrease in GDP contribution, where in 2020, SMEs only contributed 37.3% (as depicted in figure 1), the lowest since the last decade, decreasing by 23% from 60.3% in 2019 (DSInnovate, 2023).

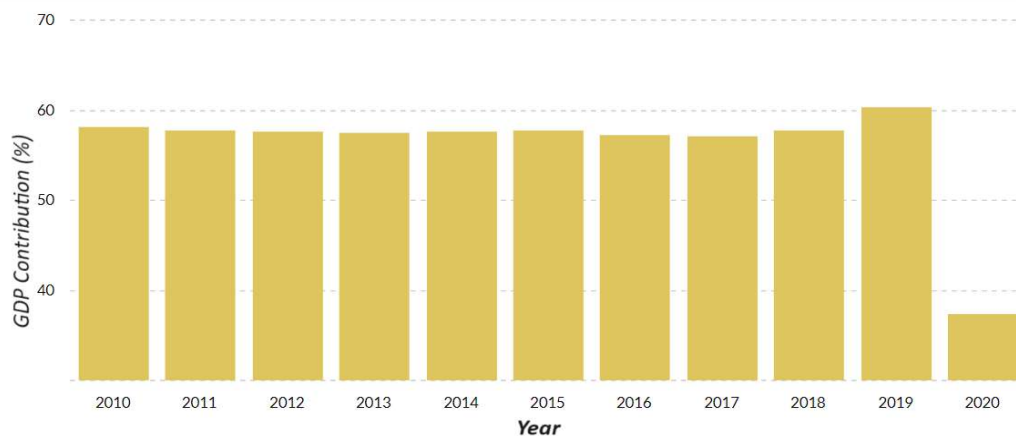


Figure 1. SME's Contribution to Indonesian GDP (2010-2020)

Source: Ministry of Cooperatives and SMEs Indonesia, visualized by Lokadata 2023

In addition, we currently have SMEs facing a numerous problem, especially post-COVID-19 pandemic or new normal era. According to a survey by DSInnovate of 1,500 SME owners, 51.2 percent facing difficulty in obtaining financing, 30.9 percent of MSMEs were having problems with digitalization, 70.2 percent were having difficulty marketing their products, and 46.3 percent had difficulty in fulfilling or delivering raw materials (Noor, 2023). In another survey by Pricewaterhouse Coopers (PWC) Indonesia, 74 % of SMEs in Indonesia do not have access to funding (Sandi, 2023), which is in line with previous research. One of the factors contributing to current challenges, such as marketing their products, is the limitation of the

marketing budget. With limited funds, they face difficulties in allocating funds for marketing strategies such as advertising and promotion (DSInnovate, 2023).

In terms of financial challenges, and access to capital, Bank Indonesia estimated that 69.5% of SMEs are still without loans (Kristianus, 2022). Banks and lenders argue that they have difficulty meeting the demands of SMEs because their credit scores are low on average in proportion to creditworthiness. In another sense, the size of the company can frequently prevent SMEs from undertaking profitability (Sandi, 2023). Previous research has demonstrated that profitability reflects corporate performance (Aghnitama et al., 2021). According to other studies, knowing the degree of corporate profitability and the variables that cause it is far more significant than simply being concerned with company growth (Mansikkamäki, 2023).

Existing research on the drivers of profitability often employs data or samples from big-sized corporations or a single industrial sector. Aghnitama et al., (2021) did a study used a sample of 14 big companies listed on the Indonesian Stock Exchange (IDX). Other research by Fonseca et al. (2022) used a sample of only a newly established Portuguese firm, Aguade et al. (2022) analyzing the manufacturing Industry in Ethiopia, Zhao et al. (2021) focused on Chinese property insurance companies. Still in China, Yin & Liao (2021) analyzed all listed firms in Chinese A-share markets, and Veronica & Saputra (2021) studied 16 mining companies in Indonesia. From that background, it is critical to investigate the profitability determinant using data from a diverse industry sector as well as varied company sizes, not only large corporations to get a more robust generalization of the industries.

Company size and age are incredibly famous in the analysis of profitability determinants as most authors use these variables in their research (Aghnitama et al., 2021; Fonseca et al. 2022; Aguade et al. 2022). Up to this point, no consensus has been reached on the impact of size and age on profitability. The importance of variable influence has largely been agreed upon, with size and age having a considerable impact on corporate profitability. However, whether the consequences are beneficial or bad, whether they reduce or increase profitability, is still being contested. There are even those who believe that size and age have no bearing on business (Mongid and Muazaroh, 2017; Charoenrat and Harvie, 2014).

This study will attempt to re-examine the impact of firm size and age on company profitability using the most recent data from the Thomson database for MSMEs in Indonesia. It is envisaged that the newly developed strategy, based on size and age analyses, will be more effective in assisting the organization in reaching profitability to achieve corporate sustainability.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

The Resource-Based Theory (RBT)

Penrose's (1995) work inspired the Resource-Based Theory. Wernerfelt (1984) coined the name. It has made important advances in the understanding of the mechanisms behind business profitability and value creation (Barney et al., 2011). According to this idea, intersectoral discrepancies in performance are caused by an uneven distribution of resources

among firms. Profits of the most competitive firms are truly Ricardian rents derived from superior resources (Peteraf, 1993), i.e., resources that are valued, rare (scarce), inimitable, and nonsubstitutable (Barney, 1991). These create a difficult to reproduce competitive edge. The intersectoral dispersion of economic profitability is maintained to the extent that the firms' resources remain heterogeneous (Penrose, 1995). This, in turn, is dependent on the presence of isolation mechanisms that restrict the imitation of resources that preserve competitive advantage. From this perspective, one might argue that the most crucial aspect of competing with any certainty is not where to compete, but how to compete (Barney, 1991; Peteraf, 1993). As a result, it is critical to develop a plan for competing using the available resources.

Company Performance

Performance is defined as an entity's ability to generate a result based on priority (Laitinen, 2002). Thus, company performance is the achievement of specified goals established by the organization from the outset. As a result of the company's strong performance, it will provide a good representation of the whole worth and may attract additional customers and investors (Kotane, 2015). As a result, knowing performance is critical for a company to monitor its actions and fulfill its objectives. Folan, Browne, and Jagdev (2007) defined three dimensions to evaluate a company's performance: environment, which is commonly assessed by the company's impact on its surroundings; objective, which is commonly assessed by a future vision they want to achieve; and recognizable characteristics, which are commonly assessed by competitive parameters such as cost, quality, and sustainability that other people can recognize.

The organization needs performance management to obtain strong results. It is defined as a process that allows organizations to manage their activities and connect their corporate and functional plans and goals (Bititci, Carrie, and Mcdevitt, 1997). Furthermore, performance management comprises performance measurement and performance reporting activities to control and improve its operation, as well as to increase employee communication and motivation (Johnston, 2012). According to Furqoni (2019), profitability is a picture of management performance in managing a firm, hence it is considered vital to measure the company's success.

Small Medium-sized Enterprises (SMEs)

SMEs are defined by the Indonesian government as independent productive economic entities. Based on the SME criterion, it is operated by an individual owner or a venture that is not a subsidiary, owned, managed, and directly or indirectly a part of bigger enterprises (Law of the Republic of Indonesia, 2008). The classification of SMEs is vast and often varies by country. However, the European Union (EU) began to standardize the notion of SMEs, as well as its criteria, which are now utilized globally (ILO, 2013). According to EU Recommendation 2003/361/EC, firms can be classified as SMEs if they have fewer than 250 employees, a

turnover of less than € 50 million or around Rp847.984 million, and a balance sheet totaling less than € 43 million or Rp729.266 million.

Measuring Firm Profitability

Daily, management must be able to accomplish the goals that have been established in a company (Kasmir, 2008). This will assist the company generate profits and increase its efficiency. Management might use the profitability ratio as a proxy for its computation to estimate the company's ability to produce a profit. Profitability ratios are commonly calculated using three methods: return on assets (ROA), return on investment (ROI), and return on equity (ROE).

Return on Assets (ROA) is a measure that reveals a company's potential to make profits as a result of productive resource usage and effective management (Burja, 2011). The ratio of earnings before interest, taxes, depreciation, and amortization (EBITDA) to total assets is used to calculate return on assets (ROA). Return on Investment (ROI) is a ratio that demonstrates a company's capacity to profit from the use of its capital. Investors and creditors can use this indicator to determine the extent to which invested funds can be returned as profits or losses (Zamfir et al., 2016). ROI is computed by dividing a company's net income by its total assets. Return on equity (ROE) is a ratio used to assess a company's success in creating profits for its shareholders (Mardiyanto, 2009). ROE can also be used to assess a company's potential to produce profits using its capital (Susilowati & Turyanto, 2011).

Because this study will focus on how the corporation uses its assets, the most relevant ratio to use is ROA. We avoid using ROE since it focuses on measuring return on equity. Meanwhile, ROI is important in focusing on the outcomes of specific investments, whereas not all MSMEs have investments.

Firm Size and Age

Empirical analysis has shown that company size and age affect company performance both positively (Bakker and Josefy, 2018; Coad, 2018; Josefy et al., 2015) and negatively (Ben-Hafaedh & Hamelin, 2022; Jang, 2011; Aghnitama et al., 2021; Steffens et al., 2009). The huge corporation has greater and stronger market power, according to the argument for the beneficial effect. As a result of economies of scale, the costs of inputs are lower. Furthermore, a corporation with big total assets and production scales will boost return to scale with fixed cost allocations such as research or risk management. It is also conceivable to implement new technologies with massive funds available to promote firm growth. Finally, based on these reasons, the larger the firm, the more efficient and sustainable the company will be in a competitive market, increasing the company's profitability (Jovanovic, 1982). On the other hand, some argue that size has a detrimental impact on profitability because smaller businesses are more flexible in terms of bureaucracy, including basic hierarchical systems (Yang and Chen, 2009). This circumstance will reduce the cost of information asymmetry, which might cause agency difficulties. Firms could be more efficient if they did not have to incur unnecessary costs to handle agency difficulties.

There are two conceivable consequences of firm age on profitability. First, Lambey et al. (2021), Fonseca et al. (2021), and Aghnitama et al. (2021) discovered that age has a beneficial impact on corporate profitability. Older organizations have more experience organizing manufacturing activities and implementing multiple strategies (Hill and Kalirajan, 1993). Another factor is that the older company has a proven track record in the industry, which will make them respectable when seeking credit (Diamond, 1991). As a result, the financial institution will prefer to lend to them rather than to a new company. Second, an earlier study discovered that age had a detrimental impact on profitability. According to Perez-Gomez, Arbelo-Perez, and Arbelo (2018), the key reason was that older organizations used antiquated technology while younger companies introduced innovative technology. According to Le and Harvie (2010), younger enterprises frequently present a more original proposal that corresponds with the current trend. This improvement will allow the younger company to be more efficient by lowering costs and increasing revenue, resulting in increased profitability.

Hypothesis Development

1. The effect of company size on the SME's profitability

Large organizations are often preferable to medium or small businesses. Because large organizations have more capital than small companies, they can produce profits from both corporate income and outside sources, such as interest, investments, and foreign currency exchange for financial sector companies like banks. At the same time, alternative sources of income for manufacturing firms could include rent and earnings from the sale of fixed assets (Collins Dictionary, 2023). Companies with more capital have the opportunity to adopt innovative technologies. New technologies enable businesses to boost production, profit, and reduce expenses (Knight, 2015).

Larger companies also have larger assets. This circumstance makes it easier for businesses to receive loans from outside sources (Diamond, 1991). Therefore, the size of the company will have a favorable effect on the profitability of SMEs. According to Perez-Gomez, Arbelo-Perez, and Arbelo (2018), profitability improved as the size of SMEs increased. As a result, it follows that size has a favorable impact on profitability. Andrieș and Ursu (2016), Balios et al., (2015), Bahta and Baker (2015), and Nganga et al., (2010) all support this finding. Based on these considerations, the study hypothesizes:

H1: Company Size has a positive impact on the profitability of SMEs.

2. The effect of company age on the SME's profitability

It is expected that the older the company, the more experience it has. The voyage of organizing the company's actions for both failures and successes is referred to as the experiences. Stress and despair experienced by management in coping with taxing environmental demands will lead to self-efficacy, which will contribute to organizational resilience (Everly, Jr., 2011). Amornkitvikai et al. (2014) agreed, arguing that learning by doing is an important aspect of increasing a company's profitability.

According to Akhigbe and McNulty (2005), being older can help SMEs boost their profitability. It is corroborated by Lundvall and Battese (2000), Hill and Kalirajan (1993), and Diamond (1991), who discovered that business age had a beneficial impact on corporate profitability. Therefore, the second hypothesis is that:

H2: Company Age will have a positive effect on SMEs profitability.

RESEARCH METHOD

This research employs a quantitative approach and is analyzed using regression techniques. Panel data analysis will be used as the same companies are watched throughout time. Panel data integrate inter-individual differences (cross-section data) and intra-individual dynamics (time-series data) to capture the complexities of various company behavior and incorporate larger datasets (Gujarati and Porter, 2009). Furthermore, because this study used panel data regression with the balanced panel method, which needs equal or balanced data, organizations that do not frequently publish their financial statements or do not have enough data will be excluded. Secondary data were gathered from the Thomson ONE database (the main source), the Indonesian Stock Exchange (additional source), and corporate websites (supporting document). Between 2001 and 2022, 131 companies were identified and would form the basis of the study's analysis based on the criteria for recognizing organizations as SMEs. This results in a total of 2,882 observations out of 65 million (22 years x 131 firms). However, due to a lack of consistency in reporting by corporations from 2001 to 2022, the observation period was reduced to ten years (2013-2022).

The classification of SMEs is vast and often varies by country. However, the European Union (EU) began to standardize the notion of SMEs as well as its criteria, which are now utilized globally (ILO, 2013). According to the EU's Recommendation 2003/361/EC, firms can be categorized as SMEs if they have less than 250 employees, a turnover of €50 million or less, or a balance sheet total of €43 million.

In addition, from 131 SMEs, 25 companies were deleted since their data was found to be incomplete. As a result, the total final data set is 1060 (10 years x 106 firms). The goal of this reduction was to generate uniform and balanced data for each organization, which was required for panel data processing (Ghauri, Gronhaug, and Strange, 2020). As a result, the estimated model developed described the actual conditions more accurately. Panel data regression analysis was utilized to evaluate hypotheses in this study. It's a multiple regression study with panel data and the following estimation model: $Y_{it} = \beta_0 + \beta_1 \text{Size}_{it} + \beta_2 \text{Age}_{it} + \epsilon_{it}$, in which Y_{it} represents ROA, β_0 Constanta, β_1 and β_2 are Multiple linear regression coefficients, and ϵ_{it} is standard error.

The multiple linear regression technique has various advantages over traditional cross-section and time-series approaches, including being more informative, diverse, having less collinearity between variables, and having a higher degree of freedom. Furthermore, it enables the investigation of more complicated behavioral models such as economies of scale and technological progress. The coefficients for each independent variable that describe their effect on the dependent variable are the findings of the regression analysis (Gujarati and

Porter, 2009). Hypothesis testing begins with classical assumption tests that include normality tests, multicollinearity tests, heteroscedasticity tests, and autocorrelation tests. Following that, a panel data regression using common effects, fixed effects, and random effects is performed. The Chow test and the Hausman test are used to select the appropriate test. Finally, t and f tests were used to examine the ways the independent variables affected the dependent variable.

RESULT AND DISCUSSION

This section is divided into four parts. The first part presents descriptive statistics on the key variables, and the second part provides an analysis of the profitability of SMEs in Indonesia. The third part discusses the data quality test, including the classical assumption and the panel data analysis model. The final part will provide discussions around how the results confirm (or not) the hypotheses.

Descriptive statistics

Table 1.1 presents the descriptive statistics of the SME's profitability. Concisely, the average value of ROA of SMEs as a sample was 1,1% with a maximum of 154% and a minimum percentage of -800. The average total asset of the SMEs was IDR 1.219 billion with a maximum of IDR 18.918 billion and a minimum of IDR 2,1 billion. Finally, the average age of the sample was 22 years with the oldest company being established 68 years ago and a minimum age was 1, or some companies were newcomers that existed one just one year of the observation.

Table 1. Determinant of SME's Profitability

Variable	Mean	Maximum	Minimum	Std. Dev.	N
ROA	0.010	1.541	-8.895	0.479	1060
SIZE	1.219	18.918	2,1	2061	1060
AGE	22.8	68	1	13.49	1060

Source: Author's computation. IDR (Indonesian Rupiah) in billion

SMEs' Profitability

Based on the sample data analyzed, the average of 106 SMEs profitability is relatively low which is 1.1%. The minimum score of the ROA ratio is said to be good if it is more than 5% (Zinn, 2021; Birken, 2021). Therefore, the study found that the current data of SMEs have less than standard ROA. Then, the study tries to group the sample into two categories, small enterprises (turnover <Rp170.219 million) and medium (turnover Rp170.219 – 765.988 million). After analyzing these two groups, it was found that the ROA ratio for small enterprises (12 SMEs with a total of 120 data) was -7.74%, and the ROA ratio for medium-sized enterprises (94 SMEs with a total of 940 data) was a 2.18%. It is concluded that both small and medium-sized enterprises as a sample have an ROA ratio less than good standard. However, it will not affect the multiple linear regression analysis in this study.

Data Quality Test and Estimation Model Selection

The classical assumption test was used to confirm that the estimator model was significant and could comprehend the relationship between the variables to attain the Best Linear Unbiased Estimator (BLUE). The results of the normality test revealed a Jarque-Bera (JB) value of 36.02, which is higher than the Chi-Square value ($36.02 > 5.99$), indicating that the data in this study is abnormally distributed. However, the data distribution in panel data is frequently skewed since the data is of many types and ranges, such as nominal, interval, and ratio data. For example, the total asset data (nominal) that indicates the size of the company differs much from the Return on Asset/ROA data (ratio), which may cause the data to exhibit aberrant distribution. As a result, having abnormal data distribution in panel data regression is acceptable. Furthermore, because the Ordinary Least Square (OLS) approach was utilized, the normal distribution for the common effect model and fixed effect model (used in this work) is not required to obtain the Best Linear Unbiased Estimator. In contrast, normal data distribution is required for the random effect model that uses Generalized Least Squares/GLS (Kuncoro, 2013).

The reference usually used in previous studies for the multicollinearity test is that if the tolerance value is greater than 0.1 and the Variance Inflation Factor (VIF) value is less than 10, there is no multicollinearity (Ghozali, 2013). In this investigation, the VIF value of all independent variables was less than 10, indicating that there was no indication of multicollinearity between the independent variables. The heteroscedasticity test findings revealed that the p-value, as shown by the Chi-Square (2) Probability value in Obs*R-Squared, was 0.4198, which was greater than the significance level (0.05). It signifies that the regression model has no problems with heteroscedasticity. The Chi-Square (2) Probability value for the autocorrelation test was 0.0000, which is less than the significance level (0.05). It indicates that the model had an autocorrelation issue. This means that past data has an impact on the existence of data. According to Ghozali (2013), such a problem frequently occurs with time-series data and commonly occurs when the panel data also contains time-series data. The Weighted Least Squares (WLS) method, according to Ghauri, Gronhaug, and Strange (2020), could be used to solve such a problem. As a result, this approach was adopted in this study.

Finally, the regression equation in this study was tested using three models, starting from common effect, fixed effect, and random effect. After running the common effect and fixed effect, the chow test was conducted with the result fixed effect was selected with a probability of Cross-section Chi-square was $0.0000 < 0.05$. The next step is conducting the Hausman test to choose between a fixed effect or a random effect. The test resulted in a P-value of $0.0000 < 0.05$, therefore, the fixed effect was chosen as the panel data estimation.

Panel Data Regression Analysis

Table 1.2 shows the panel data regression analysis of the fixed-effect model using the cross-section weight method. Among the two variables affecting SMEs' profitability, all of them were statistically significant. This means that those variables, Size and Age, have a significant impact on the profitability ratio of SMEs.

Table 2. Panel Data Regression Analysis

Dependent variable: Return on Asset (ROA)

Method: Panel EGLS (Cross-section weight)

Total panel (balanced) observations: 1060

Variable	Coefficient	t-Statistic	Prob.
SIZE	7.130	3.727	0.0002
AGE	-0.019	-33.647	0.0000
C	0.451	35.909	0.0000
R-squared		0.8825	
Adjusted R-squared		0.8693	
S.E. of regression		0.3730	
F-statistic		66.8600	
Prob(F-statistic)		0.0000	

Source: Author's computation from EViews 12 SV Lite

The coefficient score explained the relation between the independent variables (Size and Age) and the dependent variable (Return on Asset). The positive coefficient means the variable increases the SME's profitability, while the negative coefficient means the opposite. The result shows that the Size had positive coefficients towards ROA. This implies that if the size of the company (total asset) increases by 1%, the SME's Profitability will increase by 7.1%. In contrast, Age had a negative coefficient on the Profitability ratio. It means that if the Age of the SMEs increases by 1%, the ROA will decrease by 0.019%.

As stated in Table 1.2, the coefficient determination (Adjusted R²) value was 0.869. This suggests that variations in the two independent variables utilized in this study may explain 86.9% of the SMEs' profitability. Meanwhile, the other variables outside the research model described the remaining 13,1%. The outcome of the F test was 66.86, higher than 3.00 (f-table), and had a significance level of 0.000. As a result, it is possible to conclude that the independent variables substantially affected the dependent variable and that the model utilized was fit.

The t-test was utilized to determine whether or not each independent variable individually affects the dependent variable. The significance level utilized in this investigation is 5% or 0.05. The provisional assumptions for the t-test are (1) H₀: the independent variable has no significant effect on the dependent variable; and (2) H_a: the independent variable has a significant effect on the dependent variable. The t-table value with a significance level of 5% and degree of freedom (df) of 1060 was 1.96.

The t-value of the Size variable was 3.727, which was higher than the t-table (1.96) and significant at the 1% level, as shown in Table 1.2. As a result, the Size variable had a positive effect on Profitability, and the study's initial hypothesis (H₁) was accepted. In terms of age, the t-value was lower than the t-table (-33.64 < 1.96), indicating that there was no relationship between age and the profitability of SMEs. Its probability score, however, was 0.000, which is significant as less than 0.05. This demonstrated that the Age variable hurt the profitability ratio, and the second hypothesis (H₂) in this study was rejected.

Discussion

The effect of company size on SMEs profitability

The Size variable represents the total assets of the observed SMEs, which are classified as small (less than EUR 10 million or Rp170.219 million) and medium (between EUR 10-45 million or Rp170.219 - 765.988). This variable's coefficient was 7.130, with a 1% significance level. The positive coefficient for ROA indicates that the larger the company, the greater the profitability of SMEs. In other words, increasing the company size by 1% boosts profitability by 7.1%. This research demonstrated that larger enterprises had higher profitability than smaller ones. This outcome is consistent with prior research by Perez-Gomez, Arbelo-Perez, and Arbelo (2018), Andrieş & Ursu (2016), and Bahta and Baker (2015).

A separate test revealed that, on average, medium-sized enterprises in Indonesia had a greater profitability ratio measured by ROA (2.18%) than small businesses (-7.74%). Even if the profitability ratio of medium-sized firms is less than 5%, it is deemed better than the profitability ratio of small-sized enterprises. One possible explanation for this result is that larger firms are generally superior to smaller firms because they have more capital than small firms, allowing them to generate profits through company income as well as other incomes such as interest, investment, and foreign currency exchange for financial sector companies such as banks. Companies with more capital have the opportunity to adopt innovative technologies. New technologies enable businesses to boost production, and profit, and reduce costs. (Knight, 2015).

The effect of company age on SMEs profitability

The Age variable has a negative coefficient of -0.019 and was deemed to be significant at 1%. This suggests that as the organization ages, the profitability ratio would drop. This study found that younger businesses have a higher ROA than older ones. Several prior studies, like those of Perez-Gomez, Arbelo-Perez, and Arbelo (2018) and Le and Harvie (2010), found similar results. According to Amornkitvikai et al. (2014), older businesses may have more experience and can achieve the greatest results through learning by doing, which can have an impact on profitability. They may, however, have obsolete equipment, machinery, and technology, putting them at a competitive disadvantage in today's fast-changing business environment (Batra and Tan, 2003). Simultaneously, younger businesses build more advanced facilities and fresh imaginative concepts to better serve customers' requirements. Furthermore, developing enterprises usually have highly educated employees who can maintain existing technology without the need for further training. Lowering costs allows the organization to increase its profitability (Le and Harvie, 2010).

CONCLUSION

This study attempts to examine the profitability of SMEs in Indonesia as defined by the ROA ratio utilizing data from several industry sectors. The findings show that the sample mean profitability ratio for SMEs in Indonesia is 1.1%, with 2,18% for medium-sized firms and -7.74 for small-sized enterprises. Using recent data from the Thompson database of SMEs in

Indonesia, it is demonstrated that firm size and age are still relevant as strategic development considerations for company sustainability. The findings indicate that both small and medium-sized businesses have distinct advantages and constraints that must be addressed through strategic generation. Age also plays an important impact in how SMEs can better adapt to the new environment.

In addition, one hypothesis is accepted and another is rejected based on hypothesis testing. Furthermore, size has been shown statistically to have a positive effect on SMEs' profitability, which is confirmed by earlier research. Age, on the other hand, differs from the hypothesis proposed, which resulted in a negative effect on profitability. However, Mongid and Muazaroh (2017), Al-Gasaymeh (2016), Charoenrat and Harvie (2014), and Le and Harvie (2010) all validate this finding. The negative effect indicates that younger enterprises are more profitable than older companies.

The research implication for policymakers is that they should pay attention to the low level of SMEs' profitability ratio in Indonesia, which signals the business's poor performance in generating profits, which can have an impact on economic growth. As a result, the government should consider the positive impact of size in its policies to encourage small businesses to grow. The government can also help new businesses make use of cutting-edge technologies while providing support to established businesses.

Furthermore, because academics have found varying results on the influence of company size and age on SMEs' profitability, these two factors may affect profitability levels differently. Smaller organizations that are less lucrative should aim to expand their operations so that they have more funds to access diverse resources. For older enterprises that may have antiquated machinery and technology, management should begin adopting new technologies available on the market and maybe seek government support in the adoption process. Finally, SMEs should develop ways to increase profitability while enhancing the value of their products or services to earn more revenue at the maximum profit margin. This can be accomplished with the help of competent staff and internal digitalization. The successful application of these new techniques will almost likely increase a company's profitability.

The study's shortcomings mainly relate to the observed data, which is confined to 106 SMEs over ten years. As a result, studies using larger and more diverse data sets from various nations may yield different conclusions. Furthermore, each company's operation may employ a distinct production technology. As a result, it is proposed that future research focus on more disaggregated data from more companies over a longer period to better represent the population. It is also recommended that future studies collect samples from other Asian nations to confirm the findings of this study. Nonetheless, the author feels that these limitations will not considerably reduce the significance of the study's findings.

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THE INFLUENCE OF OFFICIAL TIKTOK HANASUI VIDEO CONTENT ON BRAND AWARENESS AND CONSUMER BUYING INTEREST IN SOLO RAYA

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ABSTRACT

TikTok is considered as one of the means to promote products. This phenomenon provides an opportunity for beauty companies to utilize TikTok as a tool to increase brand awareness and consumer buying interest. This study aims to examine the significance of the influence of Hanasui's official Tiktok content on brand awareness and purchase intention of Hanasui products. This research adopts a descriptive quantitative approach using descriptive quantitative research methods. The minimum sample size taken was 42 respondents by applying non-probability sampling through purposive sampling technique. Data collection was carried out through questionnaire distribution, and data analysis was carried out using simple linear regression analysis. The results showed a positive and significant effect of TikTok Hanasui Official video content on the variables of brand awareness and purchase intention of Hanasui products. These findings indicate that utilizing the TikTok platform in marketing strategies can help companies increase brand awareness and product purchase intention. Beauty companies can consider using Tik Tok as one of the tools to increase the marketing effectiveness of their products. Hanasui Official's Tiktok video content has a positive influence on brand awareness and purchase intention, companies can design more focused and efficient marketing strategies.

Keywords: Cosmetics, Skincare, TikTok, Social Media, Beauty

INTRODUCTION

In the current era, beauty products are increasingly developing not just a desire but a necessity. One of the beauty products that are often needed is skincare and cosmetics. According to Cho in the little book of skincare says that skin care is an activity that can be done by anyone, hygiene needs are important for women and men to take care of themselves regardless of gender orientation (lifepal, 2020). Cosmetics are ingredients used to provide beauty and health effects for the body (Tranggono, 2007: 54). Cosmetics are known since centuries ago. In the 19th century, the use of cosmetics began to receive attention, which is not only for beauty but also for health. The definition of cosmetics in the Regulation of the Minister of Health of the Republic of Indonesia No. 220 / MenKes / Per / X / 1976 dated September 6, 1976 which states that cosmetics are materials or mixtures of materials to be rubbed, attached, poured, sprinkled, or sprayed on, inserted into, used on the body or parts of the human body with the intention of cleaning, maintaining, adding attractiveness or changing appearance, and does not include drugs.

One example of a beauty product that is currently being discussed is Hanasui products. Hanasui is a brand of products from PT Eka Jaya Internasional which is produced in Indonesia, precisely on Jalan Prabu Kiansantang 89 in Priuk, Tangerang. This Hanasui product has been in production for a long time and its products are trusted by some people because of their real quality. As a beauty product, Hanasui certainly does not want to just produce cosmetics and skincare. They are very thorough and careful, both in the selection of ingredients to the production process. In addition, to further ensure the safety of their products, they have registered them with the BPOM.

The role of communication is indispensable to attract potential customers. Communication is a basic human need to convey information. Communication is also often used to build good social relationships (Hasibuan, 2011). Social media with all its influence has changed the world a lot, including as a means of communication to get information and convey information. On the other hand, the impact of this is also unstoppable, meaning that social media increasingly opens up opportunities for every individual involved in it to freely express their opinions.

One of the social media that is currently trending in Indonesia is tiktok. In this media we can find many videos with a variety of interesting content. Not only seeing or imitating, every TikTok user can pour ideas in the video according to their own taste and style, so that the video has high views or likes and even becomes content inspiration for other users. Most consumers nowadays prefer to see content that provides recommendations about a product such as from influencers, because the product has been used as well as reviewed for its advantages and disadvantages so that it is predicted to make consumers more confident about the product they will buy. Researchers assume that content, especially on the TikTok platform, is one of the most profitable media because they have an attraction that has a close relationship with the level of

public trust. In addition, public interest in cosmetic products is also related to the success of an influencer in presenting their products so that many people believe in buying and using these cosmetic products.

Therefore, digital promotional media such as content through tiktok media is thought to play an important role in determining consumer buying interest, so research will be conducted on "The Effect of Tiktok Hanasui Official Video Content on Brand Awareness and Consumer Purchase Interest in Solo Raya".

Based on the background of the problem, the formulation of the problem to be discussed is whether the content of tiktok hanasui official has a significant effect on brand awareness and buying interest in hanasui products so that the results of the study can be useful for Hanasui companies in the future in order to increase the creation of more interesting content to encourage brand awareness and increase sales.

Content

Social media content is information and entertainment presented and placed on social social networking media platforms such as YouTube, Instagram, Facebook and media created by a person or individual, a company and an organization to enable more direct interaction with users, and to realize its full effect social media content must also be carefully oriented to the target group (Huang, 2020).

Brand Awareness

Brands can be easily recognized or distinguished through several visible elements, namely the name, logo, packaging, and others (Kotler & Keller, 2016). Brand elements should be unique and easy to remember so that they can increase public awareness of the brand (Sutanto, Tjahyana, and Wijayanti, 2022).

Purchase Intention

Purchase interest is part of the behavioral component in consumer attitudes. Interest consumer buying interest is the phase in which consumers make their choices among several brands containing many choices, then finally do something, buy from the most popular option or from the approved process. Consumers can buy goods or services based on differences (Pramono 2012: 136). By considering the concept of consumer purchase intention, it can be assumed that factors such as brand influence, perceived value, and previous experience play a key role in shaping purchase intention. In addition, it can be hypothesized that product promotion and consumer trust in the brand also have a significant impact on the level of purchase intention. Based on this development, it is hypothesized that there is a positive relationship between brand influence, perceived value, and previous experience with consumer purchase intention and product promotion and consumer trust in the brand contribute positively to the level of consumer purchase intention, These hypotheses can serve as a basis for further

research to understand the factors that influence consumer purchase intention and identify effective marketing strategies to increase purchase intention in the market.

RESEARCH METHOD

This research uses descriptive quantitative research. In accordance with the problems that occur, the focus of this research aims to determine the extent to which TikTok content and applications affect brand awareness and purchase intention of the Surakarta community, so this research uses statistical calculations to answer specific research questions or hypotheses. This research was conducted in May 2023. In Solo City. The population in this study were all people in Greater Solo City. The type of sample used in this study is a type of non probability sampling, namely purposive sampling. The sample in this study were active Tiktok users aged 17-35 years and knew Hanasui products. In determining the number of samples, you can use parameters by calculating the questionnaire indicators multiplied by the research variables (Sugiyono, 2017: 91). A decent sample size in research is between 30-500. So the number of samples needed by researchers in this study was 14 indicators multiplied by 3 variables so as to obtain a minimum sample size of 42.

The type of data uses primary data, namely data obtained directly from the source through a questionnaire. Data collection using a questionnaire. This research was conducted by distributing questionnaires online using google form. The scale used in this study is a Likert scale, which has 5 answer preferences, namely (Sugiyono, 2014):

Score 1 = Strongly disagree

Score 2 = Disagree

Score 3 = Undecided

Score 4 = Agree

Score 5 = Strongly Agree

Data analysis techniques using validity and reliability tests, trials were conducted on 59 respondents. Correlation calculations were carried out using the help of the SPSS software program. The classical assumption test is normality test, multicollinearity test and heteroscedasticity test. This study uses simple linear regression data analysis techniques. The use of this technique is because in this study only 2 dependent variables are used

(Brand awareness and Purchase Intention) and one independent variable (tiktok content). For ease of calculation, computer services in the form of software with the SPSS (Statistical Package for Social Science) for windows and Microsoft Excel programs are used. Hypothesis testing uses Individual Parameter Significance Test (t test) and Simultaneous Significance Test (F test), and Coefficient of Determination Analysis (R^2).

RESULTS AND DISCUSSION

Based on questionnaires that have been distributed to the people of the Greater Solo area which includes Surakarta City, Sukoharjo Regency, Karanganyar Regency, Sragen Regency, Wonogiri Regency, Boyolali Regency and Klaten Regency and with an age category of 16 years to 35 years who are active users of tiktok social media and know Hanasui Products. Then a description of gender, domicile, age, occupation, and income can be found.

JENIS KELAMIN



Figure 1. Gender

Source: Data from Questionnaire Respondents, processed 2023

Based on the diagram above, it can be seen that respondents with female gender are 86% (51 respondents) and male respondents are 14% (8 respondents).

DOMISILI

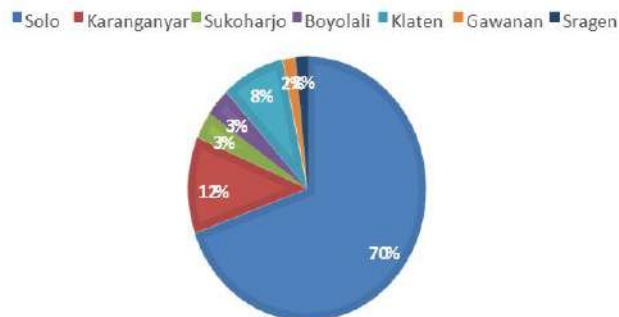


Figure 2. Domicile

Source: Respondent Questionnaire Data, processed 2023

Based on the diagram above, it can be seen that respondents who live in Solo are 70% (41 respondents), domiciled in Karanganyar as much as 12% (7 respondents), domiciled in Sukoharjo as much as 3% (2 respondents), domiciled in Boyolali as much as 3% (2 respondents), domiciled in Klaten, as much as 8% (5 respondents), domiciled in Gawan as much as 2% (1 respondent), and domiciled in Sragen as much as 2% (1 respondent).

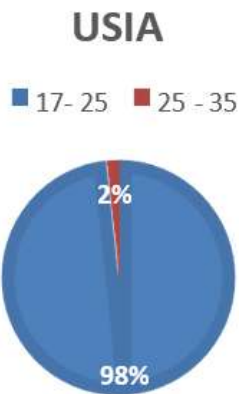


Figure 3. Age

Source: Respondent Questionnaire Data, processed 2023

Based on the diagram above, it can be seen that 98% (58 respondents) are aged 17-25 years and as many as 2% (1 respondent) are 25-35 years old.



Figure 4. Occupation

Source: Respondent Questionnaire Data Results, processed 2023

Based on the diagram above, it can be seen that 91% (54 respondents) of respondents with student / student jobs chose others as many as 7% (4 respondents) and 2% (1 respondent) chose self-employed.

PENGHASILAN PER -BULAN

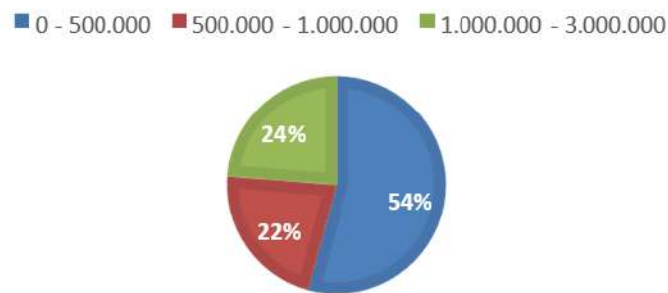


Figure 5. Monthly Income

Source: Respondent Questionnaire Data, processed 2023

Based on the diagram above, it can be seen that respondents who earn Rp0.00 - Rp500,000.00 per month are 54% (32 respondents) who earn Rp500,000.00 - Rp1,000,000.00 are 22% (13 respondents) and those who earn Rp1,000,000.00 - Rp3,000,000.00 are 24% (14 respondents).

Validity Test

The validity test is used to measure whether a question in a questionnaire has valid or invalid results. Questionnaire questions are said to be valid if the questions can reveal the variables measured by the questionnaire. The basis for decision making is if the value of $r_{count} > r_{table}$ then the question is said to be valid, but if the value of $r_{count} < r_{table}$ then the question is said to be invalid. Processing of this questionnaire question was carried out with the help of SPSS. Based on the table of TikTok Content Validity Test results in the Pearson Correlation column for each statement item, the value is greater than r_{table} 0.254, so it can be concluded that 7 questions for the TikTok Content variable are valid. Based on the table of Brand Awareness Validity Test results in the Pearson Correlation column for each statement item, the value is greater than r_{table} 0.254, so it can be concluded that 3 questions for the Brand Awareness variable are valid.

Reliability Test

The reliability test is carried out to measure whether the questions in the questionnaire are consistent or not. The basis for decision making is that the question is said to be reliable if the Cronbach's Alpha value is more than 0.6. Based on the Reliability Statistic table shows Cronbach's Alpha 0.899 > 0.6. It can be concluded that the statements in the TikTok Content, Brand Awareness, and Purchase Intention variables are reliable, meaning that the results of measuring the advertising variable are consistent.

Normality Test

The purpose of the normality test is to determine whether the data obtained is normally distributed. In this study, the Kolmogorov-Smirnov non-parametric method was used. The data in this study can be said to be normally distributed because the probability value (Sig. (2-tailed)) > 0.05, which is 0.200 for the brand awareness variable and 0.062 for the purchase intention variable.

Table 1. Table of Normality Test Result

One- Sample Komogorov Smirnov	Unstandardiz ed Residual
N	45
Kolmogorov-Smirnov	.113
Asymp. Sig. (2-tailed) (brand awareness variable)	.200 ^c
Asymp. Sig. (2-tailed) (purchase interest variable)	.062 ^c

Source: SPSS Statistic data, processed 2023

Multicollinearity Test

The multicollinearity test aims to determine whether there is a high correlation between the independent variables in the multiple linear regression model. When there is a high correlation between the independent variables, the relationship between the independent variable and the dependent variable is broken.

Table 2. Multicollinearity Test

Variable	Tolerance Value	VIF Value	Description
Hanasui TikTok Content	1.000	1.000	Free of multicollinearity symptoms

Source: SPSS Statistic data, processed 2023

Based on the table above, it is known that the VIF value of the TikTok Hanasui Content variable must be smaller than (<) 10 and the Tolerance value of each variable must be greater than (>) 0.1. So it can be concluded that each variable data used in this study is not correlated with each other or the data used is free from multicollinearity symptoms.

Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. The heteroscedasticity test is carried out by looking at the plot graph between the predicted value of the dependent

variable, namely ZPRED with the residual SRESID. Detection of the presence or absence of heteroscedasticity can be done by looking at the presence or absence of certain patterns on the scatterplot graph. Based on the tests that have been carried out, the scatterplot does not form a certain pattern and is evenly distributed so it can be concluded that the data used in the study is free from symptoms of heteroscedasticity.

Simple Linear Regression Analysis

The next data processing is a simple linear regression test which is carried out using the help of the SPSS 22 program, which in the calculation obtained the following results:

Table 3. Simple Linear Regression Results

Model	Unstandardized Coefficients		Standardize d Coefficients		
	B	Std. Error	Beta	t	Sig.
	(Constant)	3.076		2.14 2	.036
1	Hanasui TikTok Content (X1)	.274	.054	.556	5.046 .000

Dependent Variable: Brand awareness (Y1)

Source: SPSS Statistic data, processed 2023

Table 4. Simple Linear Regression Results

Model	Unstandardized Coefficients		Standardize d Coefficients		
	B	Std. Error	Beta	t	Sig.
	(Constant)	2.063		1.351	.182
1	Hanasui TikTok Content (X1)	.461	.058	.727	7.990 .000

Dependent Variable: Purchase interest (Y2)

Source: SPSS Statistic data, processed 2023

T Test

It is known that the Sig. value for the effect of X on Y1 (Brand awareness) is $0.000 < 0.05$ and the t value is $5.046 > t$ table 1.672 so it can be concluded that H_0 is accepted, which means that there is a simultaneous influence of X on Y1 (brand awareness).

It is known that the Sig. value for the effect of X on Y2 (purchase interest) is 0.000 <0.05 and the t value is 7.990 > t table 1.672 so it can be concluded that H1 is accepted, which means that there is a simultaneous influence of X on Y2 (purchase interest).

F Test

Table 5. F Test Results

Model		F	Sig.
1	Regression	25.459	.000 ^b
(Brand Awareness)			
2	Regression	63.844	.000 ^b
(Purchase interest)			

Source: SPSS Statistic data, processed 2023

Based on the output above, it is known that the significance value for the simultaneous influence of X on Y1, namely (brand awareness) is 0.000 <0.05 and the calculated F value is 25,459 > F table 4.01 so it can be concluded that H0 is accepted, which means that there is a simultaneous influence of X on Y (brand awareness).

Then it can be seen that the significance value for the simultaneous influence of X on Y2 (Purchase interest) is 0.000 <0.05 and the value of F count 63.844 > F table 4.01 so it can be concluded that H1 is accepted, which means that there is a simultaneous influence of X on Y (Purchase interest).

Analysis of the Coefficient of Determination (R²)

Table 6. Simple Linear Regression Results

Model Summary			
Model	R	R Square	Adjusted R Square
101	.556 ^a	.309	.297
a. Dependent Variabel : Brade awareness (Y1)			

Source: SPSS Statistic data, processed 2023

The test results show the magnitude of the correlation coefficient (R), the coefficient of determination (R Square), and the adjusted coefficient of determination (Adjusted R Square). Based on the summary model table above, it is obtained that the correlation coefficient (R) value is 0.556. This shows that the TikTok Hanasui video content variable on brand awareness has a strong relationship. The results in the table above also show that the coefficient of determination (R Square) is 0.309 and the adjusted coefficient of determination (Adjusted R Square) is 0.297. This means that 30.9% of the variation in brand awareness can be explained by the variation in the TikTok Hanasui video content variable. While the rest (100% - 30.9% = 69.1%) is explained by other factors outside the regression model.

Table 7. Simple Linear Regression Results

Model Summary			
Model	R	R Square	Adjusted R Square
1	.727 ^a	.528	.520

a. Dependent Variabel : Purchase interest (Y2)

Source: SPSS Statistic data, processed 2023

The test results show the magnitude of the correlation coefficient (R), the coefficient of determination (R Square), and the adjusted coefficient of determination (Adjusted R Square). Based on the summary model table above, it is obtained that the correlation coefficient (R) value is 0.727. This shows that the TikTok Hanasui video content variable on buying interest has a strong relationship. The results in the table above also show that the coefficient of determination (R Square) is 0.528 and the adjusted coefficient of determination (Adjusted R Square) is 0.520. This means that 52.8% of the variation in brand awareness can be explained by the variation in the TikTok Hanasui video content variable. While the rest (100% - 52.8% = 47.2%) is explained by other factors outside the regression model.

Discussion

The discussion of the results of data processing that has been carried out by the researcher above is that there is an effect of TikTok Hanasui Official video content simultaneously on brand awareness of Hanasui products. Based on the results of the questionnaires that have been distributed, the most viewed Tik Tok video content is product review content. There is a positive and significant effect of TikTok social media marketing on the variable brand awareness of Hanasui products (Azizah et al, 2021). Furthermore, it was found that the TikTok social media marketing variable also has a positive and significant influence on the purchase intention variable for Hanasui products. There is a positive and significant effect of TikTok social media marketing on the purchase intention variable for Hanasui products (Murjiati, 2021).

CONCLUSION

This study was conducted with the aim of testing two hypotheses related to the impact of Tiktok Hanasui Official video content on brand awareness and purchase intention of Hanasui products. The results showed that based on Simple Linear Regression analysis, both research hypotheses can be accepted. This means that there is a directly proportional relationship between Tiktok Hanasui Official video content and the two variables, namely brand awareness and purchase intention of Hanasui products. The video content has a positive and significant influence on these two variables. In the context of suggestions, it is recommended that the Tiktok

Hanasui Official account regularly upload content every day to increase public knowledge about Hanasui products, which is expected to increase brand awareness. In addition, improving the quality of content is also proposed to Hanasui in order to attract more consumers to buy products. The implications of this study highlight the significant role of Tiktok Hanasui Official video content in influencing brand awareness and consumer buying interest in Hanasui products. Therefore, marketing strategies through the Tiktok platform can be considered effective for increasing product popularity and purchase intention. Thus, this conclusion comprehensively illustrates that the research achieved its objectives, provided relevant results, provided practical advice, and highlighted strategic implications in the context of marketing Hanasui products.

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The title of abstract is written in Indonesian with font calibri size 12, capital, bold, center. The content of abstract is written in Indonesian with font times new roman, size 11, spacing 1, regular, and justify. (150-250 words for each) which includes:

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