

THE EFFECT OF THE USE OF SOCIAL MEDIA, DIGITAL PAYMENTS (QRIS) AND DIGITAL MARKETING ON MSME PERFORMANCE

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ABSTRACT

The advancement of digital technology pushes MSMEs to adopt cutting-edge business concepts. MSMEs' performance is likely to increase as technology advances and government initiatives are implemented. This study looks at the application of digital technologies in MSMEs. The purpose of this study is to investigate the impact of social media, digital payments (QRIS), and digital marketing on the performance of culinary MSMEs in Pekanbaru City. RAUN-RAUN in Pekanbaru City was chosen as the study site. The sample for this study was determined using the census approach, and the data was obtained using a questionnaire. Multiple regression analysis with SPSS version 26 was used to analyze the data. The quantitative study's findings indicate that usage of social media and Digital Payment (QRIS) is having a favorable and substantial influence on the performance of MSMEs in Pekanbaru. Furthermore, Digital Payment (QRIS) shows no major impact on MSMEs' performance in Pekanbaru.

Keywords: Social Media, QRIS, Digital Marketing

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are entities in Indonesia that are owned by a person or entity and are governed by the Micro, Small, and Medium Enterprises (MSMEs) Law Number 20 of 2008. MSMEs (micro, small, and medium-sized enterprises) are unofficial firms that grow from possibilities in the community. The MSMEs are projected to provide revenue for small entrepreneurs, hence improving the Indonesian people's standard of life.

MSMEs play a critical role in the Indonesian economy. MSMEs are important overall the Indonesian economy because they allow economic cycles to reach rural regions and meet the everyday requirements of tiny communities (Remmang, 2021). According to information gathered by the Coordinating Ministries for the Economy of the Republic of Indonesia for 2023, MSMEs generated 61.07% of the national GDP, or IDR 8,574 trillion. MSMEs contribute significantly to national exports, accounting for 15.69% or the value of IDR 339.2 trillion. MSMEs in Indonesia have the potential to employ 119.56 million people (Coordinating Ministry for Economic Affairs, 2023).

MSMEs are one of the cornerstones of the Indonesian economy; they are not only small enterprises, but they also help to stimulate national growth in the economy and absorb manpower. Recognizing the significance of MSMEs in Indonesia, the Indonesian government has made numerous efforts to maintain and grow MSMEs through programs that involve Pemulihan Ekonomi Nasional (PEN), Kredit Usaha Rakyat (KUR), and Gerakan Nasional Bangga Buat Indonesia (Gernas BBI) (Maryanto, 2022). These initiatives are designed to boost the performance of MSMEs which are beneficial to the Indonesian gdp. Increased MSME sales demonstrate improved MSME performance. This initiative will be carried out by giving MSMEs with manufacturing capital. MSMEs will handle the funds in order to boost their output. It is believed that as manufacturing grows, so will sales. MSME business

owners' income can be increased through sales. As a result, it is critical to enhance the performance of MSMEs.

From 2020 until the present, the government has developed programs to boost the performance of MSMEs. According to the Ministry of Cooperatives and Small and Medium Enterprises, MSMEs in the country experienced extremely strong growth throughout 2023, reaching 8.71 million units in that year (Ministry of Cooperatives and Small and Medium Enterprises, 2023). However, while growth is growing, it is insufficient to improve the performance of MSMEs. According to Tenten Masduki, Minister of Cooperatives and Small and Medium Enterprises, the performance of Indonesian MSMEs in the country has not been optimized. For them to compete in the global market, the large number of Indonesian MSMEs still require attention (Kumparan, 2023). Although MSMEs contribute significantly to the economy, this does not imply that they function well (Wardi and Susanto, 2015). Many flaws remain in Indonesian MSMEs. MSMEs' productivity performance has an approximate of total GDP at current prices of just approximately 60%, despite the fact that the section of its business units averages 99.9% and the percentage of its workforce is 97%. This demonstrates that there is a productivity gap in Indonesia between MSMEs and major firms. Because of their poor productivity, MSMEs find it difficult to grow and attain greater economic success.

According to the explanation above, it is possible to infer that the performance of MSMEs in Indonesia still remains inadequate, despite their ability to benefit to the Indonesian economy. due to the poor degree of productivity competitiveness. Global market rivalry is an obstacle for Indonesian MSMEs as they strive to enhance their company performance in the belief of the economic sector would become quicker and more sophisticated, hence promoting the country's economic progress. In the opinion of (Alimudin et al., 2019), the conventional management of MSME enterprises is to blame for the poor achievement of MSMEs in Indonesia. Traditional management approaches are deemed ineffective and unsuited for the actions of MSME players. Changes toward digitization are required to boost promotion and reach clients, which will improve MSMEs' performance.

The amount of users of the internet is growing at the moment. People's preferences for online buying techniques generate new commercial prospects in the age of technology. Because to the COVID-19 epidemic, individuals have been driven to relocate all of their transactions online and increase digital acceleration. According to the Republic of Indonesia's Ministry of Communication and Information, there are expected to be 63 million internet users in Indonesia by 2023. 95 percent of these people utilize the internet for connecting to social networks. Every day, the median Indonesian consumes no less than 3 hours and 26 minutes on social media for whatever purpose (Kemenkominfo, 2023). MSMEs must adapt to this digitization trend. Seeing possibilities will improve business success, particularly opportunities to access a larger market. In today's corporate environment, moving commercial operations such as promotions to social media might be a solution. MSMEs must investigate digitization in order to attract and connect a broader spectrum of customers. Social media may be used to help MSME players acquire greater marketing connectivity (Pebrianggara, Biduri, & Prapanca, 2021).

MSMEs require digital payment technologies which are quickly, precise, and secure in order to streamline transactions and improve MSME performance. Various digital start-ups in Indonesia, especially in the financial technology industry since 2015 until now, indicate that the growth of the financial technology industry can be an opportunity for MSME players to improve their performance. The amount of electronic money available today has created an innovation to create a new method that can accept all QR codes. The Indonesian government together with Bank Indonesia on January 1, 2020 officially released the Indonesian standard for the use of QR codes under the name Indonesian Quick Response Code Standard (QRIS). The usage of QRIS strives to improve the efficiency with which MSMEs use QR codes; recently, QRIS has become an advantageous development for businesses and customers. The adoption of QRIS by MSMEs would be able to assist boost their

company performance due to its benefits in making the digital transaction process more efficient. The implementation of standardized QR codes makes the MSME digital transaction procedure more feasible since it eliminates the need for several QR codes generated by various PJPs (Setiawan and Mahyuni, 2020).

MSMEs employ Digital Marketing after utilizing the digitalization paradigm. Digital marketing is used to help MSMEs enhance their performance. A product from an MSMEs will be marketed through a digital platform, increasing product popularity and increasing its value of competitive advantages, resulting in greater sales and improved MSME performance. The aim of digital marketing is the product's distinctiveness in comparison to rivals, which draws customers' attention and encourages them to purchase the product (Nafi, 2023).

This study will focus on MSMEs in Pekanbaru City. According to Mr. Indra Pomi, the person in charge for the City of Pekanbaru, the Pekanbaru business has risen in the last year. This is reflected in a rise in MSME activity. At least till now, it has been documented that the number of small and medium-sized enterprises (MSME) in Pekanbaru City has reached 26,401, an increase of 26.40 percent over the previous year (Hendra, 2022). The increased number of umkm in Pekanbaru is matched by a rise in the number of umkm that have been closed. a statement from Pekanbaru Mayor Firdaus, numerous companies in Pekanbaru City have closed in the previous two years, or after the Covid-19 epidemic occurred, namely 2020 to 2022. Furthermore, numerous employment have been lost. This issue is addressed by establishing a Micro, Small, and Medium Enterprises (MSME) bazaar or by consolidating MSMEs into a single foodpark. This strategy is utilized to help purchasers discover MSME renters and re-motivate MSMEs.

Based on the above debate, researchers will conduct a study of MSMEs' performance using social media use, digital payments (QRIS), and digital marketing as assessed factors. The study will be carried out in the Raun-Raun Foodpark Pekanbaru City, that is located on Arifin Ahmad Street Number 148 F, East Sidomulyo Village, Marpoyan Damai District, Pekanbaru.

Based on the reasoning above, the authors pose the following problems: Does the Use of Social Media Affect the Performance of Pekanbaru's MSMEs? Does Digital Payment (QRIS) have an impact on the performance of MSMEs in Pekanbaru? Does Digital Marketing Affect the Performance of Pekanbaru's MSMEs?

METHOD, DATA, AND ANALYSIS

This is an example of quantitative research. This study relied on primary data as its source of information. The research site is the location or region where the study will take place. This study was carried out Pekanbaru City. This investigation was conducted at RAUN-RAUN FOODPARK, The Pekanbaru City, and this is located at Arifin Ahmad Street Number 148 F, Sidomulyo Timur Village, Marpoyan Damai District, Pekanbaru City. The research period is from September 2022 to Mei 2023. This survey included 151 MSMEs from Raun-Raun Foodpark in Pekanbaru City. Participants in the present investigation were proprietors of food MSMEs in Pekanbaru's foodpark raun-raun. The sort of research employed in this study is census research. In this study the questionnaire instrument was used to obtain data. All questionnaires will be distributed to all MSMEs that meet the sample criteria at Raun-Raun Foodpark Pekanbaru city. The questionnaire that was distributed by the researcher then gave a grace time for the participant to comprehend while waiting for the questionnaire to be filled out according to existing rules. This questionnaire was designed by dividing it into two main parts, namely the first part containing the identity of the respondent and company profile, the financial condition of MSMEs. and the second part contains a

question instrument for each variable contained in the study. Primary data collected as samples in this study were obtained through distributing questionnaires which were carried out by submitting them directly to MSME actors who were willing to fill out the questionnaire. The information that has been gathered is then processed using the SPSS application version 26.0.

RESULT AND DISCUSSION

The purpose of this research is to identify the link between the characteristics of respondents, in this case, MSME players at the RAUN-RAUN foodpark in Pekanbaru City. A questionnaire was provided to participants in the food industry of MSME actors stationed at the Raun-Raun Food the Court Pekanbaru to collect data.

Table 2. 1 Distribution of Questioners

No	Description	Amount	Percentage
1	Distributed questionnaires	151	100%
2	Responded questionnaires	76	50%
3	Not-Responded questionnaires	45	30%
4	Questionnaire that cannot be processed	10	7%
5	Questionnaire that can be processed	66	44%

Source : Primary Data 2023

Descriptive Analysis Of Research Variables

Table 2. 2 Descriptive Analysis Of Research Variables

Variable	N	Minimum	Maximum	Means	std. Deviation
SMEs Performance (Y)	66	3	5	4,216	3,194
social media usage (X1)	66	3	5	4,163	2,324
Digital payments Qris (X2)	66	2	5	3,955	3,36
Digital Marketing (X3)	66	2	5	4,065	2,47
VALID N	66				

Source : Primary Data 2023

The total amount of data samples is 66, as shown in the following table of the descriptive statistical analysis above. The Small and Medium-Sized Enterprises Performance (Y) variable has minimum and maximum values of 3 and 5, respectively, with a mean of 4.216 and a standard deviation of 3,194. and the variables for social media use are 3 and 5, with a mean of 4,163 and a deviation from the mean of 2,434. The Digital Payment QRIS variables are 2 and 5, respectively, with a mean of 3,955 and a standard deviation of 3.360. The last two variables for Digital Marketing are 2 and 5, with a mean of 4,065 and a standard deviation of 2,470. The preceding descriptive statistics findings show that all of the means are positive, allowing parametric testing to be performed and research to proceed.

Validity Test

The validation process of this research uses Pearson correlation, which compares the results of r count with r table with the level of freedom (df) = n-2, where the number of samples collected in the study is 66.

1. Validity test of the MSME performance (Y)

Table 2. 3 The Validity Test

No.	Variable	Item	r calculation	r table	Description
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1		Y1	0,645	0,16319	VALID
2		Y2	0,579	0,16319	VALID
3		Y3	0,392	0,16319	VALID
4		Y4	0,587	0,16319	VALID
5	MSME's Performance (Y)	Y5	0,351	0,16319	VALID
6		Y6	0,251	0,16319	VALID
7		Y7	0,475	0,16319	VALID
8		Y8	0,565	0,16319	VALID
9		Y9	0,638	0,16319	VALID
10		Y10	0,379	0,16319	VALID
1		X1.1	0,871	0,16319	VALID
2		X1.2	0,844	0,16319	VALID
3	Media Sosial Usage (X1)	X1.3	0,822	0,16319	VALID
4		X1.4	0,888	0,16319	VALID
5		X1.5	0,855	0,16319	VALID
6		X1.6	0,81-	0,16319	VALID
1		X2.1	0,896	0,16319	VALID
2	Digital payment QRIS (X2)	X2.2	0,937	0,16319	VALID
3		X2.3	0,937	0,16319	VALID
4		X3.4	0,895	0,16319	VALID
1		X3.1	0,942	0,16319	VALID
2	Digital Marketing (X3)	X3.2	0,944	0,16319	VALID
3		X3.3	0,944	0,16319	VALID
4		X3.4	0,894	0,16319	VALID

Source : Primary Data 2023

The findings of the data reliability assessment of the MSME performance measurement (Y), The media social use, Digital Payment (QRIS), and digital marketing can be explained with table 2.3 above, since r count r table.

Reability Test

Table 2. 7 Reability Test

No	Variable	Cronbach Alpha	Description
1	MSME's Performance	0.709 > 0.700	Reliable
2	Media Social Usage	0.921 > 0.700	Reliable
3	Digital Payment QRIS	0.936 > 0.700	Reliable
4	Digital Marketing	0.942 > 0.700	Reliable

Source : Primary Data 2023

According to table 5.10, the Cronbach's Alpha value for every variable is greater than 0.700, therefore as the foundation for making decisions in the reliability evaluation described above, it can be determined that each of the symptoms and survey responses are reliable or consistent.

Classical Assumption test results

Normality Test Result Data Kolmogorov-Smirnov (KS)

Table 2. 8 Normality Test Results

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized Residual	
N		100	
Normal Parameters ^{a,b}	Mean	0	
	Std. Deviation	386.203.547	

	Absolute	0.054
Most Extreme Differences	Positive	0.054
	Negative	-0.053
Test Statistic		0.054
Asymp. Sig. (2-tailed)		.200 ^{c,d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source : Primary Data, 2023

Based on the data in table 5.11, the Asymp. Sig (two-tailed) is 0.200 larger than 0.05. As a result, the regression model fits the normal distribution or the normality assumption and may be used in the following test.

Multicollinearity Test

Table 2. 9 Multicollinearity Test Results

Model	Tolerance	VIF
(Constant)		
X1	0,372222222	1.867
X2	0,047222222	1.471
X3	0,431944444	1.607

Source : Primary Data 2023

According to the table above, every single independent variable have a tolerance level of 0.10 and a variance inflating factor (VIF) of 10. It could be inferred that that there was not any multicollinearity among variables in the model of regression in this investigation. Thus, there is no linear association between each of the independent variables in the present investigation, including Social Media Use, Digital Payment QRIS, and Digital Marketing.

The Heteroscedasticity Test

Table 2. 10 The Results of The Heteroscedasticity Test

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
(Constant)	8.184	1.134		7.218	0
1	X1	-0.044	-0.081	-0.673	0,349305556
	X2	-0.261	-0.446	-4.189	0
	X3	-0.019	-0.029	-0.262	0,551388889

a. Dependent Variable: ABS_RES

Source : Primary Data 2023

According to the table, all variables that are independent have a value of significance greater than 0.05. This suggests that the regression model has no heteroscedasticity, hence it may be used to predict MSME performance depending on variables such as social media usage and digital payment. Digital Marketing, QRIS.

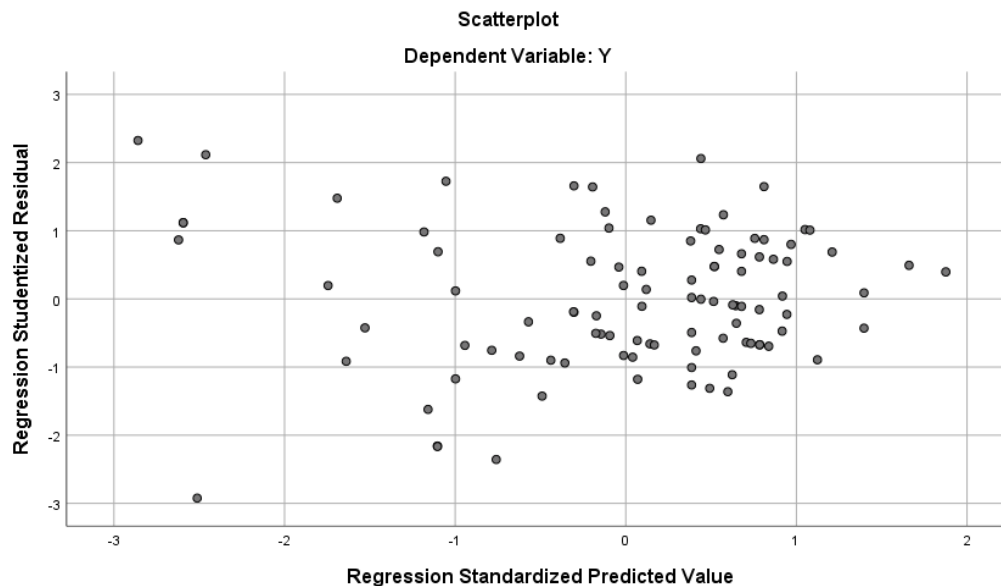


Figure. 2.1. The Scatterplot Test

The results of the pattern show that there is no apparent trend and that the spread of the data expands between and above or around the number 0, implying that the data does not exhibit indications of heteroscedasticity or that all the requirements of the test for heteroscedasticity have been met.

Multiple Linear Regression Test

Table 2. 11 Multiple Linear Regression Test Results

Coefficients^a					
Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	34.285	4.397		5.523	0.000
1 X1	0,2625	0,1111	0,1909	2.359	0.021
X2	0.092	0,0770	0.096	0,5708	0,2875
X3	0,2958	0,1006	0,2291	2.938	0.005

a. Dependent Variable: MSME_Performance

Source : Primary Data 2023

Based on the table above, we can conclude the multiple linear regression equation as follows:

$$Y = 34,285 + 0.378X1 + 0.092X2 + 0.426X3 + e$$

The above equation can be read as follows:

- If the variable usage of social media, digital payment QRIS, and digital marketing gets an amount equal to zero (0), therefore the variable that is dependent on SME performance is 30.677.
- The regression coefficient for social media use is 0.274 and is positive, which implies that if the dependent variable, namely SME performance, improves by one unit, the dependant variable, namely SME performance, will improve as well by 0.274 and vice versa.
- Digital payment QRIS regression coefficient is 0.182 and is positive, which means that if the Digital payment QRIS variable increases by 1 unit, then the dependent variable, namely SME's performance, will also increase by 0.182 and vice versa.
- Digital Marketing's regression coefficient value is 0.047 and is positive, that is if Profitability variable for digital marketing rises by one unit, then the dependent variable, namely SME's performance, will also increase by 0.047 and vice versa.

Coefficient of Determination

Table 2. 12 Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.407 ^a	0,11458	0,09653	3.922
a. Predictors: (Constant), X3, X2, X1				

Source : Primary Data 2023

Based on the data in table 5.15 above, the adjusted R-squared (R²) score is 0.139. This statistic suggests that the variable usage of social media, QRIS digital payments, and digital marketing influences the dependent variable SME performance by 13.9%. While the other 86.1% is impacted by factors outside of this research.

F Test

Table 2. 13 The ANOVA table

ANOVA^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	292.624	3	97.541	6.341	.001 ^b
1 Residual	1476.62	96	15.381		
Total	1769.24.00	99			
a. Dependent Variable: Y					
b. Predictors: (Constant), X3, X2, X1					

Source : Primary Data 2023

Based on the findings of data processing using the Statistical Program for Social Science, or SPSS, v.26 computer program, a significant value of 0.001 is less than 0.05. As a result, the independent factors have a significant impact on the variable that is dependent simultaneously (together).

T Test

Table 2. 14 Multiple Linear Regression Analysis Results

Coefficients^a					
Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	34.285	4.397		5.523	0.000
1 X1	0,2625	0,111111111	0,190972222	2.359	0.021
X2	0.092	0,077083333	0.096	0,570833333	0,2875
X3	0,295833333	0,100694444	0,229166667	2.938	0.005
a. Dependent Variable: MSME_Performance					

Source : Primary Data 2023

The basis for making a decision is that if the significance value is less than (<) 0.05, it is concluded that the independent variable has a significant effect on the dependent variable. The basis for making a decision is that if the significance value is less than (<) 0.05, it is concluded that the independent variable has a significant effect on the dependent variable.

Based on Table above, the results of the t-test for each hypothesis are as follows:

1. The effect of using social media on the performance of MSMEs.

The calculated significance value of 0.021 is less than 0.05. As a result, it is possible to infer that the usage of social media has a substantial impact on the performance of MSMEs. As a result, we may infer that H1 is acceptable.

As a result, it is possible to infer that the use of social media is done successfully, and that it has a good and substantial impact on the performance of MSMEs. Social media must be used to boost the

performance of MSMEs. This is due to the fact that the usage of social media has been shown to have a favorable and significant influence on the performance of MSMEs in the Pekanbaru City Foodpark area. Because there are so many social media users nowadays, it is quite successful to undertake marketing using social media because consumers spend the majority of their time on social media. According to (Mason, Narcum, et al., 2021), social media can boost procurement. Studies show that social media. According to (Mason, Narcum, et al., 2021), social media can boost procurement. According to studies, social media has a worldwide reach for commercial promotion. The amount of activity in social media provides great opportunities to reach consumers anywhere and anytime. in line with previous research (Firdaus and Fahrizal, 2021) small and medium-sized firms (MSMEs) in Jambi City show that the usage of social media has a favorable and substantial influence on their performance.

The role of social media as a whole the average score is in the range of "good" criteria. MSME performance obtained an average score in the range of 3.41-4.20 with the "high" criterion. Other research that also supports the variable use of social media to influence MSME performance is research (Maan and Rania, 2021). The study was conducted in Palestine and showed that the use of social media greatly affects small and medium-sized businesses (MSMEs) there. This study was conducted in Palestine and showed that the use of social media greatly affects small and medium-sized businesses (MSMEs). Basic regression analysis was used to evaluate 332 valid surveys. Six out of seven hypotheses investigating the influence of variables on social media adoption were found to be significant. Therefore, it can be concluded that the researchers' findings support previous research that social media has a significant influence on MSME performance.

2. The effect of Digital Payment QRIS on the performance of SMEs

The significant value of the Digital Payment Variable (Qris) of 0.414 indicates that this is greater than the significance threshold of 0.05. Therefore, it can be concluded that MSME performance is not significantly affected by digital payment QRIS. Hence, H2 is rejected. Therefore, it can be concluded that the Digital Payment Experiment (QRIS) has no significant impact on the performance of MSMEs. This is due to the fact that the average respondent's answer is at point 3, which indicates that respondents are still confused about the different ways of using QRIS, which has a significant influence on MSME performance. Based on observations in the field, many MSME actors say that the use of QRIS is not entirely beneficial, there are still many people who use Cash and MSME actors still accept the cash payment method. In addition, the use of QRIS, in this case as a digital payment, for small and micro businesses has some limitations. For example, QRIS sets a limit on the income that can be taken by MSME players; if the limit is exceeded, the money can be disbursed to their accounts. If the limit is not exceeded, the money will be held in QRIS temporarily. If the sales limit generated on that day does not meet the limit, then the money cannot be withdrawn. small and micro businesses have limited capital so that sales every day must be used as capital turnover, so that MSME players do not like the use of QRIS. However, MSMEs can only use QRIS as an administrative requirement to register as a tenant at RAUN-RAUN Foodpark Pekanbaru because there are online payment requirements there. Researchers found, in accordance with Oktoviana Banda Saputri's study (2020), that the use of QRIS does not have a significant impact on customers' desire to use it. further research from Aianti et al., (2019); Karniawati et al., (2019); Setiawan & Mahyuni (2020) that the use of QRIS makes MSME players have several obstacles, including constraints on internet networks, lack of mastery of information technology, costs and transaction limits, according to my umkm narrative at RAUN-RAUN Pekanbaru tenants as well. Similarly with the research of Luh Putu Mahyuni (2021) which said that it was not proven that there was a significant effect of using QRIS on the performance of MSMEs that he found. this is due to unstable network constraints and the existence of a transaction limit on the use of QRIS. so based on these findings and supported by several previous studies it is evident that the use of QRIS digital payments has not been able to have a significant impact on the performance of MSMEs.

3. The effect of Digital Marketing on the performance of SMEs.

As the result, the significance level of variable X3 is 0.05, with a significance value of 0.005. Thus, it can be concluded that digital advertising has a significant influence on SME performance, and H3 is accepted.

Thus, it can be concluded that digital advertising carried out by small and medium-sized enterprises (SMEs) is of high quality, and can improve their performance, digital marketing is needed because the effect is significant. This result can be seen from the responses of the samples who answered agree with the statements in the questionnaire. digital marketing can improve the performance of business actors by reaching buyers better and quite broadly digital marketing can also be a medium for promoting and introducing MSME business products. According to information collected in the field, most business owners in RAUN-RAUN Pekanbaru City already understand various digital promotion strategies. These results are in line with the research of Kusniawan Nur Muhammad Fitra (2019), which found that the research shows that digital marketing has a positive and significant impact on the income of Micro, Small and Medium Enterprises (MSMEs) in Enggal sub-district. MSMEs have decided to use digital marketing to increase their income, and digital marketing also has the ability to increase their income in an unlimited period of time. Padli Hili (2022) conducted research that found that the results of the analysis of this study indicate that digital marketing has a positive and significant effect on competitive advantage, digital marketing has a significant positive effect on MSME performance, competing has a significant positive effect on MSME performance, and digital marketing has a positive effect on MSME performance. Another journal, Muhammad Razie Effend (2023), stated that digital marketing has a favorable and substantial influence on MSME product innovation in Lhokseumawe City and MSME marketing performance in Lhokseumawe City. Based on the preceding description and other supporting publications, it is reasonable to conclude that digital marketing has no substantial influence on MSMEs' product innovation in Lhokseumawe City.

CONCLUSION

Based on the results of the data analysis described in the previous chapter, it can be concluded as follows:

1. Based on the data analysis and discussion that has been carried out in the previous chapter, it can be concluded that the results of testing the first hypothesis show that social media usage is accepted because there is a significant influence on variable Y. The results of testing the second hypothesis show that digital payment (Qris does not successfully affect the performance of MSMEs, so this hypothesis is rejected. The results of testing the third hypothesis show that there is a significant positive effect of digital marketing on the performance of MSMEs, so this hypothesis is accepted.
2. The failure of the second hypothesis of the three hypotheses tested in influencing the dependent variable is due to the many rules and regulations in using QRIS which make it difficult for MSMEs and also there are still many MSMEs that are not ready to use digital in running their business, but another possible reason is because MSME owners still do not have sufficient experience in using the digital payment system.

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