



# Implication Of Social Media Marketing On Business Performance In Makassar City

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## ABSTRACT

This research is to see how far the use of social media is used by SMEs owners to improve business performance. Owner competence is very important in the use of social media for business. Lack of Owner Competence can be an owner's reluctance to use social media while the use of social media for businesses is very massive and very Helpful in reaching consumers and expanding the market. As many as 214 SMEs owners were sampled in this study, the research method used descriptive statistical analysis. The results obtained on the HR Competency variable the highest Mean value is on the Knowledge indicator, on the Perceived Usefulness variable the highest Mean value is on the Helpful indicator, on the Perceived Ease Of Use variable the highest Mean value is on the Clear and easy to use indicator, on the Behavioral Intention To variable Use the highest Mean value is on the Prediction to Continue Using indicator, and on the Business Performance variable the highest Mean value is on the Sales Growth indicator. This gives the conclusion that HR Competence greatly influences Business Performance Growth through the use of Social Media Marketing

**Keywords:** Social Media, SMEs Business Performance

## 1. INTRODUCTION

The use of social media has greatly increased, this has become a major need. Based on data from the Ministry of Communication and Informatics (Kemenkominfo), it is revealed that internet users in Indonesia currently reach 63 million people. Of these, 95% use the internet to access social media networks. Seeing the large number of internet users, especially the use of social media, can be an opportunity for SMEs in terms of marketing their products and this is also supported by the development of digital marketing so that knowledge about the use of digital to serve as an alternative marketing is widely known both from consumers and from SMEs. itself. Digital social media platforms also support it by presenting buying and selling facilities in the application, such as on Facebook there is a marketplace, on Instagram there is a shop, this makes it easier for buyers and sellers to exchange information. The Covid 19 outbreak has also become the main reason for the shift of SMEs players from the market to the Digital Economy sector [1] [2]. Traders choose to sell products through e-commerce platforms in order to be able to maintain their business due to the effects of the pandemic which are predicted to last quite a long time.

The competence of managers or owners is still being debated whether this is an important thing that can affect business performance or not. One example is research by Dewi L. and Christian S. [3], examining the effect of managers' entrepreneurial attitudes and managers' entrepreneurial competence on the performance of Small and Medium Enterprises (SMEs) organizations. Manager's entrepreneurship has no effect. Empirical studies by Nugraha B. and Akbar MF. [4], regarding the use of social media also proves that the intention to use social media is influenced by many factors such as organizational, social factors and individual factors, related to the competence of HR owners of SMEs towards the use of social media is part of individual factors involving knowledge, skills, behavior and experience.

## 2. METHOD

Descriptive statistics are statistics that describe or describe phenomena, data characteristics become clearer and information is easier to understand. Descriptive statistics are often used to provide information about the characteristics

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of key research variables. The mean or average is a value that represents a set or group of data. The average is obtained by adding up all the individual data in the group, then dividing it by the number of individuals in the group. The mean in this study uses a score range of 1-5 from very bad to very good. The formula for calculating the average is as follows.

$$x = \frac{\sum X_i}{n} = \frac{1}{n}(X_1 + X_2 + \dots + X_n) \quad (1)$$

### 3. THEORETICAL BACKGROUND

#### 3.1. Social Media Marketing

The potential for new and sustainable business-customer relationships at relatively low cost for companies, online social networks such as Facebook and Twitter are attractive places for social exchange. Adoption and social exchange theory serve as the basis for our analysis of small firms in the industry landscape included in this study. Social, Behavioral, and Health Sciences Journal of Adoption Social exchange theory [5] Lupo & Stroman from 2020 has aided our understanding of the adoption process, its potential barriers, and the broader effects of social exchange processes in various areas of social media marketing.

Social media marketing is a useful tool for maintaining competitiveness in the larger market. However, implementing social media best practices in small businesses is still lacking. The results show that successful marketing strategies tend to incorporate Facebook as the main social media tool and include content such as services, education, and holiday posts. The benefits of social media marketing mainly center around low-cost marketing options to increase visibility, while the challenges include a trial-and-error learning curve. The results of this research can help small businesses improve their long-term viability through social media marketing strategies. [5]

According to Agarwal and Karahanna [6], users enter a state of cognitive absorption (CA) when they are intensely engrossed in information technology. According to Agarwal and Karahanna [6] there are many reasons why CA encourages users to use social media. Social media, for example, allows for temporal dissociation, which reduces the user's awareness of the passage of time. Additionally, social media offers users a targeted immersion experience that enables them to escape the unpleasant realities of life. Third, successful interactions between a user and the software through social media can increase enjoyment. Finally, social media can satiate users' curiosity by offering novelty and wonder. Social media gives users a sense of control.

#### 3.2. HR Competence

The emphasizes that competence consists of knowledge, abilities and attitudes. McClelland is recognized as an expert who introduced the concept of performance-based competency through his research to improve the quality of competency-based employee performance [7].

Woo C. et al. [8] showed that prior managerial and entrepreneurial experience had a positive impact on the economic performance of new firms, but had no significant impact on their viability. Chandler GN. and Jansen E. [9], emphasized that the number of firms previously founded by a founder and the number of years previously spent as owner-manager did not affect the growth of new firms.

Competence as a whole attribute of entrepreneurs such as attitudes, beliefs, knowledge, skills, abilities and personality. Skills and behavioral tendencies necessary to sustain business success. [10]

#### 3.3. Business Performance

Business Performance is also supported by competitive advantage. Competitive advantage is the result of visits from owners. This is because a visit from an owner affects potential customers who will buy the product. The more active the owner and workforce carry out sales activities, the more competitive advantage increases and marketing performance increases later. [11]

From several previous studies, several indicators are used in the success of the performance of a business. According to Wiklund J. and Shepherd D. [12] Firdaus Wardhana Z. and Nugraha A. [13], business performance can be measured using: 1. sales growth, 2. customer growth, 3. product success. According to Riyanti, criteria that are significant enough to determine the success of a business can be seen from: 1. Total production, 2. Number of customers, 3. Business expansion, 4. Expansion of marketing areas, 5. Improvement of physical facilities, and, 6. Business income. According to Munizu M. [14], business performance indicators are: 1. Sales growth, 2. Capital growth, 3. Labor growth, 4. Market growth, 5. Profit growth

**3. RESULT**

**Tabel 1.** The Mean Score of HR Competency Variables

The Mean Score of HR Competency Variables		
Indicator	Item	Mean
Knowledge (X1.1)	X1.1.1	4.20
	X1.1.2	4.41
	The average score of answers to the Knowledge indicator	<b>4.30</b>
Skill (X1.2)	X1.2.1	4.39
	X1.2.2	3.43
	X1.2.3	4.02
	The average score of answers to the Skill indicator	<b>3.94</b>
Attitude (X1.3)	X1.3.1	4.52
	X1.3.2	4.08
	X1.3.3	4.13
	The average score of answers to the Attitude indicator	<b>4.24</b>
Experience (X1.4)	X1.4.1	3.61
	X1.4.2	3.43
	X1.4.3	3.22
	X1.4.4	3.08
	The average score of answers to the Experience indicator	<b>3.33</b>
	The mean score of HR Competency Variable answers	<b>3.95</b>

From the results of the research analysis on the HR competency variable using 4 indicators, it can be seen that the mean value for each indicator can be interpreted on a good and good scale, the highest value on the HR competency variable is on the Knowledge indicator with a mean value of 4.30 and the lowest score on the skills indicator. of 3.94.

**Tabel 2.** Nilai Rerata Skor VARIabel Perceived Usefulness

Nilai Rerata Skor Variabel Perceived Usefulness		
Indicator	Item	Mean
Speed Up Works (Y1.1)	Y1.1.1	4.29
	Y1.1.2	4.42
	The average score of answers to the speed up works indicator	<b>4.35</b>
Effectiveness (Y1.2)	Y1.2.1	4.29
	Y1.2.2	4.32
	The average score of answers to the Effectiveness indicator	<b>4.30</b>
Make Work Easier (Y1.3)	Y1.3.1	4.29
	Y1.3.2	4.20
	The average score of answers to the make work easier indicator	<b>4.24</b>
Helpful (Y1.4)	Y1.4.1	4.61
	Y1.4.2	4.25
	Y1.4.3	4.50
	The average score of answers to the Helpful indicator	<b>4.45</b>
Job Performance (Y1.5)	Y1.5.1	4.29
	Y1.5.2	4.45
	The average score of answers to the Job performance indicator	<b>4.37</b>
	The average score of the answers to the Variable Perceived Usefulness	<b>4.34</b>

From the results of the research analysis on the variable Perceived Usefulness using 5 indicators, it can be seen that the mean value for each indicator can be interpreted on a good and good scale, the highest value on the Perceived Usefulness variable is on the Helpful indicator with a mean value of 4.45 and the lowest value on the Make indicator Work easier by 4.24. It can be concluded that in the perceived usefulness variable, respondents felt that all indicator involvement in influencing perceived usefulness was in the good category.

**Table 3.** Nilai Rerata Skor Variabel Perceived Ease Of Use

Nilai Rerata Skor Variabel Perceived Ease Of Use		
Indicator	Item	Mean
Easy to Learn (Y2.1)	Y2.1.1	4.27
	Y2.1.2	4.12
	Y2.1.2	4.19
	The average score of answers to the Easy to learn indicator	<b>4.19</b>
Clear and Easy to Use (Y2.2)	Y1.2.1	4.42
	Y1.2.2	4.15
	The average score of answers to the clear and easy to use indicator	<b>4.28</b>
Can Be Controlled (Y2.3)	Y2.3.1	4.06
	Y2.3.2	4.26
	The average score of answers to the Can be Controlled indicator	<b>4.16</b>
	The average score of the answers to the Variable Perceived Ease Of Use	<b>4.21</b>

From the results of the research analysis on the Perceived Ease of Use variable using 5 indicators, it can be seen that the mean value for each indicator can be interpreted on a good and good scale, the highest value on the Perceived Ease of Use variable is on the Clear and Easy To Use indicator with a mean value of 4.28 and the lowest value on the Can be Controlled indicator is 4.16.

**Table 4.** Nilai Rerata Skor Variabel Behavioural Intention To Use

Nilai Rerata Skor Variabel Behavioural Intention To Use		
Indicator	Item	Mean
<i>Intention To Always Using (Y3.1)</i>	Y3.1.1	4.27
	Y3.1.2	4.46
	Y3.1.2	4.21
	The average score of the answers to the Intention To Always Use indicator	<b>4.31</b>
<i>Prediction to continue using (Y3.2)</i>	Y3.2.1	4.42
	Y3.2.2	4.39
	The average score of the answers to the prediction indicator to continue using	<b>4.41</b>
<i>Always try to use (Y3.3)</i>	Y3.3.1	4.42
	Y3.3.2	4.40
	Y3.3.3	4.27
	The average answer score for the Always try to use indicator	<b>4.36</b>
	The average score of the answers to the Behavioral Intention To Use Variable	<b>4.36</b>

From the results of the research analysis on the Behavioral Intention To Use variable using 3 indicators, it can be seen that the mean value for each indicator can be interpreted on a good and good scale, the highest value on the Behavioral Intention to Use variable is in the Prediction to continue using indicator with a mean value of 4.41 and the lowest value on the Intention To Always Use indicator is 4.31

**Table 5.** The Average Score of Business Performance Variables

The Average Score of Business Performance Variables		
Indicator	Item	Mean
Sales growth (Y4.1)	Y4.1.1	4.05
	The average score of the answers to the sales growth indicator	<b>4.05</b>
Capital Growth (Assets) (Y4.2)	Y4.2.1	3.81
	The average score of the answers to the Capital Growth indicator (Assets)	<b>3.81</b>
Labor Growth (Y4.3)	Y4.3.1	3.38
	Y4.3.2	3.41
	The average score of the answers to the Labor Growth	<b>3.40</b>

Market growth (Y4.4)	Y4.4.1	3.86
	Y4.4.2	3.93
	The average score of market growth indicator answers	<b>3.90</b>
Profit growth (Y4.5)	Y4.5.1	3.97
	Y4.5.2	3.96
	The average score of the answers to the profit growth indicator	<b>3.97</b>
	The average score of the answers to the Business Performance Variable	<b>3.82</b>

From the results of the research analysis on the Business Performance variable using 5 indicators, it can be seen that the mean value for each indicator can be interpreted on a good and good scale, the highest value on the Business Performance variable is on the Sales Growth indicator with a mean value of 4.05 and the lowest value on the indicator Labor Growth of 3.40.

**5. CONCLUSION**

The highest Mean value on the HR Competency Variable is Knowledge, on the Perceived Usefulness Variable is Helpful, on the Perceived Ease of Use variable is Clear and Easy to Use, and on the Behavioral Intention To Use variable is Prediction to continue using and lastly on the Business Performance variable the value The highest mean is in the sales growth indicator

**AUTHORS' CONTRIBUTIONS**

1. MANUSCRIPT PREPARATION AND PUBLICATION
2. RESEARCH IDEA AND DATA PROCESSING
3. DATA COLLECTION AND DISCUSSION
4. DATA COLLECTION AND DISCUSSION
5. DATA COLLECTION AND DISCUSSION

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