
The Influence Of Digital Marketing Strategy And Product Innovation On Culinary Business Income

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Abstract:

The research aims to determine the effect of digital marketing strategy and product innovation on culinary business income in Surabaya. The research method used is descriptive verification method with a survey approach. The population in this study are culinary entrepreneurs in Surabaya whose number is unknown. Samples were taken by accidental sampling so that a total of 100 people were obtained based on the Slovin method. Data were analyzed using IBM SPSS version 26 and data analysis through several tests, namely: validity test, reliability test, classical assumption test, multiple linear regression analysis and coefficient of determination test. The results of this research show that digital marketing strategies and product innovation have a positive and significant effect on culinary business income in Surabaya.

Keywords: *Digital, Innovation, Income, culinary*

1. Introduction

Giving a business name is a marketing strategy that can affect the promotion process. Culinary business actors can identify consumers, determine the level of success, carry out strategic planning that involves all stakeholders, be transparent, and realize that this is not about the business itself. Digital Marketing (Chaffey in Abdurohim, 2021), is the application of digital technology that forms online channels to the market (websites, email, databases, digital TV and through various other recent innovations that aim to make a profit. It is undeniable that today's technology has become needs for all levels of society (Chakti & Abadi, 2019), meaning that digital marketing opportunities have a large impact due to changes in consumer behavior patterns in the use of technology. Implementation of digital marketing strategies will further expand the reach of product marketing, where their products will be more easily accessible to the public and out regions can even make the culinary business more known by the wider community.

The tenacious and diligent spirit of an entrepreneur can be used to try to develop his business and adapt to the current situation and conditions. Besides having a tenacious and diligent spirit, an entrepreneur or business actor is able to think creatively and innovatively, especially in the culinary field (Pradiani, 2017). Apart from experiencing problems in terms of product marketing, culinary business actors in South Sumatra admit that they still lack innovation in their products. Business actors

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in general are currently under development and are still faced with various problems, for example low productivity, limited access to productive sources such as capital, technology, markets and information, an uncondusive business climate (Santoso, 2020).

Culinary business actors in Surabaya admit that it is very difficult to create new innovations in the products they sell. Culinary or food has become a basic need for every individual. Everyone can survive by requiring food and drink intake (Purwana et al. 2017). Everyone's taste is also different, some like spicy, savory, sweet and others. This must be considered by culinary entrepreneurs. If they sell some food or drinks, then they have to think innovatively to provide new flavors in order to attract consumers. It is undeniable, every consumer must have their own boredom. Therefore, culinary business actors can implement product innovations that they sell so that they still receive the attention of consumers. This innovation is not only in the form of product innovation, but innovation can also be in the form of process innovation (Mustika, 2019).

This is what causes culinary businesses in Surabaya to always be in a low position. When a business actor has a marketing strategy that has been prepared it influences business development in achieving income (Sulaksono, 2020). This study aims to determine the effect of digital marketing strategies, product innovation, and venture capital on culinary business income in Surabaya

2. Methodology

The study approach is the whole method used by researchers starting from the formulation of the problem to the stage of drawing conclusions. The study approach places more emphasis on the research techniques to be carried out (Creswell, 2014). The research method according to Creswell (2014) is a process of activities in the form of data collection, analysis, and providing interpretation related to research objectives. The research method is a scientific method for obtaining data with specific purposes and uses (Sugiyono, 2017). In this study, researchers used a quantitative descriptive verification research approach using survey methods. A descriptive study according to Sugiyono (2017) is research conducted to describe independent variables, either only on one variable or more (stand-alone variable) without making comparisons and looking for that variable with other variables. The verification method is defined as research conducted on certain populations or samples with the aim of testing the established hypotheses.

Based on the understanding presented by Sugiyono (2017), it can be explained that descriptive verification research is a research method used to describe true or not facts, as well as explain how the relationship between the variables studied is the method of data collection, data processing, data analysis, and interpreting data in statistical hypothesis testing (Triyono, 2022). The next survey research method is research that is used to measure the value of a number of variables, then test hypotheses about behavior, experience and characteristics of an object (Triyono, 2020). Survey study is

a quantitative study method used to obtain data from the past or present, regarding beliefs, opinions, characteristics and relationships between variables and is used to test hypotheses taken from certain populations, data collection techniques using observation (interviews, questionnaires) not deep.

The dependent variable is business income (Y) and the 2 independent variables are digital marketing strategy (X1) and product innovation (X2). The population in this study are culinary entrepreneurs in Surabaya whose number is unknown. Samples were taken by accidental sampling so that a total of 100 people were obtained based on the Slovin method. Data were analyzed using IBM SPSS version 26 and data analysis through several tests, namely: validity test, reliability test, classical assumption test, multiple linear regression analysis and coefficient of determination test.

3. Empirical Findings/Result

The results showed that the demographic characteristics of the respondents were 20 respondents (20%) male and the remaining 80 respondents (80%) were female. Followed by the age range <20 years as many as 77 respondents (77%), 20-30 years as many as 11 respondents (11%) and the remaining age > 30 years as many as 12 respondents (12%). For the last level of education for SMA/SMK level there were 72 respondents (72%), for the D3/Bachelor level there were 28 respondents (28%).

Validity and Reliability Test

The purpose of carrying out the validity test is to ensure that each questionnaire question distributed by the researcher is valid so that it can be used to obtain data correctly. Obtained from a comparison between r-count and r-table where $df = n - 2$ with alpha 0.05. If the Pearson Correlation value > r-table, then it can be said to be valid.

Table 1. Validity test

Variable	Pearson Correlation	r-table ($\alpha = 5\%$)	Results
Business Income	0,864	0,1966	Valid
Digital Marketing Strategy	0,758	0,1966	Valid
Product Innovation	0,812	0,1966	Valid

Source : Data Processed SPSS (2023)

Based on the results obtained in table 1, it is concluded that business income, digital marketing strategy and product innovation have a Pearson Correlation score > r-table. then it is said that all the questions are valid so that they can be a valid measuring tool.

The reliability of a variable is determined if the Cronbach's Alpha score is > 0.6. If the reliability < 0.6 is stated to be not good, but if 0.7 is in the good category and the reliability in the good category is more than 0.8.

Table 2. Reliability Test

Variable	<i>Cronbach's Alpha</i>	Results
Business Income	0,913	Reliable
Digital Marketing Strategy	0,769	Reliable
Product Innovation	0,731	Reliable

Source : Data Processed SPSS (2023)

Based on table 2, the Cronbach's Alpha score > 0.7 , so this study is acceptable and reliable.

Classic assumption test

Normality test

In the opinion of Ghozali (2018), this test can be done with the Kolmogorov Smirnov One Sample test, namely if the Asymp Sig (2-tailed) score is > 0.05 , it is said that there is a normal distribution of the data. However, if the Asymp Sig score (2-tailed) < 0.05 , it indicates that there is no normal distribution of the data.

Table 3. Normality Test

		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	1,62180791
	Most Extreme Differences	Absolute
Positive		,073
Negatif		-,076
Kolmogorov-Smirnov Z		,746
Asymp. Sig. (2-tailed)		,546

Source : Data Processed SPSS (2023)

Based on table 3, a significance score (2-tailed) was obtained 0.546. Because the significance value (2-tailed) is $0.546 > 0.05$, so it is stated that there is a normal distribution, it can be used.

Multicollinearity Test

In the regression equation, multicollinearity problems are not found if $VIF < 10$ and tolerance > 10 .

Table 4. Multicollinearity Test

Model	Tolerance	VIF
1 (Constant)		
Digital Marketing Strategy	,861	1,042
Product Innovation	,850	1,149

a. Dependent Variable: Business Income

Source : Data Processed SPSS (2023)

Referring to table 4, the overall independent variables in this study have a tolerance > 0.10, while a VIF value < 10 means that multicollinearity symptoms are not found among the independent variables.

Heteroscedasticity Test

The goodness of the regression model can be seen from the presence or absence of heteroscedasticity. This study uses the Glejser test, namely the significance score is less than 5% (0.05), so heteroscedasticity is not found.

Table 5. Heteroscedasticity Test

Model	t
1 (Constant)	
Digital Marketing Strategy	,257
Product Innovation	,591

a. Dependent Variable: Business Income

Source : Data Processed SPSS (2023)

Based on table 5, the independent variable used has a tvalue above 0.05, the test results show that heteroscedasticity is not formed.

Multiple Linear Regression Analysis

Table 6. Multiple Linear Regression

		Standardized Coefficients		
Model		Beta	t	Sig.
1	(Constant)		3,183	,315
	Digital Marketing Strategy	,489	3,617	,214
	Product Innovation	,207	3,827	,465

Source : Data Processed SPSS (2023)

Based on table 6, the value of (β) 0.489 by Digital Marketing Strategy and (β) 0.207 is obtained by Product Innovation, then an equation is formed, namely: $Y = 0.489X_1 + 0.207X_2$

Information :

1. The digital marketing strategy coefficient value is positive, which is 0.489, meaning that every increase in Digital Marketing Strategy will cause an increase in business income.
2. The product innovation coefficient is positive, namely 0.207, meaning that an

increase in product innovation will be accompanied by an increase in business income

Hypothesis test

Simultaneous Test (Test F)

When the significance is < 0.05 , it means that H_0 is rejected, meaning that the independent and dependent variables have a significant effect. If the significance value is > 0.05 , it indicates that H_0 is accepted, so that it can be stated that the independent and dependent variables have no effect.

Tabel 7. Uji Simultan

Model	Sum of Squares	Df	Mean Square	Sig.
Regression	701,763	2	202,291	0,001 ^b
Residual	262,465	98	15,504	
Total	963,228	100		

Source : Data Processed SPSS (2023)

Based on the results obtained from table 7, it can be stated that a significant value of $0.001 < \alpha$ significant level of 0.05 , so that it can be said simultaneously digital marketing strategy and product innovation affect business income.

t Test)

If a probability < 0.05 is generated, it will be stated that there are significant implications from the independent variable to the dependent variable. If the resulting probability is > 0.05 , it is said that it will not have a significant effect.

Table 8. Partial Test (t test)

Model	Sig.
1 (Constant)	
Digital Marketing Strategy	,014
Product Innovation	,018

a. Dependent Variable: Business Income

Source : Data Processed SPSS (2023)

Referring to table 8, Digital Marketing Strategy (X1) has a significance of $0.014 < 0.05$. Indicates the receipt of H_1 and the rejection of H_0 , so that business income is influenced by digital marketing strategy. (X2) has a significance of $0.018 < 0.05$. The H_2 hypothesis is approved and H_0 is rejected, indicating the acceptance of H_2 and the rejection of H_0 , so that business income is influenced by product innovation.

Determination Coefficient Test

It is hoped that this test will produce an r squared score that is greater than 0.5 , because a good value is between 0 and 1 .

Table 9. Determination Coefficient Test (R²)

a. Predictors: (Cnstant), Digital Marketing Strategy, Product Innovation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,820 ^a	,6950	,673	1,620

Source : Data Processed SPSS (2023)

Based on table 9, it is known that the Adjusted R Square value is 0.673, indicating that the independent variable (Digital Marketing Strategy, product innovation) affects the dependent variable (work productivity) by 67.4% and the remaining 32.6% was not examined by researchers in research.

4. Discussion

Based on the results of the analysis that the researchers did in this study, it is known that Digital Marketing and Product Innovation partially or simultaneously have an influence on income.

Digital marketing is one of the publication media that can affect all forms of activity because it is digital, so many people will be interested in what is happening. Product Innovation One of the keys in harmonious marketing because by always innovating on products it can be said that the company has made good developments and progress following various existing messages. The main goal of product innovation is to meet market demand so that product innovation is one that can be used as a competitive advantage for companies. There is a positive and significant influence of digital marketing strategy on culinary business income in Surabaya. This can be seen from the increasing number of digital marketing business actors, which can increase the reach of marketing expansion so as to increase business income through product sales.

Income is a form of activity results or activities from production results that occur at a certain time. Revenue for the company is a benchmark in the progress of the company. With income, a company will also know how far the company needs to evaluate or criticize the things that exist in the company for mutual progress. There is a positive and significant influence of product innovation on culinary business income in Surabaya. This is indicated by the increasing innovation in the products sold, which will further increase the attractiveness of the product so that it can increase income through product sales.

Simultaneously there is a positive and significant effect of digital marketing strategy and product innovation on culinary business income in Surabaya. This can be seen if business people are able to implement a good digital marketing strategy, then are able to innovate so that they can easily achieve the desired goal, namely increasing the income of the culinary business

5. Conclusions

Based on the research that has been done, the results of data analysis and hypotheses

about research variables consisting of the influence of digital marketing strategies, product innovation and culinary business income in Surabaya, the following conclusions can be drawn.

1. There is a positive and significant influence of digital marketing strategies on culinary business income in Surabaya. This can be seen from the increasing number of digital marketing business actors, which can increase the reach of marketing expansion so as to increase business income through product sales.
2. There is a positive and significant influence of product innovation on culinary business income in Surabaya. This is indicated by the increasing innovation in the products sold, which will further increase the attractiveness of the product so that it can increase income through product sales.
3. Simultaneously there is a positive and significant effect of digital marketing strategy and product innovation on culinary business income in Surabaya. This can be seen if business people are able to implement a good digital marketing strategy, then are able to innovate so that they can easily achieve the desired goal, namely increasing the income of the culinary business

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