

The Influence of Family Environment and Social Media Marketing on Business Performance Through Entrepreneurial Orientation in Small Micro Enterprises (MSES)

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Abstract :

The results of the study are variable family environment partially positively and significantly affect the orientation of entrepreneurship in micro and small businesses in the city. Social media marketing variables partially have a positive and significant effect on the orientation of entrepreneurship in micro and small businesses in the city of Makassar. Family environment variables partially have a positive and significant effect on the performance of micro and small businesses in the city of Makassar. Social media marketing variables partially affect the positive and significant performance of micro and small businesses in makassar city. The variable orientation of entrepreneurship partially positively and significantly affects the performance of micro and small businesses in the city of Makassar. Family Environment Variables partially have a positive and significant effect on the performance of micro and small businesses in the city of Makassar if through entrepreneurial orientation. And social media marketing variables partially have a positive and significant effect on the performance of micro and small businesses in the city of Makassar if through entrepreneurial orientation, which means the better social media marketing will improve business performance through entrepreneurial orientation.

Keywords: Business Strategy, Business Performance, Entrepreneurial Orientation, Social Media Marketing, Family Environment

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Received 12 September 2020, *Accepted* 11 Desember 2020, *Published* 16 Desember 2020

INTRODUCTION

The development of SMEs in Indonesia is now so rapid, this is proven by the SME sector able to survive in times of economic crisis for more than 6 years. In addition, the SME Sector has been able to contribute to Gross Domestic Product (GDP), labor absorption and increased exports in Indonesia. The contribution of the SME sector in increasing Indonesia's GDP also does not escape the role of women both as business people (entrepreneurs) and as workers (Priminingtyas, 2010).

An entrepreneur or small and medium business owner can succeed by thinking about and doing new things or old things in new ways. Having a great idea is not enough, turning an idea into a tangible product, service, or business venture is the next essential stage (Sumantri et al., 2013).

In mudjiarto et al research (2016) it was stated that SMEs have a considerable role and potential in building the national and sectoral economy. But the fact that SMEs have not been able to develop their potential and role optimally. Strategy of optimizing the role of the family environment and utilization of social media marketing can be used to improve the performance of SMEs.

Related to entrepreneurial activities, family serves as one of the driving factors for a person to be entrepreneurial (Naninsih & Hardiyono, 2019). Basically a person who grew up in a family that works as an entrepreneur, tends to make his child or other family members follow in the footsteps to develop his career as an entrepreneur (Citradewi, 2012).

The next variable that can affect the performance of small business is social media marketing. SME players should be able to follow the trend of change by utilizing information technology / online media to encourage business activities while improving competitiveness through: (1) Product Quality Improvement and Marketing Access; (2) Skills Development and Business Services; (3) Entrepreneurial Development; (4) Ease, Certainty, and Business Protection; (5) Expansion of Financing Access; in addition to being a challenge for the business world, on the other hand it is also a huge opportunity and potential for economic improvement and business of female SMEs (Nahan & Kristinae, 2019).

In the me competition landscape, the entrepreneurial orientation of Small Micro Enterprises (MSEs) becomes very important. According to Hitt et al (2002) that the increasing dynamics of the environment and the increasingly intense competition, companies are challenged to improve the orientation of entrepreneurship in order to compete and survive, because entrepreneurial orientation is related to better corporate performance (Ashari et al., 2020).

Based on the explanation above, the author is interested to do research with the title "Influence of Family Environment And Social Media Marketing On Business Performance Through Entrepreneurial Orientation In Small Micro Enterprises (MSEs) In Makassar City".

LITERATURE REVIEW

Business performance refers to the level of achievement or achievement of the company in a certain period of time (Sumantri et al., 2013; Suci, 2009), while according to Moeherton in the research Sumantri et al (2013) mentioned that the understanding of performance or performance is an overview of the level of achievement of the implementation of a program of activities or policies in realizing the goals, objectives, vision, and mission of the organization that is outlined through the strategic planning of an organization. The performance (performance) of the business can be seen from the level of sales, profit rate, return of capital, turn over rate and market share achieved (Munizu, 2010).

Of the many factors that can affect the performance of small and medium businesses, the role of the family environment and the utilization of social media marketing can be a strategic factor that can be maximized to improve the performance of small and medium enterprises. Related to entrepreneurial activities, family serves as one of the driving factors for a person to be entrepreneurial. The family environment has an influence on the entrepreneurial profession that can be seen in terms of the work of parents, from parents who work alone and have their own businesses, then tends to be entrepreneurs as well (Pahlawan et al., 2019). Basically a person who grew up in a family that works as an entrepreneur, tends to make his child or other family members follow in the footsteps to develop his career as an entrepreneur (Citradewi, 2012).

One of the potentials that can be utilized is the potential of information technology. Information technology offers many benefits for SMEs to increase their productivity and marketing. In addition, it also increases the opportunity of SMEs to cooperate with other entrepreneurs. One of the information technologies that is developing rapidly and has the potential to drive the performance of SMEs is social media. Social media has the potential to connect many people easily and for free (Priambada, 2015).

Social networks or social media have the potential to help SMEs in marketing their products and services because they are able to reach a wide area with cost-effectiveness. Through social networks, SME businesses can conduct their marketing activities such as introducing products, establishing communication with consumers and prospective consumers, and expanding business networks. Social media provides practical solutions to answer the needs of SMEs, where promotions or marketing activities that require a lot of costs can be minimized by utilizing existing applications on social media. However, further research is still needed on the effectiveness of the use of social media in its position as a means of promotion and sales (Wardhana, 2015):

RESEARCH METHOD

This research is a mixed research that combines quantitative data using questionnaire results and qualitative data derived from interviews with government parties related to female SMEs in Makassar City. The research was conducted for approximately 2 months after the targeted proposal test in November 2020 so that the research will be conducted around November to January 2021 with research conducted in Makassar city. The population of this study is the total number of micro and small businesses in the city of Makassar amounted to 9,958 businesses. The sample in this study used Slovin formula with a standard error of 5% so that 99 respondents were obtained.

RESULTS & DISCUSSION

The hypothesis test of the above research is divided into 2, namely direct influence and indirect influence. The results of direct influence data can be seen in the following table:

Table 1 Direct Influence

	Original Sample	T Statistik	P Values
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FAMILY ENVIRONMENT → PERFORMANCE	0.474	8.483	0.000
FAMILY ENVIRONMENT → LITERARY ORIENTATION	0.659	7.958	0.000
LITERARY ORIENTATION → PERFORMANCE	0.123	2.852	0.005
SOCIAL MEDIA MARKETING → PERFORMANCE	0.410	9.131	0.000
SOCIAL MEDIA MARKETING → LITERARY ORIENTATION	0.238	2.684	0.008

Based on the table above, the influence of the family environment on entrepreneurial orientation shows a coefficient value of 0.659 (positive), a statistical t value of 7,958 greater than t-table 1.66 and P Values of 0.000 which is smaller than 0.05. It can be said that the family environment positively and significantly affects the orientation of entrepreneurship so that in this case the research hypothesis is accepted.

Based on the table above, the influence of social media marketing on entrepreneurial orientation shows a coefficient value of 0.238 (positive), a statistical t value of 2,684 greater than t-table 1.66 and P Values of 0.008 which is smaller than 0.05. It can be said that social media marketing has a positive and significant effect on the orientation of entrepreneurship so that in this case the research hypothesis is accepted.

Based on the table above, the influence of the family environment on business performance shows a coefficient value of 0.474 (positive), a statistical t value of 8,848 greater than t-table 1.66 and P Values of 0.000 which is smaller than 0.05. It can be said that the family environment positively and significantly affects the performance of the business so that in this case the research hypothesis is accepted.

Based on the table above, the influence of social media marketing on business performance shows a coefficient value of 0.410 (positive), a statistical t value of 9,131 greater than t-table 1.66 and P Values of 0.000 which is smaller than 0.05. It can be said that social media marketing has a positive and significant effect on business performance so that in this case the research hypothesis is accepted.

Based on the table above, the influence of entrepreneurial orientation on business performance shows a coefficient value of 0.123 (positive), a statistical t value of 2,852 greater than t-table 1.66 and P Values of 0.005 which is smaller than 0.05. It can be said that entrepreneurial orientation positively and significantly affects business performance so that in this case the research hypothesis is accepted.

The hypothesis test for indirect influence can be seen in the following table:

Table 2 Indirect Influence

	Original Sample	T Statistik	P Values
FAMILY ENVIRONMENT → LITERARY ORIENTATION → PERFORMANCE	0.081	2.562	0.011
SOCIAL MEDIA MARKETING → LITERARY ORIENTATION → PERFORMANCE	0.029	2.053	0.041

Based on the table above, it can be known the influence of the family environment on business performance through entrepreneurial orientation shows a coefficient value of 0.081 (positive), a statistical t value of 2,562 greater than t-table 1.66 and P Values of 0.011 greater than 0.05. It can be said that the family environment positively and significantly affects business performance if through entrepreneurial orientation so that in this case the research hypothesis is accepted.

Based on the table above, it can be known social media marketing to business performance through entrepreneurial orientation shows a coefficient value of 0.029 (positive), statistical t value of 2.053 greater than t-table 1.66 and P Values which is 0.041 greater than 0.05. It can be said that social media marketing has a positive and significant effect on business performance if through entrepreneurial orientation so that in this case the research hypothesis is accepted.

CONCLUSIONS

Based on the results of this study can be concluded as follows family environment variables partially positively and significantly affect the orientation of entrepreneurship in micro and small businesses in the city of Makassar, which means the better the family environment of business actors will increase the orientation of entrepreneurship. Then the variable social media marketing partially positively and significantly affects the orientation of entrepreneurship in micro and small businesses in the city of Makassar, which means the better social media marketing of businesses will increase the orientation of entrepreneurship.

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