PROMOTION STRATEGIES AND PRODUCT INNOVATION AS DETERMINANTS OF MSME INCOME: A SHARIA MARKETING APPROACH
(Case Study In Kopelma Darussalam)

Devi Putriana
Ar-Raniry State Islamic University, Aceh
200602027@student.ar-raniry.ac.id

Dara Amanatillah*
Ar-Raniry State Islamic University, Aceh
dara.amanatillah@ar-raniry.ac.id

Muhammad Zulhilmi
Ar-Raniry State Islamic University, Aceh
em.zulhilmi@ar-raniry.ac.id

Abstract

Micro, Small and Medium Enterprises (MSMEs) have an important and strategic role for economic growth in Indonesia. The existence of MSMEs has the potential to increase income for business actors by implementing the latest promotional strategies and innovations that can provide innovation in business. Based on sharia marketing, promotions must be based on sharia compliance, which reflects the truth, justice and honesty of society, while product innovation is very important to carry out in the hope of maintaining the beneficial value of a particular product for consumers. This research aims to determine the influence of promotional strategies and product innovation on the income of MSMEs in Kopelma Darussalam. This research uses a quantitative method with an associative approach through distributing questionnaires using Roscoe, the data analysis method used in this research is the classical assumption test, multiple linear regression test and hypothesis testing using SPSS 22 software. The results of the research show that, partially and simultaneously, promotional strategy and product innovation variables have a significant effect on the income of MSME traders in Kopelma Darussalam.

Keywords: Promotion strategy, product innovation, income, and MSMEs.

Abstrak

Usaha Mikro Kecil dan Menengah (UMKM) memiliki peran penting dan strategis bagi pertumbuhan ekonomi di Indonesia. Keberadaan UMKM sangat berpotensi dalam meningkatkan pendapatan bagi para pelaku usaha dengan menerapkan strategi promosi dan inovasi terbaru yang dapat memberikan sebuah pembaharuan dalam usaha. Berdasarkan pemasaran syariah promosi harus didasarkan pada kepatuhan syariah, yang mencerminkan kebenaran, keadilan, dan kejujuran masyarakat, sedangkan inovasi produk sangat penting untuk dilakukan dengan harapan agar bisa mempertahankan nilai manfaat suatu produk tertentu bagi konsumen. Penelitian ini bertujuan untuk mengetahui pengaruh strategi promosi dan inovasi produk terhadap pendapatan UMKM di Kopelma Darussalam. Dalam penelitian ini menggunakan metode kuantitatif dengan pendekatan asosiatif melalui penyebaran kuesioner dengan menggunakan roscoe, metode analisis data yang digunakan dalam penelitian ini adalah uji asumsi klasik, uji regresi linier berganda dan uji hipotesis dengan menggunakan software SPSS 22. Hasil penelitian menunjukkan bahwa, secara parsial dan simultan variabel strategi promosi dan inovasi produk berpengaruh signifikan terhadap pendapatan UMKM pedagang di Kopelma Darussalam.

***Kata Kunci:*** *Strategi promosi, inovasi produk, pendapatan, dan UMKM.*

INTRODUCTION

The progress of a country is seen thru various policies, one of which is the main policy currently being implemented by the Indonesian government to achieve stable economic growth. In order to achieve stable and sustainable economic growth, macroeconomic and financial system stability is needed. To support these efforts, it is necessary to empower the real sector, particularly the development of Micro, Small, and Medium Enterprises (MSMEs) (Bank Indonesia, 2013). MSMEs are independent productive business units carried out by individuals or business entities in all economic sectors.

Following the 1997-1998 economic crisis, the number of MSMEs did not decrease; in

fact, it continued to increase, even absorbing 85 million workers by 2012. This is evidenced by data from the Central Bureau of Statistics, which shows that the number of entrepreneurs in Indonesia that year was 56,539,560 units. Of that number, Micro, Small, and Medium Enterprises (MSMEs) accounted for 56,534,592 or 99.99%. The remaining 0.01% or 4,968 units were large businesses. Therefore, business groups are recognized as companies that are beneficial for larger business development. During the crisis, only MSME businesses were able to remain stable and even faced an increase in relevant labor (Firdayani, 2023).

MSMEs in Indonesia are economic activities that contribute to the national economy, employment absorption, and the distribution of goods and services. Based on data from the Ministry of Cooperatives and SMEs, in 2019 there were 65.4 million SMEs. With the number of business units reaching 65.4 million, they were able to absorb 123.3 thousand workers. This proves the significant impact and contribution of MSMEs to reducing the unemployment rate in Indonesia. As more workers are involved in MSMEs, it will help reduce the number of unemployed people in the country (DJPb Kemenkeu, 2023).
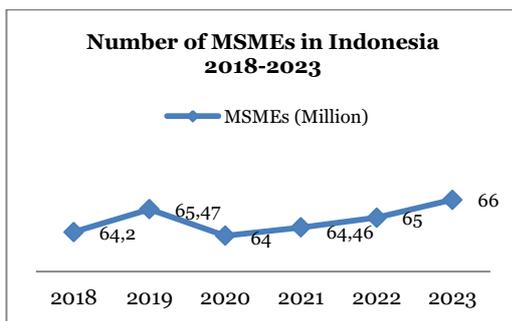
Source: Kadin Indonesia, (2023).

Figure 1
Number of MSMEs in Indonesia Year 2018-2023

Based on data from the Indonesian Chamber of Commerce and Industry (Kadin) compiled from various sources, it is stated that in 2023, the number of micro, small, and medium-sized enterprises (MSMEs) reached

approximately 66 million. The role of MSMEs is very significant for the growth of the Indonesian economy, as they account for 99% of all business units. MSMEs contribute 61% to Indonesia's Gross Domestic Product (GDP), equivalent to Rp9,580 trillion. MSMEs employ approximately 117 million workers (97%) of the total workforce (Indonesian Chamber of Commerce and Industry, 2024).

A similar situation also occurs in Aceh Province. Aceh is one of the provinces in Indonesia granted special autonomy. Aceh Province has 23 districts/cities, consisting of 18 districts and 5 cities. The largest number of MSMEs in Aceh Province is found in Banda Aceh City. As stated, the presence of MSMEs in Banda Aceh has been very significant in economic growth and has been able to provide livelihoods for the community (Afdhal, 2022).

Table 1
Number of MSMEs in Banda Aceh

Year	Number of Business Units
2019	12.012
2020	15.107
2021	16.970
2022	17.308
2023	34.428

Source:DISKOPUKMDAG Kota Banda Aceh, (2023).

Based on Table 1, it is known that the growth of MSMEs in Banda Aceh City has experienced significant growth each year. The number of MSMEs in 2019 was 12,012 units, in 2020 it increased to 15,107 units, in 2021 it also increased to 16,970 units, then increased to 17,308 units in 2022, and this figure continued to increase to a record high of 34,428 units by 2023 (Firdayani, 2023). In Banda Aceh City, the development of MSMEs is very rapid. This growth occurred in the 9 sub-districts of Banda Aceh City. One of the areas contributing to the growth of MSMEs in Banda Aceh City is Syiah Kuala District, with the number of MSMEs reaching 3,706 units. The development of MSMEs in Syiah Kuala District is inseparable from the support and guidance of the Aceh Provincial Government's Department of

Cooperatives, MSMEs, and Trade. This is done to ensure that businesses in Syiah Kuala District can compete with MSMEs in other districts, thereby increasing the income of these business owners (Firdayani, 2023).

Source: DISKOPUKMDAG Kota Banda Aceh, (2024).
Figure 2
MSMEs Data in Syiah Kuala District Year 2023

Based on Figure 2, Kopelma Darussalam has the highest number of MSMEs in Syiah Kuala District, reaching 829 business units. This is because Kopelma Darussalam is an area with high economic activity, especially in meeting the needs of students such as clothing, food ingredients, supermarkets, shoes, bags, bookstores, photocopying services, printing, and others. Therefore, the presence of MSMEs has great potential to increase income for business owners in the region (DISKOPUKMDAG, 2024).

Business income in Islamic marketing is the ability of business owners to generate profit over a certain period of time using all of their working capital, prioritizing the values of justice, honesty, and adhering strictly to the teachings of the Quran and authentic Hadith. The transaction process is protected from things prohibited by Islamic principles. In Islamic marketing, the orientation is not solely on profit, but also includes another goal: blessings (Lestari, 2023).

The increase in MSME income is supported by several factors, including capital, business duration, working hours, education, promotion strategies, product innovation, and others. However, this study focuses on two variables: promotion strategy and product

innovation. To increase revenue, one of the things that MSME traders must do is promotion. A promotion strategy is a set of controllable, tactical promotional tools that a company combines to generate the desired response in its target market. With this promotion, information about the products being sold can be conveyed. Promotion can also be done to persuade and encourage consumers to buy the offered products. The purpose of promotion itself is to provide information, influence, and remind customers about the company and the products offered (Santika, 2022).

Promotion in a Sharia marketing review must be based on Sharia compliance, reflecting the truth, justice, and honesty of society. All product-related information must be communicated transparently and openly to eliminate the possibility of fraud related to promotions. Humans are also expected to maintain the well-being of society in general as caliphs on earth, by engaging in trade that is halal and pleasing to Allah SWT. Sharia marketing ethics in the context of promotion is a means of introducing goods, providing information about their usefulness and qualifications, attracting consumers to the goods, and presenting factual information supported by honesty (Frestywi, 2022).

Beside promotion strategies, one of the things that must be done by MSME traders is product innovation. Based on Islamic marketing, product innovation is very important to undertake in the hope of maintaining the value of a particular product's benefits for consumers. Product innovation capability, where the introduction and development of various new goods or services then complements the shortcomings of previous findings and places greater emphasis on the quality of the results. Not only that, continuous and intensive product

innovation will improve Sharia Marketing Performance (Akmal & Ratnawati, 2022).

The development of MSMEs is not an easy task. The sustainability and growth of a business heavily depend on the size and severity of the problems it faces and the business's ability to handle them. Literature on MSMEs, particularly in developing countries, states that this business group faces more challenges to survive and grow (Tambunan, 2021). In today's digital age, competition in MSMEs, especially in the trading sector, is becoming increasingly fierce. Therefore, MSMEs are expected to survive and thrive by implementing effective promotion strategies and product innovation. This research aims to determine the simultaneous influence of promotion strategies and product innovation on the revenue of micro, small, and medium enterprises (MSMEs) at Kopelma Darussalam.

THEORETICAL FRAMEWORK
Islamic Marketing

Marketing from a Sharia perspective, according to Amrin (2006), encompasses all business activities that include creating, offering, and changing value, enabling the participants to grow and utilize its benefits based on honesty, justice, openness, sincerity, and in accordance with processes based on Islamic muamalah contracts. Therefore, marketing concepts and characteristics that contradict Sharia values, are unethical, harm one party, and are unprofessional need to be avoided to ensure business continuity and make business not just a way to gain profit to meet worldly needs, but also to obtain blessings in the afterlife. This is in line with Surah Al-Jathiyah: 18, which means, "Then We made you upon a law from the affairs of religion, so follow it and do not follow the desires of those who do not know."

Micro, Small, and Medium Enterprises (MSMEs)

Micro, Small, and Medium Enterprises are productive businesses owned by individuals or sole proprietorships that must meet the standards set forth in this law. A Small Enterprise is a productive economic entity that operates independently, run by individuals or business entities that are not affiliated as subsidiaries or branches of medium or large enterprises and that meet the criteria for Small Enterprises as stipulated in the law (Firdayani, 2023).

Income

Income is the amount of earnings received by residents for their work performance over a specific period, whether daily, weekly, monthly, or annually. Revenue is the result of a business, such as a home industry, that is currently operating. This is usually measured in terms of the prevailing exchange rate. Revenue is recognized after significant events or when the sales process is essentially complete. Revenue can be recognized from various production activities that are the result of compensation over a specific period. The compensation received can be in the form of salary or wages, rent, profit, or interest (Firdayani, 2023).

Strategy Promotions

According to Lynch, as cited by Wibisono, strategy is defined as a pattern or plan that integrates the company's main goals or policies with a set of actions in a mutually binding statement. Meanwhile, according to Argyris, strategy is a continuous and adaptive response to external opportunities and threats, as well as internal strengths and weaknesses that can affect the organization. Therefore, it can be concluded that a strategy is a tool used by a company or organization to achieve the goals set by the company and to face the challenges of its

competitors (Santika, 2022). The company's sales promotion activities serve not only as a means of communicating with consumers, but also as a way to provide product information and influence purchasing behavior according to consumer desires and needs. Meanwhile, a promotion strategy is a combination of all strategies related to planning, execution, personal selling, advertising, and sales promotion (Saputri & Sani, 2022).

Product Innovation

Product innovation is the entire process that begins with a new idea, a new discovery, and the development of a new market, all of which influence each other. The result of introducing a new way of doing things, in the form of innovation, has a significant impact on comparing the usefulness of the benefits of a product produced by the company and the price set by the manufacturer (Ningrum et al., 2020).

METHODOLOGY

The type of research to be conducted is quantitative research with an associative approach. Quantitative research is research that is more based on countable data to produce estimations. Quantitative research is commonly known as research that is numerical in nature. This research was conducted around Kopelma Darussalam Banda Aceh.

The population is the entire set of objects or subjects within a specific area that meet certain criteria related to the research problem, or the entire group of units or individuals within the scope of the study. The population is defined as all members of a group of events or objects that have been clearly defined, or the group that is the target of the research. The population in this study consists of all types of MSME businesses in Kopelma Darussalam, totaling 829 business units registered with the Banda Aceh City Cooperative, MSME, and Trade Service.

According to Roscoe, as cited by Sugiyono (2019), the recommended sample size for research is that if the study will involve multiple regression analysis, the sample size used should be at least 10 times the number of variables being studied. In the research conducted by the author, there are 3 variables, so the required sample size is 30 respondents who are traders in the Kopelma Darussalam area of Banda Aceh. The respondents in this study are more focused on culinary traders such as food and beverage vendors, because the average business type in that area is food & beverages.

The data collection technique in this study uses a questionnaire consisting of a pre-prepared list of statements, which is then distributed to the respondents, namely MSME traders at Kopelma Darussalam. The statements presented in this questionnaire relate to the research variables that have been determined to assess the influence of promotion strategy and product innovation on revenue. As for the data analysis techniques, they consist of Research Instrument Testing, Classical Assumption Testing, Multiple Regression Testing, and Multiple Regression Testing.

RESULT AND DISCUSSION

Based on the primary data collection process, respondents in this section are divided by gender, age, and highest education level as follows: Respondents by gender: This involves describing or illustrating the gender of the respondents. This can be categorized as male and female. The distribution can be seen in based on Table 2, it can be seen that out of the 30 selected respondents, the majority are male respondents, with 23 male respondents (76.7%), followed by 7 female respondents (23.3%). Therefore, it can be concluded that the majority of MSME traders at Kopelma Darussalam are male.

Table 2
Characteristic of Respondents by Gender

Gender	Total	Percentage (%)
Male	23	76,7

Female	7	23,3
Total	**30**	**100,0**

Source: Primary Data (Processed), 2024

The age range of respondents included in this study varied widely, from the youngest (under 23 years old) to the oldest (over 50 years old). For clarity, the researcher categorized the age groups into specific ranges as follows. Based on Table 3, it can be seen that out of the 30 respondents included in this study, 2 or 6.7% of the MSME merchant group were under 23 years old, 14 or 46.7% were aged 23-35, 13 or 43.3% were aged 36-50, and 1 or 3.3% of the business owners were over 50 years old. Therefore, it can be concluded that the majority of business owners as merchants at Kopelma Darussalam are from the 23-35 age group.

Table 3
Respondent Characteristic Based on Age

Age	Total	Percentage (%)
Less than 23 year	2	6,7
23 - 35 year	14	46,7
36 - 50 year	13	43,3
More than 50 year	1	3,3
Total	**30**	**100,0%**

Source: Primary Data (Processed), 2024

Fulfilling the need for talented and qualified human resources begins with a strong education. Education serves to improve a person's quality, creativity, and actions. Based on the number of respondents included in this study, the respondent's identity was found to be at their level of education. The level of education in the business world also contributes to a person's level of knowledge in managing their business. The following shows the number of respondents based on their level of education.

Table 4
Respondent Characteristic Based on Education

Education	Total	Percentage (%)
SD	1	3,3
SMP	2	6,7
SMA	19	63,3
S1	8	26,7
Others	-	-
Total	**30**	**100,0%**

Source: Primary Data (Processed), 2024

Based on Table 4, the number and percentage of respondents by their highest level of education are explained. At the elementary school level, there are 1 person or 3.3%, at the junior high school level, there are 2 people or 6.7%, at the senior high school level, there are 19 people or 63.3%, at the bachelor's degree level, there are 8 people or 26.7%, and at other education levels, there are 0 or 0%. Therefore, it can be concluded that the total average with the highest number or percentage is respondents with a high school diploma, and the lowest is those with an elementary school diploma.

Validity Test Result

The validity test is used to measure whether a questionnaire is valid or not. It is considered valid if the questions asked are able to reveal the problem that the questionnaire is intended to measure. Validity testing is done by comparing the calculated r-value with the table r-value. To determine the value of r_table, we calculate the degrees of freedom (df) = n-2. The value of n is the number of samples studied, in this case, the number of samples in this study is 30 respondents. Therefore, the value of df = 30-2 = 28 with an alpha of 0.05. The value of r_table was found to be 0.3610. Data can be considered valid if r_calculated > r_table, and conversely, data is considered invalid if r_calculated < r_table.

Tabel 5
Validity Test Results

		X1.1	X1.2	X1.3	X1.4
Total_X1	Pearson Correlation	,837**	,864**	,691**	,860**
	Sig. (2-tailed)	,000	,000	,000	,000
	N	30	30	30	30
		X2.1	X2.2	X2.3	X2.4
Total_X2	Pearson Correlation	,767**	,796**	,769**	,799**
	Sig. (2-tailed)	,000	,000	,000	,000
	N	30	30	30	30
		Y.1	Y.2	Y.3	Y.4
Total_Y	Pearson Correlation	,759**	,813**	,920**	,817**
	Sig. (2-tailed)	,000	,000	,000	,000
	N	30	30	30	30

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).
Source: Primary Data (Processed), 2024

Based on Table 5, the results were given to 30 respondents with 12 statement items across three different variables. The promotion strategy variable (X1) has 4 statements, the product innovation variable (X2) has 4 statements, and

the income variable (Y) has 4 statements. From the results of the validity test conducted using SPSS 22, it was shown that all statement items obtained a Pearson Correlation value (r_calculated) greater than r_table (0.3610), so it can be concluded that all statement items in this study can be considered valid.

Reability Test Result

A reliability test is a method of assessment used to measure specific variables. Reliability reflects the extent to which a measurement instrument can be relied upon or trusted (Fatirul & Walujo, 2022). A measuring tool is considered reliable if it can be relied upon as an instrument for measuring research data. The reliability or unreliability of a variable can be evaluated by looking at the Cronbach's Alpha value, which is considered adequate if it is greater than 0.60. Based on Table 6, it can be seen that all variables of promotion strategy, product innovation, and revenue have a Cronbach's Alpha value greater than 0.60. Therefore, it can be concluded that overall, the statements for each variable are considered reliable because they have a Cronbach's Alpha > 0.60.

Table 6
Reability Test Result

| Variabel	Cronbach's Alpha	N of Items
Strategi Promosi (X1)	,831	4
Inovasi Produk (X2)	,774	4
Pendapatan UMKM (Y)	,844	4

Source: Primary Data (Processed), 2024

Classical Assumption Test
Normality Test Result

Normality test, to assess whether the data distribution is normal or non-normal within a data group or variable (Riyanto & Hatmawan, 2020:137). According to Sufren & Natanael (2013:102), the normality test is an effort to determine whether the data we have has a normal curve or not. Normally distributed data is data that has a normal curve in the histogram shaped like an inverted bell, and similarly, the P-Plot indicates that normally distributed data is
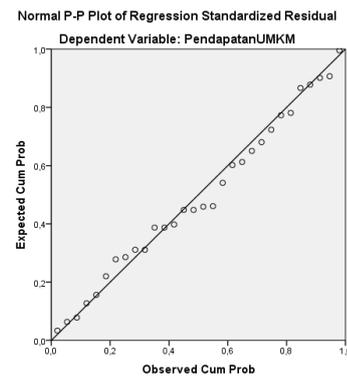
data that does not deviate significantly from the diagonal line.
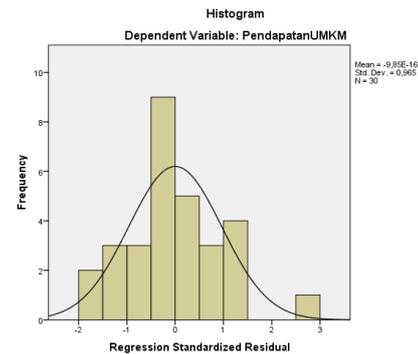
Source: Primary Data (Processed), 2024
Figure 3
Normality Test Result (Histogram)

Based on Figure 3, the curve on the Histogram is bell-shaped and inverted. By looking at the appearance of the histogram image, it can be concluded that the data is normally distributed.

Source: Primary Data (Processed), 2024
Figure 4
Normality Test Result (P-Plot)

In the P-P plot for the normality test, the points are scattered around the diagonal line and follow its direction. By looking at the appearance of the normality test plot, it can be concluded that the normality test plot shows a normal distribution pattern.

Multicollinearity Test Result

The multicollinearity test is used to determine whether the regression model exhibits correlation between the independent variables. If there is no or does not contain multicollinearity from the test results, then the regression model is good. To detect the presence or absence of multicollinearity in this study, the Variance

Inflation Factor (VIF) is used. If the tolerance value is > 0.10 or the VIF value is < 10, then there is no multicollinearity between the independent variables in the regression model. Here are the tolerance and VIF values in this study:

Table 7
**Multicollinearity Test Result**
Coefficients[a]

| Model | t | Sig. | Collinearity Statistics | |
			Tolerance	VIF
1 (Constant)	2,296	,030		
Promotion Strategy (X1)	3,352	,002	,508	1,967
Product Innovation (X2)	3,883	,001	,508	1,967

Source: Primary Data (Processed), 2024

Based on Table 7, it can be concluded that: (1)The promotion strategy (X1) has a tolerance value of 0.508 > 0.10 and a Variance Inflation Factor (VIF) value of 1.967 < 10, which means the promotion strategy variable does not have multicollinearity. (2)Product innovation (X2) has tolerance values of 0.508 > 0.10 and a Variance Inflation Factor (VIF) of 1.967 < 10, which means the product innovation variable does not have multicollinearity.

Heteroscedasticity Test Results

The heteroskedasticity test is used to determine whether there is unequal variance in the residuals from one observation to another in the regression model. To test for the presence or absence of heteroskedasticity, you can examine a scatterplot. If the data is randomly scattered, it can be confirmed that there is no heteroskedasticity problem. Here are the results of the heteroskedasticity test.
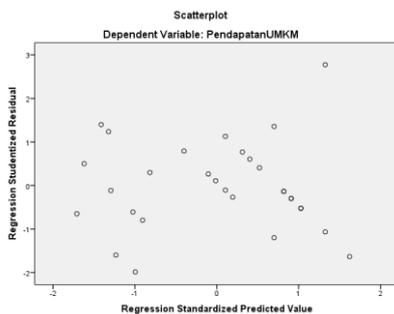
Source: Primary Data (Processed), 2024
Figure 5
Heteroscedasticity Test Results (Scatterplot)

Based on the illustration in Figure 5, it can be observed that there is random data dispersion

and no pattern is formed on the scatterplot graph. Therefore, it can be concluded that there is no tendency toward heteroskedasticity, so this regression model can be considered suitable for analyzing the Influence of Promotion Strategies and Product Innovation on MSME Income in Kopelma Darussalam, Banda Aceh City.

Multiple Linear Regression Test Results

Multiple linear regression analysis aims to address the research questions in this study. This analysis is used to analyze the influence of independent variables on the dependent variable. Based on the data obtained, calculations or data processing were then performed using the SPSS program. The regression equation for the data analysis results yielded the following values:

Table 8
Multiple Linear Regression Test Results
Coefficients[a]

| Model | Unstandardized Coefficients | | t | Sig. |
	B	Std. Error		
1 (Constant)	3,065	1,335	2,296	,030
Promotion Strategy (X1)	,298	,089	3,352	,002
Innovation Product (X2)	,427	,110	3,883	,001

Source: Primary Data (Processed), 2024

Based on Table 8 obtained from processing using SPSS, the multiple linear regression equation is as follows:

$$Y = 3,065 + 0,298X_1 + 0,427X_2 + \varepsilon$$

From the results of the regression equation above, the research findings are as follows: The constant value is 3.065. This figure means that if the values of the promotion strategy variable (X1) and the product innovation variable (X2) are 0 or in a constant state, then the income level (Y) is 3.065%. The value of the regression coefficient for the promotion strategy variable (X1) is 0.298, which means that if the promotion strategy variable (X1) increases by 1 unit, the revenue variable (Y) will increase by 0.298 or 29.8%, assuming other variables remain constant. The value of the regression coefficient for the product innovation variable (X2) is 0.427, which means that if the product

innovation variable (X2) increases by 1 unit, the income variable (Y) will increase by 0.427 or 42.7%, assuming other variables remain constant.

Hypothesis Test Results
Partial Test Results

This test is conducted to examine the significance of the independent variables' individual influence on the dependent variable (partially), assuming other variables are constant. If t_calculated > t_table with a significance level of 0.05 or 5%, it can be concluded that the independent variable has a significant partial effect on the dependent variable. If t_calculated < t_table with a significance level of 0.05 or 5%, it can be concluded that the independent variable does not affect the dependent variable.

Table 9
Partial Test Results
Coefficients[a]

Model	Unstandardized Coefficients		t	Sig.
	B	Std. Error		
1 (Constant)	3,065	1,335	2,296	,030
Promotion Strategy (X1)	,298	,089	3,352	,002
Innovation Product (X2)	,427	,110	3,883	,001

Source: Primary Data (Processed), 2024

Based on the information in Table 9, the calculated t-values for the independent variables, namely promotion strategy (3.352) and product innovation (3.883), are as follows. Here, the degrees of freedom (df) = n-k = 30-3 = 27 (where k is the number of variables and n is the number of samples), so the t-table value is 2.051. Based on this, therefore:

For the promotion strategy variable (X1), the calculated t-value is 3.352 with a significance probability value of 0.002. Based on this information, t_calculated (3.352) > t_table (2.051) with a significance probability value of 0.002 < 0.05. Therefore, if t_calculated > t_table, the alternative hypothesis (Ha1) can be accepted and the null hypothesis (H01) is rejected, meaning that the promotion strategy

(X1) has a significant partial effect on MSME income (Y).

For the labor variable (X2), the calculated t-value is 3.883 with a significance probability value of 0.001. Based on this information, t_calculated (3.883) > t_table (2.051) with a significance probability value of 0.001 < 0.05. Therefore, if t_calculated < t_table, the alternative hypothesis (Ha2) can be accepted and the null hypothesis (H02) is rejected, meaning that product innovation (X2) has a significant partial effect on MSME income (Y).

Simultaneous Test Results (Uji F)

The F-test is used to examine the combined (simultaneous) influence of independent variables on the dependent variable. The results of the simultaneous test are obtained by comparing the calculated F-value (F_count) with the F-table value, with the degree of freedom (df) calculated as n-k-1 and a significance level of 5% (0.05). If the calculated F-value (F_count) is greater than the F-table value at a 5% significance level, it can be concluded that the independent variables collectively have a significant effect on the dependent variable. Conversely, if the calculated F-value (F_count) is less than the F-table value at a 5% significance level, it can be concluded that the independent variables do not have an effect on the dependent variable.

Table 10
Simultaneous Test Results (Uji F)
ANOVA[a]

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	59,534	2	29,767	43,839	,000[b]
Residual	18,333	27	,679		
Total	77,867	29			

Source: Primary Data (Processed), 2024

Based on the data in Table 10 obtained from the simultaneous test results, it can be seen that the calculated F value is 43.839 and the F table value is 3.350, which is obtained from df = n-k-1 = 30-2-1 = 27 (where k is the number of independent variables and n is the number of

samples), with a significance value of 0.000. Therefore, the calculated F value (43.839) is greater than the F table value (3,350) with a significance probability value of 0.000 < 0.05, so a decision can be made that the alternative hypothesis (Ha3) is accepted and the null hypothesis (Ho3) is rejected, meaning that Promotion Strategy (X1) and Product Innovation (X2) jointly have a significant effect on MSME Income (Y).

Results of The Coefficient of Determination Test Results (R^2)

The linear influence between Promotion Strategy (X1) and Product Innovation (X2) has a demonstrable relationship with the multiple correlation coefficients and the coefficient of determination. This coefficient explains the closeness of the overall relationship between the independent variables simultaneously and the dependent variable. The correlation value ranges from -1 to +1, and the closer it gets to 1 or equals 1, the stronger the correlation between the variables will be, or vise versa. Meanwhile, the multiple determination coefficient is a coefficient that explains the magnitude of the simultaneous influence of the independent variables on the dependent variable.

Tabel 11
Results of the Coefficient of Determination Test Results (R^2)
Model Summaryb

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,874a	,765	,747	,82402

Source: Primary Data (Processed), 2024

Based on Table 11, the correlation coefficient R is 0.874, indicating a positive degree of relationship (correlation) between the variables of Promotion Strategy (X1) and Product Innovation (X2) with MSME Income (Y), with relationship strength of 87.4%. This means that both independent variables have a very strong relationship with MSME Income (Y), with a category value of 80%-100%.

Meanwhile, the coefficient of determination is a coefficient that explains the magnitude of the influence of one independent variable on the dependent variable, assuming other variables are unknown. The SPSS output shows an R-squared value of 0.765. This R-squared value indicates that the role of the Promotion Strategy and Product Innovation variables in influencing MSME income is 0.765 or 76.5%. The remaining (residual) value of these variables' role is 0.235 or 23.5%, influenced by other variables not included in this study.

CONCLUSION

1. Promotional strategy partially and significantly influences the income of MSMEs for traders at Kopelma Darussalam, Banda Aceh city.

2. Product innovation partially and significantly influences the income of MSMEs among traders at Kopelma Darussalam in Banda Aceh city.

3. Simultaneous promotion and product innovation strategies significantly affect the income of MSMEs among traders at Kopelma Darussalam in Banda Aceh city.

REFERENCE

Afdhal, A. (2022). Pengaruh Modal Usaha Dan Tenaga Kerja Terhadap Pendapatan Usaha Mikro Kecil Dan Menengah (UMKM) Kota Banda Aceh (*Doctoral* dissertation, Universitas Islam Negeri Ar-Raniry).

Akmal, M., & Ratnawati, A. (2022). Peningkatan Kinerja Pemasaran Syariah melalui Kemampuan Inovasi Produk. *Jurnal Masharif Al-Syariah: Jurnal Ekonomi dan Perbankan Syariah*, *7*(2).

Bank Indonesia. (2013). UMKM. *Diakses* pada 20 Juni 2024 dari https://www.bi.go.id/id/umkm/default. aspx

Direktorat Jenderal Perbendaharaan (DJPb) Kementerian Keuangan RI. (2023). Kontribusi UMKM Dalam Perekonomian Indonesia. *Diakses* 20 Juni 2024 dari

https://djpb.kemenkeu.go.id/kppn/lubu
ksikaping/id/data-
publikasi/artikel/3134-kontribusi-
umkm-dalam-
perekonomianindonesia.html

Fatirul, A. N., & Walujo. A. N. (2022). *Metode Penelitian Pengembangan Bidang Pembelajaran* (edisi khusus mahasiswa Pendidikan dan Pendidik. Pascalbooks.

Firdayani, F. O. (2023). Pengaruh Program Bantuan Kredit Usaha Rakyat Terhadap Pendapatan Usaha Mikro Kecil Dan Menengah Di Tinjau Menurut Ekonomi Islam (Studi Pada UMKM Kecamatan Syiah Kuala Kota Banda Aceh) (*Doctoral* dissertation, UIN Ar-Raniry).

Frestywi, H. M. (2022). Peran Inovasi Produk Dalam Meningkatkan Volume Penjualan Ditinjau Dari Manajemen Syariah (Studi Kasus Home Industri Pia Latief Kediri) (*Doctoral* dissertation, IAIN Kediri).

Kadin Indonesia. (2024). UMKM Indonesia. Diakses pada 20 Juni 2024 dari https://kadin.id/data-dan-statistik/umkm-indonesia

Lestari, W. W. (2023). *Peran Pembiayaan Murabahah Dalam Meningkatkan Pendapatan Usaha Mikro Kecil Menengah (Studi Kasus di BMTNU Jombang Cabang Bareng)* (Doctoral dissertation, IAIN Kediri).

Ningrum, S., Fitra, V. D., & Sanjaya, V. F. (2020). Pengaruh inovasi Produk, Keunggulan Bersaing, dan Strategi Pemasaran Terhadap Kinerja Pemasaran. *Jurnal Mutiara Manajemen*, 5(2), 1-9.

Riyanto, S., & Hatmawan, A. A., (2020). *Metode Riset Penelitian Kuantitatif Penelitian di Bidang Manajemen, Teknik, Pendidikan dan Eksperimen.* Yogyakarta: Deepublish

Santika, B. M. (2022). Analisis Strategi Promosi Dalam Meningkatkan Penjualan Pada Usaha Waroeng Nongkrong Dengan Menggunakan Media Digital (Studi Kasus Waroeng Nongkrong Kota Metro, Lampung) (*Doctoral* dissertation, IAIN Metro).

Saputri, A. D., & Sani, E. P. (2022). Pengaruh Variasi Produk Dan Strategi Promosi Melalui Instagram Terhadap Keputusan Pembelian Pada Produk Somethinc: The Effect Of Product Variations And Promotional Strategies Through Instagram On Purchase Decisions On Somethinc Products. *Jurnal Riset Manajemen dan Akuntansi*, *2*(1), 7-28.

Sugiyono. (2019). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D.* Bandung: Alphabet.

Tambunan, T. T. (2021). *UMKM di Indonesia, Perkembangan, Kendala, dan Tantangan.* Jakarta: Prenada