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# EFFECT PERSONAL SELLING AND DIGITAL MARKETING TO SELLING PRODUCT UMKM AGROINDUSTRY IN PANDEGLANG REGENCY

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## ABSTRACT

After the weakening of economic growth due to the Covid-19 pandemic, there is currently a growing issue of the threat of a recession in 2023 which worries a number of countries including Indonesia. The decline in direct purchasing patterns by consumers has also had a significant impact on reducing UMKM turnover in the regions. The UMKM sector that has the potential to increase regional economic growth is the UMKM sector in the Agro-industry sector. There are still very few forms of the food processing industry in the Pandeglang Regency area and there are still many UMKM industries that only use conventional sales methods with personal sales that are not compiled with digital marketing techniques so that they can increase sales in the UMKM industry. To find out, test, analyze the influence of sales Personal, the influence of digital marketing, the influence of Personal selling and digital marketing have a simultaneous effect on sales of umkm agro-industrial products in Pandeglang Regency. The data analysis techniques used in this study were validity, reliability, normality, multicollinearity, heteroscedasticity and hypothesis testing. The results of the study show that personal selling and digital marketing have a partial effect on sales while simultaneously or simultaneously Personal selling and digital marketing have a positive effect on sales.

Key word : Personal selling, Digital Maeketing, Marketing, Agroindustry UMKM

## 1. INTRODUCTION

Covid-19 has an impact on all sectors, one of which is the economic sector. As a result of this problem, the perpetrators of Micro, Small and Me-

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dium Enterprises (UMKM) feel significantly. The declining purchasing power of the people due to the Covid-19 pandemic has affected the sustainability of UMKM businesses. The economic crisis experienced by UMKM can be a threat to the national economy. Problems such as decreased sales, capital, hampered distribution, difficulty in raw materials, decreased production and layoffs of workers can be a threat to the national economy that is felt by UMKM actors. UMKM as drivers of the domestic economy and absorbing labor are facing a decline in production which results in a maximum reduction in profits, Rofik Hananto (2022). The declining economic growth due to the current Covid-19 pandemic is associated with the growing issue of the threat of a recession in 2023 which has worried a number of countries including Indonesia. The threat of a recession was caused by rising global inflation due to the pandemic which disrupted supply disruption and the war between Russia and Ukraine which was accompanied by tightening monetary policy in developed countries. Facing increasing economic uncertainty, Micro, Small and Medium Enterprises (UMKM) are seen as the right solution in dealing with a

recession if their existence can be maximized by the community. UMKM actors need to expand their marketing methods, and change them from conventional to digital (Digital Marketing). The digitization scheme is by utilizing the market place and using social media as a marketing technique. Thus the digital UMKM development scheme can be an alternative to save business actors. The development of digital UMKM has become an alternative to saving as well as developing digital entrepreneurship in Indonesia. Awareness of the importance of UMKM for economic progress in Indonesia must be compiled in policies and regulations made by the government to be able to manage and strengthen the role of UMKM so that they can continue to grow and develop. The government must also cooperate with banks, the private sector, related Ministries/Institutions, provincial governments, universities, Bank Indonesia and other institutions as well as BUMN in creating increased sales for UMKM players. The main key to solving these problems lies with local governments (districts and cities). Local governments that have authority over their territory, know the conditions and needs of

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MSMEs and have direct access to UMKM, in solving this problem, synergy is also needed at the internal level of business actors, such as small and medium entrepreneurs and trade unions that need good harmonization. These adjustments need to be made to improve the regional economy through UMKM. A decrease in direct purchasing patterns by consumers can have a significant impact on reducing UMKM profits in the regions. If the government together with UMKM actors implement this, UMKM will progress. so that stronger national economic fundamentals will be created for an advanced Indonesia.

The UMKM sector which has the potential to increase regional economic growth is the Agroindustry UMKM sector. Agro-industry is an industry that relies more on local natural resources. The characteristics of these natural resources are that they are highly perishable, bulky/volumerous, depend on natural conditions, have seasonal characteristics, and their technology and management are accommodative to the heterogeneity of resources. human resources (from simple to advanced technology) with a high local raw material content. Nevertheless, agro-industry has an important role. This agricultural product processing business is strategic in an effort to meet basic needs, to expand employment and business opportunities, empower domestic production, earn foreign exchange, develop other economic sectors, and improve the economy of rural communities. Agro-industry in the Pandeglang region is also related to development in the creative industry sector, also related to community empowerment through micro and small businesses. As a potential producer of food and agricultural products in general, the development of agro-industry in Pandeglang Regency makes an important contribution to increasing added value from the agricultural sector to the processing industry. Efforts to develop Micro and Small Enterprises (UMKM) agro-industry in Pandeglang Regency are still facing problems Pandeglang Regency has a number of 1,002 UMKM in which there are Agro-industry UMKM which are UMKM with agricultural raw materials, one of the factors for the rise of the economy in Pandeglang district, namely thanks to UMKM actors who always committed to realizing an independent economy. Nara, (2022).

Pandeglang Regency has Agroindustry MSME products which are included in the creative economy, which amount to 30 Creative Agroindustry UMKM based on information from the Pandeglang Regency Tourism Office. These UMKM have advantages over other UMKM where these UMKM are included in the Creative Economy UMKM category based on data from the Pandeglang Regency Tourism Office in 2022. Competition in the business world makes the situation more competitive and is a challenge for business owners in Pandeglang Regency. UMKM business owners must maintain high demand and find new customers to increase sales. The rapid development of the digital era can affect the consumptive lifestyle of consumers in carrying out shopping activities. In the digital era, consumers prefer shopping activities and find out information about products online, this makes businesses take advantage of internet developments to promote their products with digital marketing. It is hoped that this will revive UMKM which have experienced a downturn during the pandemic and the issue of the threat of recession in 2023 in Pandeglang Regency. Based on the explanation above, companies are faced with choosing an effective way to market their products so that they are better known by the general public and increase sales. Several factors can affect sales, such as brand combinations that can describe how a company symbol, product variety, communication with customers, to how people know how to use digital media. The development of the digital era can make it easier for UMKM product enthusiasts to buy products. The development of the world of marketing with digital media has been carried out by many other business actors. Conventional marketing processes such as Personal Sales are currently experiencing developments towards digital. Currently digital media is very closely side by side with life. the community because it can make it easier for people to carry out activities, besides that for digital media entrepreneurs it can make it easier to promote their products which can increase sales. Based on previous research conducted by Soziduhu Waruwu, Jupiter Mendrofa, and Sumangeli Gulo, (2022). Data was obtained showing that digital marketing was able to increase sales volume before and after using digital marketing and had an effect on sales with an effect

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of 73.9% while the remaining 26.1%. Based on this phenomenon, the researcher is interested in conducting research entitled The Influence of Personal Selling and Digital Marketing in the New Normal Era on Sales of Agro-industrial UMKM Products in Pandeglang Regency. Based on the background above, the problems in this study can be identified as follows:

1. Whats is the effect of Simultaneous personal selling on the digital marketing agroindustry UMKM product ?

2. What is the effect of simultaneous personal selling on the digital marketing of agroindustry UMKM products in Pandeglang district?

3. Does personal selling and digital marketing have a simultaneous effect on sales of MSME Agro-industry products in Pandeglang Regency?

## 2. METHODE

### Type, Location And Time Of Research

The research conducted is a quantitative research. Quantitative research is a process of finding knowledge that uses data in the form of numbers as a tool to analyze information about what one wants to know, Kasiram (2008).

The selection of this location was carried out purposively (purposively) with the consideration that Pandeglang Regency has many Agro-industry UMKM, especially those in this study 30 Agro-industrial UMKM have been included in the Creative Economy Agro-industry UMKM Category, besides these 30 Respondents carry out marketing with personal selling and Digital Marketing . Data on 30 UMKMthat are included in the Creative Economy UMKM were obtained from the Tourism Office of Panedeglang Regency. The research was conducted from April to May

### Data And Research Instruments

The data used in this study consisted of primary and secondary data. Primary data was obtained by using a questionnaire from direct interviews to obtain data with UMKM Agroindustry business owners. While secondary data is obtained from data that already exists in related agencies, BPS, literature studies or literature studies originating from journals, or previous research that is relevant to the purpose of this study.

The research instrument is a tool that is selected and used by researchers in connection with collecting so that these activities can become systematic and

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made easier by them, Suharsimi A (2003). The research instruments used in this study were observation, direct interviews and a list of questions in order to obtain primary data both quantitative and qualitative. Questionnaire (questionaire) is an attempt to collect information by submitting a number of written questions to be answered in writing by the respondent. The questions asked in the question naire should lead to problems, objectives and research hypotheses, Nawawi (2013).

**Method Of Collecting Data**

The collection of data needed in this study was carried out in several ways which included:

1. Interview

The most important parties interviewed were business owners. This method is used so that researchers get information directly to the object of research based on a list of questions or questionnaires that have been compiled.

2. Observation

is a method that aims to obtain more complete and in-depth data and information by directly observing the object of research. This method is done for

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3. Literature study

is a method that aims to obtain secondary data related to research. The data were obtained from related institutions, books, research journals and those related to this research.

**Population and Sample**

The population is a subject that exists in an area and can meet certain requirements related to problems in research. The population is a group that is of concern to the researcher, a group related to those for whom the generalization of research results applies, Wina (2013). owners of small, micro, small and medium enterprises (UMKM) engaged in agro-industry, totaling 30 MSMEs that are already included in the Creative Economy category. Researchers use the entire population as research respondents because the population to be studied is less than 100, Arikunto (2002). if the number of respondents is less than 100, all samples can be taken so that the research is a population study.

**Data processing**

Researchers use inferential sta-

**Coefficients**<sup>a</sup>

| Model | | Unstandardized Coefficients B | Std. Error | Standardized Coefficients Beta | t | Sig. |
|---|---|---|---|---|---|---|
| 1 | (Constant) | 42,048 | 19,030 | | 2,210 | ,003 |
| | Digital Marketing | ,563 | ,210 | ,452 | 3,681 | ,002 |
| | Personal Selling | -,149 | ,274 | ,402 | 3,542 | ,001 |

*Source : Processed 2023*

tistics with the aim of sample research, researchers have the goal of generalizing or taking the population based on sample data. This statistic will be said to be suitable for use if the research sample is taken from a clear population, and the sampling technique from that population is carried out randomly. Based on the statement above, according to Suryani and Handryadi (2015), inferential statistics can be divided into two, namely parametric and non-parametric statistics and can be grouped into associative, comparative and interdependent models. In this study, researchers used parametric inferential statistics because parametric inferential statistics is a sample study where researchers want to estimate population parameters through sample data. With the associative model, simultaneously multiple regression techniques,

namely: (1) the effect of personal selling on sales; (2) the effect of digital marketing on Sales. Next, namely: (3) Testing the effect of personal selling and digital marketing on sales. Parametric statistics require that the data for each variable to be analyzed must be normally distributed, therefore before testing the hypothesis, several analyst prerequisite tests are carried out, Sugiyono (2017). Before carrying out data analysis tests, validity, reliability and prerequisite tests are carried out in the form of normality tests, heteroscedasticity and multicollinearity tests, followed by t tests, f tests and R2 tests (Coefficient of determination test).

## 3. RESULTS

Multiple linear Regression Analysis

Table 1. Multiple Linear Regression Analysis test results

Based on Table 1. The results of multiple linear regression analysis, the multiple linear regression equations are obtained as follows:

$Y = 42,048 + 0,563X_1 - 0,149X_2 + e$

The regression equation explains that. Constant Value (a) together with 42.048 is a constant value, if the value of the independent variables (Personal Sales and Digital Marketing) together

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wuth 0 then sales (Y) is 8,000. for the regression coefficient together with 0.563 this shows that the Personal Selling variable has a positive effect on Sales, in other words if the Personal Selling variable is increased by one unit then sales will increase by 0.563. Regression coefficient together with 0.149 indicates that, if the Digital Marketing variable is increased by one unit, Sales will increase by 0.149. So based on this description, it can be concluded that if personal selling and digital marketing can be developed, then sales will increase in agro-industrial UMKM products in Pandeglang Regency.

**Partial Test (t test)**

The effect of personal selling on sales can be known by partial testing (t test) the same as the effect of digital marketing on sales can be known by partial testing. The test was carried out to test the significance of the regression coefficient or partial correlation or the effect of each of the independent variables ($X_1$, $X_2$) on the dependent variable ($Y_1$). The results of testing each variable can be seen in Table 2.

Table 2. T test results

**Coefficients$^a$**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 42,048 | 19,030 | | 2,210 | ,003 |
| | Digital Marketing | ,563 | ,210 | ,452 | 3,681 | ,002 |
| | Personal Selling | -,149 | ,274 | ,402 | 3,542 | ,001 |

*Source : Processed Data 2023*

The results of the analysis of the effect of personal selling on sales show that the t value is 3.542 > t table 2.052. The significance level is 0.001 <0.05, so the hypothesis H0 is rejected and H1 is accepted. The results of the analysis show a significant value of 0.001, the value is less than 0.05, so it is not significant according to Ho's hypothesis, namely private selling has an effect on sales being rejected, so H1 is accepted, in other words personal selling has a significant effect on sales. The results of the analysis of the influence of digital marketing on sales show that tcount 3.681 > t table 2.052 with a significance level of 0.002 <0.05 so that the hypothesis H0 is rejected and H1 is accepted. The results of the analysis show a significant value of 0.002, the value is less than 0.05, so it is not significant according to Ho's hypothesis, namely digital marketing has an effect on sales, is rejected,

so H1 is accepted, in other words, digital marketing has a significant effect on sales.

## Simultaneous test (Test F)

The Simultaneous Test which is an analytical test to see the effect simultaneously or simultaneously between personal selling, digital marketing and sales variables, can be seen in Table 3. the results of the F test.

**ANOVAª**

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 414,853 | 2 | 207,426 | 24,138 | ,000ᵇ |
| | Residual | 1353,447 | 27 | 50,128 | | |
| | Total | 1768,300 | 29 | | | |

*Source : Processed Data 2023*

a. Dependent Variable: Penjualan
b. Predictors: (Constant), Penjualan Pribadi, Pemasaran Digital

Based on the results of the F test, it shows that personal selling and digital marketing simultaneously (simultaneously) affect sales, this can be seen from the results of the F test, namely 24,138 while Ftable is 3,354 so it can be seen that Fcount is greater than Ftable (24,138 > 3,354) so that statistically personal selling and digital marketing simultaneously have a significant effect on sales.

## Determination Coefficient Test (R2)

The test of the coefficient of determination (R2) from the results of multiple linear regression shows how much the dependent variable, namely sales, is influenced by the independent variables personal selling and digital marketing. The results of the test for the coefficient of determination (R2) can be seen in Table 4.

Table 4. Results of the Coefficient of Determination (R2)

| | | Model Summary | | |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .789ª | .623 | .595 | 2.035 |

*Source : Processed Data 2023*

In table 4, the results of the analysis of the calculation of the coefficient of determination (R2), the coefficient of determination (R2) is 0.789, meaning that there is a positive relationship between personal selling and digital marketing to sales and there is a correlation of 78.9%, the remaining 21.1%. influenced by other factors. From the results of this analysis the value of the coefficient of determination (R2) is 0.623,

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this means that the personal selling variable ($X_1$) and digital marketing ($X_2$) have a joint contribution of 62.3% to the sales variable (Y). While the remaining 37.7% is influenced by other variables not examined in this study.

## 4. CONCLUSION

Personal selling has a positive and significant influence on sales of UMKM Agro-industry products in Pandeglang Regency. Personal selling as a process of helping and persuading one or more potential customers to buy goods or services directly to consumers. Personal selling is a successful and effective variable for the sale of UMKM Agro-industry products in Pandeglang Regency. Digital Marketing as a marketing process. Digital Marketing Has a positive and significant influence on sales of UMKM Agro-industry products in Pandeglang district. Technological advances are so fast that manufacturers must follow in order to be able to adapt and get positive things from technological advances through digital marketing. Manufacturers must accept and apply new technology in addition to the skills and abilities of industry players because technology can change the mindset of industry players. The results of this

study indicate that the Digital Marketing Variable has a positive effect on sales perceived by producers. Together or Simultaneously, the Variables of Personal Sales and Digital Marketing have a positive effect on sales of Agro-industrial UMKM Products in Pandeglang Regency. The results show that from the results test from the calculations above, the Fcount value from the regression calculation is 24,138 while the Ftable is 3,354 so that it can be seen that Fcount is greater than Ftable (24,138 > 3,354) so statistically personal selling and digital marketing together have a significant effect against sales.

be put forward from the results of this study include:

1. Government: the government is expected to be able to manage and strengthen the role of UMKM so that they can continue to grow and develop. The government must also cooperate with banks, the private sector, related Ministries/Institutions, provincial governments, universities, Bank Indonesia and other institutions as well as soess in creating increased sales for UMKM players.

2. Business actors: Business actors must explore ways to attract consumer

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interest in UMKM products in order to increase sales, besides that business actors must quickly follow technological developments and apply them in the marketing process for UMKM products so they can compete in this rapid technological development.

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