

IMPLEMENTATION OF CAPITAL OWNERSHIP, DIGITAL PAYMENT AND DIGITAL SALES TOWARDS MSME BUSINESS SUSTANABILITY IN BANGKA BELITUNG

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Abstract

The problems faced in the affairs of cooperatives, Small and Medium Enterprises are quite complex, apart from the quality of human resources, capital, payment media, product marketing problems, raw materials and infrastructure are the main obstacles in the development of the Cooperative and MSME sectors. From a marketing perspective, MSME products are less well known due to the lack of promotion and marketing, as well as less than optimal use of digitalization in introducing MSME products or work at both the national and international levels. The aim of this research is to determine and analyze the influence of capital ownership, digital payments and digital sales on the sustainability of MSME businesses in Bangka Belitung Province. The population and sample size in this research is 60 MSME actors spread across Bangka Belitung Province. The sampling technique determined is purposive sampling. and data processing tools, namely SPSS 25. The research results show that the capital ownership variable has a significant positive influence on the sustainability of MSME businesses, the digital payment variable has a positive but not significant influence on the sustainability of MSME businesses while the digital sales variable has a positive but not significant influence. not significant to the sustainability of MSME businesses. It is hoped that the implications of this research will be useful for MSME business actors and look at how to maintain the sustainability of MSME businesses and for future researchers it is hoped that they can add other variables or objects of analysis to make a wider population and sample.

Keywords: Digital Payments, Digital Sales, Sustainability Business, MSMEs

1. INTRODUCTION

Utilization of digital marketing(Rahadhini, 2021)provides new hope for MSMEs to survive in the midst of the pandemic and develop into centers of economic power because the digital era cannot be avoided. Development of online-based promotional media by collaborating with application-based purchasing services. The use of applications provides an opportunity to expand market reach and becomes an important medium for communicating with customers, such as during the Covid era when interactions with customers were limited(Purba et al., 2021)The development of digital technology allows MSME players to market their products online and carry out transactions via the online banking system as well. This certainly makes transactions easier amidst pandemic policies that limit direct interaction between traders and buyers.(Purba et al., 2021)

Social media is a digital marketing tool(Sudarmiatin et al., 2023)the easiest to utilize at the moment. Using social media for online marketing is easier to learn than creating a website which requires special skills. This can be a stimulant for entrepreneurial development and the sustainability of MSMEs. Apart from low costs and no need for special skills in carrying out initial initiation, social media is considered capable of interacting directly with potential consumers (engagement).(Santoso, nd)Therefore, it is not surprising that one of the strategies

of MSME players to prevent the domino effect of the current pandemic is to emphasize the use of social media rather than developing a website. Data reported by We are Social, a digital marketing agency in America, states that the top 5 most used social media in Indonesia as of January 2023 are YouTube (139%), Whatsapp (27.30%), Instagram (89.15%). %, Facebook (119.9%) Twitter (24%), Tiktok (109.9%), Linkdl (23%) and Snapchat 3.35% So, the use of social media as a strategy to compete in the technological era needs to be pursued by MSME actors.(Hadi et al., 2021)More details can be seen in the following picture of the number of social media users in Indonesia until 2023:

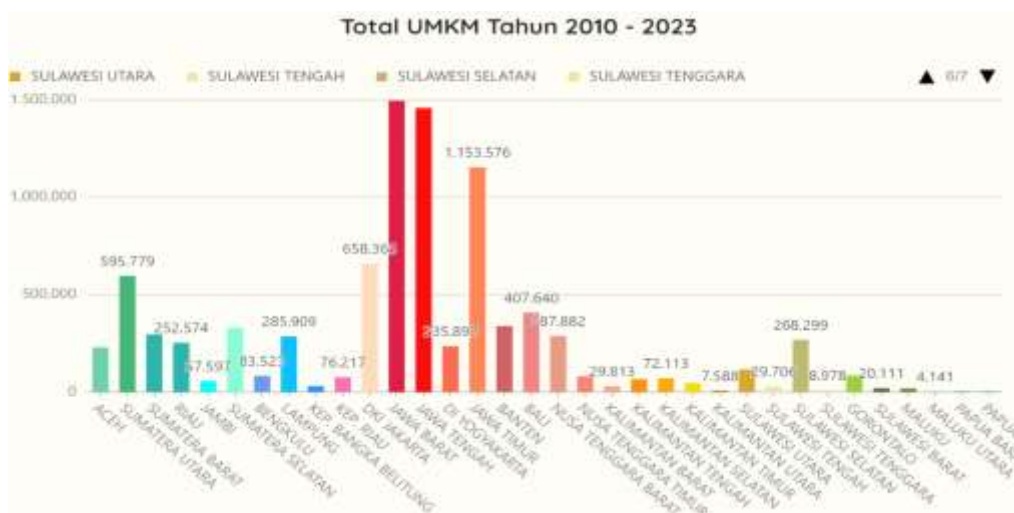


Figure 1.

Development of Social Media Users in Indonesia in 2023

The rapid development of social media users has given rise to a new phenomenon, namely the use of social media to carry out business activities by promoting or carrying out transactions using digitalization, not only promotional activities but as time goes by, the use of technology for MSME business activities also applies to payments based on digital payments, Examples of digital payment tools are: Paylates, GoPay, Dana, and QRIS and others.(Kaur & Devi, 2023)

Many people use social media and take advantage of payments via digital payments(Kilay et al., 2022)because the ease of transactions is one of the extraordinary achievements in the development of MSMEs in Indonesia until 2023, which can be seen in the following graph:



Source: Ministry of Finance of the Republic of Indonesia, 2023

Graph 1..

Development of MSMEs in Indonesia

Development of MSMEs in Indonesia from graph 1.1. This shows that society now really understands sources of income that can have an impact on the welfare of life, one way is by creating micro, small and medium scale businesses, this of course with the increasingly significant role of MSMEs in Indonesia must be balanced with the role adequate digitalization.(Ekasari et al., 2021)In graph 1.1. The above shows the number of MSME actors throughout Indonesia, but there are still several areas where MSME development has not been very significant, for example in Bangka Belitung Province, until 2023 the number of MSME actors has reached 52,048.

The problems faced in matters of cooperatives, Small and Medium Enterprises in Bangka Belitung Province are quite complex, apart from the quality of human resources, product marketing problems, raw materials and infrastructure are the main obstacles in the development of the Cooperative and MSME sectors. From a marketing perspective, MSME products are less well known due to the lack of promotion and marketing, as well as less than optimal use of digitalization in introducing MSME products or work at both the national and international levels.(Ekasari et al., 2021)

Apart from that, the issue of raw materials is a fairly central focus because the survival of MSMEs depends on the availability of raw materials. As an example of the Nipah stick craft which has been introduced to foreign markets, and is now an export craft product, its sustainability is still questionable due to limited raw materials. Apart from that, capital constraints are still a classic problem, even though Bank Indonesia in its regional economic assessment report stated that the figure for MSME credit distribution in the Bangka Belitung Islands Province had exceeded the target, in reality there are still many MSMEs who complain about the lack of capital for developing their businesses.(Putu et al., 2020)

Capital issues are a problem that deserves attention for MSMEs. People's Business Credit (KUR) is one solution to the capital problems faced by MSMEs, good MSMEs must be able to implement financial management well and disciplined, be able to separate personal finances from business finances, MSMEs that do not have good financial management will cause several problems payment of credit which is called bad credit at the bank providing KUR / other institutions. Capital is one of the most important parts that every company must have. With capital, a company can carry out production activities and other business activities.

Without capital (in the form of money), a company can still run, but its activities will be very limited. (Sri Yuniar et al., 2023)

Sales is one of the marketing functions that is very important and decisive for MSMEs in achieving their goal, namely making a profit to maintain the continuity of MSMEs. Sales can also be interpreted as an integrated activity to develop strategic plans aimed at satisfying the needs and desires of buyers/consumers, in order to obtain sales that generate profit or profits. Or the definition of sales is a transaction activity carried out by 2 (two) parties/more using legal payment instruments. (Hadi et al., 2021)

According to Francis Tantri and Thamrin (2016:3) sales are part of promotion and promotion is one part of the entire marketing system. Sales according to experts, Westwood (2011:4) states that sales is a straightforward concept which includes efforts to persuade customers to buy a product. Thus, it can be concluded that sales are activities and activities carried out by humans that are mutually beneficial to each other, where the seller offers the product he has to consumers so that he is able to attract the consumer's tendency to be willing to spend money to buy a product that has been offered by the seller. (Hamdan et al., nd)

The transaction model is a change or transformation of the way of transactions, namely exchanging money or goods in economics and finance from the old way to a modern way by utilizing advances in information technology and the internet. According to Azhar Susanto (2013:8) Transactions are events where business activities are carried out by a company, whereas according to Mursyidi (2010:39) Transactions are events that occur in the business world, not only buying and selling payments and receiving money but also due to losses due to fire, currents and also other events that can be valued with money. (Puspa Sari et al., nd)

2. RESEARCH METHOD

Research Approach

This research was used to determine the relationship between capital ownership, digital payments and digital sales on the sustainability of MSME businesses on the sustainability of MSME businesses in Bangka Belitung Province. (Azro'i et al., 2023) This study uses a quantitative approach. The quantitative approach is a numerical analysis Then will analyzed use appropriate statistics. (Ahyar et al., 2020) This quantitative approach is used because this research aims to obtain empirical evidence regarding the hypothesis which has determined. The type of data used in this research is quantitative data. (Pardiman et al., 2022) The aim of this method is to provide an overview, explanation and analysis of the relationship between variables using statistical analysis. The aim of this research is to provide objective and empirical evidence generalize wider population results. This research also uses an associative approach which aims to analyze the relationship between the variables used in this research. This method is often called the scientific method (scientific) because this approach meets scientific principles, namely systematic, empirical, measurable, concrete, rational, objective. (Purnomo et al., 2022)

Method

This research uses a quantitative research method that has a descriptive nature, namely research that attempts to describe an event, incident or symptom that is currently occurring. The type of research used in this research is method quantitative. The quantitative method is called the discovery method, because this method can be discovered and developed as new science and technology. Quantitative methods are used because research data is in the form of numbers and uses statistical analysis. (Ardiansyah et al., 2023) This research will examine the relationship between capital ownership, digital payments and digital sales on the sustainability of MSME businesses in Bangka Belitung Province.

Developmental Regression Model

This research uses regression analysis analysis techniqueslinear multiple(Rahadhini, 2021)is a regression model that uses at least two independent variables and one dependent variable in its calculations. Multiple linear regression analysis is used to determine the relationship between MSME business sustainability and other variables. Purpose of testinghypothesisThe following equation is obtained:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Information:

Y	= Sustainability of MSME businesses
α	= Constant
$\beta_1 \beta_2$	= Regression coefficient
β_3	
X1	= Capital Ownership
X2	= Digital Payments
X3	= Digital Sales
e	=Standard Error

3. RESULTS AND DISCUSSION

Results of Descriptive Statistical Tests

Descriptive statistics aims to provide an overview or description of data seen from the average (mean) standard deviation, minimum and maximum values.

Table 1..
Descriptive Statistics

Descriptive Statistics					
	N	Minimu m	Maximu m	Mean	Std. Deviation
Capital Ownership	60	15.00	25.00	20.5167	2.27359
Digital Payments	60	12.00	25.00	19.7167	2.71275
Digital Sales	60	11.00	25.00	20,1000	2.86830
Sustainability of MSME Businesses	60	15.00	25.00	19,8000	2.51639
Valid N (listwise)	60				

Source: SPSS 25 Data Processing Output for 2024

Based on the results of descriptive statistical tests in table 1.1, it is known that the number of data taken for testing was 14 data. The dependent variable, namely the Sustainability of MSME Businesses, has an average (mean) of 19.80 and a standard deviation value of 2.52. The maximum value for Sustainability of MSME Businesses is 25.00. The minimum value for Sustainability of MSME Businesses is 15.00.

Based on the results of descriptive statistical tests in table 1.1 independent variablesCapital Ownershiphas an average value (mean) of 20.52. Has a standard deviation of

2.73. Maximum value of the variable **Capital Ownership** of 25.00. The minimum value for **Capital Ownership** of 15.00.

Based on the results of descriptive statistical tests in table 1.1 independent variables **Digital Payments** has an average value (mean) of 19.72. Has a standard deviation of 2,712. Maximum value of the variable **Digital Payments** of 25.00. The minimum value for **Digital Payments** of 12.00.

Based on the results of descriptive statistical tests in table 1.1 independent variables **Digital Sales** has an average value (mean) of 20.10. Has a standard deviation of 2.87. Maximum value of the variable **Digital Sales** of 25.00. The minimum value for **Digital Sales** by 11.00.

Multiple Linear Regression Analysis Test

Regression analysis linear Multiple is a regression model that uses at least two independent variables and one dependent variable in its calculations. Multiple linear regression analysis is used to determine the relationship between MSME Business Sustainability and other variables. The results of the multiple linear regression analysis test are as follows:

Table 2.

Multiple Linear Regression Analysis Test

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4,456	2,729		1,633	.108
	Capital Ownership	,437	,130	,395	3,350	,001
	Digital Payments	,182	,129	,196	1,406	,165
	Digital Sales	,139	.126	,159	1,106	,273

a. Dependent Variable: Sustainability of MSME Businesses

Source: SPSS 25 Data Processing Output for 2024

Based on the output results in the table above, the results of the test obtained the following multiple linear regression analysis equation

$$Y = 4.456 + 0.437 X_1 + 0.182 X_2 + 0.139 X_3 + e$$

Based on the results of the equation above, it can be interpreted as follows. The regression equation shows that the constant value is 0.131, this can be interpreted, if the independent variable is constant, then the dependent value for the Sustainability of MSME Businesses will be 0.131. Meanwhile, the regression coefficient value of Capital Ownership has a positive influence of 0.437 on the Sustainability of MSME Businesses, meaning that the more capital, the better it will be for the Sustainability of MSME Businesses. Meanwhile, the Digital Payment variable has a coefficient value of 0.182, which has a positive value of 0.182 for the Sustainability of MSME Businesses, meaning that the more use of payments via digital media indicates higher income, with increasing income meaning the level of sustainability of MSME businesses is getting better. The Digital Sales variable has a coefficient value of 0.139 and has a positive effect on the sustainability of MSME businesses, with positive results on the digital sales variable, meaning that the level of sales of MSME products through digital media is getting higher, resulting in significant income, thus the level of sustainability of MSME businesses is getting better.

Research Discussion

The Influence of Capital Ownership on the Sustainability of MSME Businesses

Based on the results of the partial test analysis (t) that has been carried out, it can be concluded that the capital ownership variable has a positive and significant effect on the sustainability variable of MSME businesses, so that hypothesis two is accepted. Capital ownership has a positive and significant effect on the sustainability of MSME businesses because it has a t-count value of 3.350 which is greater than the t-table value of 1.671 ($t_{count} > t_{table}$), with a significance level of 5% with a t-test sig value of 0.001 which is smaller than 0.05 ($0.001 < 0.05$).

Capital ownership is an important factor for starting a business and even for business sustainability. In several studies, it is also stated that capital also influences the performance of MSME players. As research conducted by Ferdiansyah & Bukhari (2021). Sufficient and stable business capital will have a good impact on business sustainability. Business capital also needs to be maintained in the sense that it is not mixed with personal finances. Because business capital is also a determinant in knowing the amount of income earned by business actors.

The results of research that have different results are research conducted by (Darmi, 2022) Where the research results show that capital and social have a significant influence on the development of MSME business management, whereas in this research what is seen is how capital ownership will have an influence on the sustainability of MSME businesses.

The Influence of Digital Payments on the Sustainability of MSME Businesses

Based on the results of the partial test analysis (t) that has been carried out, it can be concluded that the Digital Payment variable has a positive and significant effect on the sustainability variable of MSME businesses, so that hypothesis two is accepted. Digital Payment has a positive and insignificant effect on the sustainability of MSME businesses because it has a t-count value of 1.406 which is smaller than the t-table value of 1.671 ($t_{count} > t_{table}$), with a significance level of 5% with a t-test sig value of 0.165 which is greater than 0.05 ($0.165 < 0.05$).

Digital payment is one of the solutions for utilizing payment tools, currently there are many financial institutions that provide payment facilities via digital media, for example, bank financial institutions almost on average provide Qris facilities as a transaction tool that can be used by the public for business actors, so that The use of digital media in the transaction process will make it easier for the public to make transactions for payments for products that have been purchased from MSMEs, so that the greater use of digital payments should have a positive impact on the sustainability of MSME businesses.

The results of this research are different from research conducted by (Kilay et al., 2022) Where the research results show that e-fayment and e-commerce services have an impact on the development of MSMEs because digital payments do not affect the sustainability of MSME businesses. The results of the same research are research conducted by (Kaur & Devi, 2023) Where the research results show that digital payments have an influence on the sustainability of MSME businesses.

The Influence of Digital Sales on the Sustainability of MSME Businesses

Based on the results of the partial test analysis (t) that has been carried out, it can be concluded that the Digital Sales variable has a positive and significant effect on the MSME business sustainability variable, so that hypothesis two is accepted. Digital Sales has a positive and insignificant effect on the sustainability of MSME businesses because it has a t-count value of 1.106 which is smaller than the t-table value of 1.671 ($t_{count} > t_{table}$), with a significance level of 5% with a t-test sig value of 0.273 which is greater than 0.05 ($0.273 < 0.05$).

Digitalization can be developed in electronic buying and selling activities as well as marketing to expand market reach. By using digital sales, MSMEs in Bangka Belitung

Province can utilize media to promote the products they produce. Media that can be used include Instagram, Facebook, TikTok or e-commerce such as Tokopedia, Shopee, Lazada and others. Using digital media will increase income from sales significantly, but digital media will not have much influence on the sustainability of MSME businesses.

The results of this research have similar results to research conducted by (Rahadhini, 2021) Where digital marketing and financial inclusion have a positive influence on the development and sustainability of MSME businesses in the culinary sector. The results of this study also have differences with the results of research conducted by (Purba et al., 2021) Where the sustainability of MSME businesses is not only influenced by digital marketing, but financial performance variables tend to have a more significant influence.

4. CONCLUSION

The sustainability of MSME businesses in Bangka Belitung Province can be influenced by several variables. Based on the results of research conducted, it was found that the variables of capital ownership, digital payment and digital sales have a significant positive influence, so it can be interpreted that the greater the capital owned by MSME actors in Bangka Belitung Province, the level of business continuity will be greater, as will the sales and payment media. When MSME players in Bangka Belitung Province provide sales and payment methods based on digital media, it will increase opportunities for the continuity of MSME businesses in Bangka Belitung Province.

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