The Influence Of The Environment, Business Capital And Creativity Of Marketing Strategies In Increasing The Competitiveness Of MSMES In Bengkayang City

1) Blasius Manggu ; 2) Sabinus Beni; 3) Silvester; 4) Kusnanto
1)Shanti Bhuna Institut Management Study Program, Bengkayang, Kalimantan Barat
2)Shanti Bhuna Institut Entrepreneurshi Study Program, Bengkayang, Kalimantan Barat
3)Shanti Bhuna Institut Primary School Teacher Education Study Program, Bengkayang, Kalimantan Barat
4)Shanti Bhuna Institut Information Technology Study Program, Bengkayang, Kalimantan Barat
Email: 1) blasius@shantibhuana.ac.id, 2) beni@shantibhuana.ac.id, 3) silvester@shantibhuana.ac.id, 4) kusnanto@shantibhuana.ac.id

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ABSTRACT
One of the factors that encourages the development of MSMEs in Indonesia is support from the government. The government provides MSME actors with as much space as possible by following the rules contained in government regulations. The government’s enormous attention to MSMEs is the right strategic step, in order to encourage the growth of our nation’s economic development. The business environment can act as a creator of opportunities or as a threat. These opportunities or threats depend on the extent to which the power possessed can take advantage of existing opportunities. Business environmental factors consist of political, economic, social, cultural, educational, technological, demographic and legal. Having knowledge about the environment can encourage marketing creativity as an expansion of actions to market products. Creativity is centered on something new and meaningful from several outputs, towards general implementation in the field of marketing, and creativity requires the development of newer and more radical alternatives because it is a business solution effort faced by MSMEs every day. The innovation of an MSME is of course to adapt in a dynamic environment, MSMEs are required to be able to create new assessments, new ideas and offer innovative products. To run an MSME, capital is one of the important supporting factors that is absolutely necessary to run a business. Sources of capital can be obtained from own capital, government assistance, financial institutions, both banks and non-bank financial institutions. Every MSME that competes in an industrial environment has the desire to be superior to its competitors. MSMEs MSMEs that have competence in the fields of marketing, products, innovation can be used as a source to achieve competitive advantage. Competitive advantage can be interpreted as a benefit strategy from MSMEs collaborating to create competitive advantages, so that they can dominate in new markets and markets. The aim of this research is to find out whether there is an environmental influence on the competitiveness of MSMEs, whether capital factors can influence the competitiveness of MSMEs, whether marketing strategy creativity can influence the competitiveness of MSMEs. The first stage in this research is identifying problems, related to environmental warfare, business capital and MSME marketing creativity. The aim of the research is to identify aspects that are closely related to problems in the environment, marketing capital and creativity, literature study, literature review both journals.
INTRODUCTION

The strong commitment from the government has encouraged the development of MSMEs, as well as the fact that MSMEs have good prospects for being further empowered. This interest is related to the current condition of the national economy and has not been convincing for several years. This is because there are still many problems that MSMEs themselves have to face, some of which can be classified into two main problems, namely financial and non-financial problems (management organization).

With optimism regarding the growing role of MSMEs, as well as the potential that the Indonesian nation actually has, it is necessary to formulate and explain the implementation of clear strategies and programs to achieve this. Companies that are able to adapt to their environment will enjoy more opportunities than businesses that are reluctant to adapt to their environment. These environmental factors can be inside (internal) or outside (external) the company. Internal factors are generally controlled by management, while external factors basically cannot be controlled by management (Suparyadi, 2004). Apart from environmental factors, business capital is absolutely necessary in carrying out business activities. Capital is a business factor that must be available before carrying out activities. The size of the capital will influence business development in achieving income (Bambang Riyanto, 2013). Business capital can be obtained from two sources, namely own capital and external capital, namely from credit institutions. Apart from the business environment and business capital, marketing strategy efforts are areas that cannot be separated from a society with an independent visual perspective. Marketing strategy includes strategies regarding elements or variables in the marketing mix which is the interaction of the four main variables in the marketing system, namely product, price, distribution and promotion.

One of the strategies implemented by the government to support economic development in Bengkayang district is to empower and grow micro, small and medium enterprises (MSMEs) to improve local superior sectors (Blasius Manggu, 2021). However, on the other hand, Micro, Small and Medium Enterprises also face many problems, namely limited working capital, low quality of Human Resources, and lack of mastery of science and technology. Micro, Small and Medium Enterprises in Bengkayang Regency include Trade, Hotels, Restaurants, Finance, Rental and Building Company Services, Processing Industry, Agriculture, Livestock, Forestry and Fisheries.

LITERATURE REVIEW

The success of a company depends on how the industry relates to its environment. The competitive environment influences the number and types of competitors. A marketing manager must face and how they will behave. The competitive environment is always considered a factor inhibiting the level of industrial growth. The company's environment can act as a creator of opportunities or as a threat. These opportunities or threats depend on the extent to which the power possessed can take advantage of existing opportunities.

General Environment

The general environment is the company's environment that indirectly affects the company's development process in achieving its goals. General environmental factors that
affect the company consist of: Political Environment, Economic Environment, Social Environment, Cultural Environment, Educational Environment, Technological Environment, Demographic Environment, Legal Environment. (Maruyudi, 2017)

Political Environment, what is meant by the political environment is the output related to various legal regulations, legislation and state policies in order to regulate and protect the lives of its citizens. Companies are social institutions that thrive in society, so the company's governance cannot be separated from the country's political environment. The relationship is reciprocal and influences each other. Apart from that, politics is interpreted broadly, so that it also includes the level of concentration of political power, the nature of political organizations, party systems, public awareness in society and so on. Environmental politics is an approach that combines problems with political economics to represent a dynamic change in tension between the environment and humans, and between various groups in society on a scale from local individuals to the transnational whole. (Herman Hidayat, n.d.)

Economic Environment, What is meant by the economic environment or economic system is a set of components or elements consisting of economic units and institutions which are not only interconnected and interact, but also mutually support and support and influence each other. (Manurung, 2018) Returning to the problems and nature of the system, companies cannot be separated from reciprocal relationships and mutual influence on the economic environment. Economic environmental factors can be mentioned, among others, various forms of companies, competition systems, price levels and others.

Social Environment, what is meant by the social environment is a comprehensive unity which includes the values, attitudes or views of individuals or society and the group structure that exists in society which influences or community life, especially the development of companies. ((Dalyono, 2015) Cultural Environment, What is meant by cultural environment is behavior, norms and social values that are used to understand and explain the physical and social environment These cultural environmental factors are all the results of the work society like manufactured goods

Educational Environment, what is meant by the educational environment is everything that includes climate, geography, customs, place of residence, culture, knowledge, and all things both physical and non-physical that can influence a person's growth and development behavior. (Surya, 2020) Technological Environment, what is meant by the educational environment is a whole, which is organized and consists of education from the lowest to with the highest level, including formal and non-formal education which as a whole will influence the development of the company, especially the abilities and awareness of its employees.

Educational environment is an environment that influences educational practices or various practices in various places where the educational process takes place, which is part of the social environment (Kunaryo Hadi, 1999). There are three educational environments, namely; family environment, school environment and community environment

Venture Capital

In running a business, one of the supporting factors needed is capital. If we compare starting a business by building a house, then capital is part of the foundation of the house to be built. The stronger the foundation, the stronger the house will be built. Likewise, the influence of capital on a business, its existence is the initial foundation for the business to be built. Some of the capital needed to run a business includes determination, experience, courage, knowledge, networking, and cash capital, but most people are hampered by starting a business because it is difficult for them to get cash capital.

Business capital is absolutely necessary to carry out business activities. Therefore, a certain amount of funds is needed as a basis for the financial measurement of the business being promoted. Sources of business capital can be obtained from own capital, government
assistance, financial institutions, both banks and non-bank financial institutions. Capital is a business factor that must be available before carrying out activities. The size of the capital will influence business development in achieving income (Bambang R, 2001), meaning other capital capital includes both capital in the form of money and in the form of goods. Schwiedlan in the book (Bambang Riyanto, 2013)

Capital is very important in starting a business. The size of the capital required depends on the size of the business to be established. Own capital is capital owned by the entrepreneur himself, which comes from savings, donations, grants, relatives and so on (Mardiyatmo, 2008). Apart from your own capital or loans, you can also rely on loan capital through various ways of owning a business with other people. The method is to combine your own capital with the capital of one friend or several people (who act as business partners) (Ambadar Jacky, 2010)

Business consultants generally divide the definition of capital, including small business capital, into two, namely tangible capital and intangible capital. (Suryana, 2014)
Tangible capital is capital that is tangible, both in the form of movable and immovable goods. Movable goods for example motorbikes, production machines, and so on. Intangible capital is capital that does not have a tangible form such as creative ideas. Overall business capital is divided into 3 parts, namely: Investment capital, working capital, operational capital.

Investment capital, investment is a type of business capital that must be spent which is usually used in the long term. (Jakfar, 2012). The value of business capital for investment is quite large because it is used for the long term, but investment capital will shrink from year to year, even from month to month. Working capital is working investment capital in the form of cash, securities, receivables and inventories minus current liabilities which are used to finance current asset activities. (Sujarwesi Wiratna, 2017). This working capital can be issued every month or at certain times. Operational capital. Business capital that must be spent to pay monthly operating costs, for example paying employee salaries, electricity and so on

Marketing strategy
Marketing is one of the main activities carried out by entrepreneurs in their efforts to maintain the company's survival and business development and make a profit. Success or failure in achieving goals depends on ability and expertise in the field of marketing. In achieving goals, there is a need for a marketing strategy, namely a a plan owned by a company as a guide for marketing activities to achieve the goals set by the company (Basu Swasta, 2013), a plan owned by a company as a guide for marketing activities to achieve the goals set by the company (Basu Swasta, 2013)

When starting to run a business, it is necessary to have a preliminary marketing strategy plan to introduce the new product to the market. The plan consists of three parts first product positioning, market share. The second part is about distribution strategy and budget. The third part is implementing a marketing mix strategy, namely strategies regarding price, distribution, product and promotion will be executed. Marketing strategy is a statement (either implicitly or will be executed. Marketing strategy is a statement (either implicitly or explicitly) about how a brand or product line achieves its goals. Bennett in (Fandy Ciptono, 2008) Meanwhile, Tull and Kahle in Fandy Tjiptono (2008) define marketing strategy as a fundamental tool planned to achieve goals. companies by developing sustainable competitive advantages through the markets they enter and the marketing programs they use to serve those target markets. Basically, marketing strategy provides direction in relation to variables such as market segmentation, target market identification, positioning of marketing mix elements, and marketing mix costs. Marketing strategy is an integral part of business strategy that provides direction to all functions management of an organization.

According to Corey in Fandy Tjiptono (2008), marketing strategy consists of five very related elements. The five elements are 1. Market selection, namely choosing the market that will be served. This decision is based on factors: Perception of product functions and technological
groupings that can be protected and dominated. Perceptions of product functions and technological groupings that can be protected and dominated. b. Limited internal resources encourage the need for a narrower focus. c. Cumulative experience based on trial and error in responding to opportunities and challenges. d. Special capabilities that come from access to rare resources or protected markets

1. Product planning, including specific products sold, formation of product lines and design of individual offers for each line. The product itself offers total benefits that customers can obtain by making a purchase. These benefits include the product itself, the product brand name, product availability, warranties or guarantees, repair services, and technical assistance provided by the seller, as well as personal relationships that may form between buyers and sellers.

2. Pricing, namely determining a price that can reflect the quantitative value of the product to customers.

3. The distribution system is the wholesale and retail trade channels through which the product reaches the final consumer who buys and uses it.

4. Marketing communications (promotions) which include advertising, sales personnel, sales promotions, direct marketing and public relations.

The ability of a company's marketing strategy to respond to any changes in market conditions and cost factors depends on an analysis of the following factors: management of an organization. Environmental factor Analysis of environmental factors such as population growth and government regulations is very important to understand the impact they have on a company's business. Apart from that, factors such as technological developments, inflation rates and lifestyle should not be ignored.

Market Factors Every company needs to always pay attention and consider factors such as market size, growth rate, stage of development, trends in the distribution system, buyer behavior patterns, seasonal demand, market segments that currently exist or can be further developed, and opportunities that have not yet been met. Competition In relation to competition, every company needs to understand who its competitors are, what the competitor's product/market position is, what the strategy them, competitors' strengths and weaknesses, competitors' cost structures and competitors' production capacities. Internal Capability Analysis Every company needs to assess its strengths and weaknesses compared to its competitors. This assessment can be based on factors such as technology, financial resources, manufacturing capabilities, marketing strength, and customer base.

**Competitiveness**

Business competitiveness is the ability of a company to perform well which is adapted from or the ability of a company that will compete with each other to be able to achieve a profitable competitive composition that allows it to compete with the company's performance. A company's competitiveness can be determined by many factors such as the skills and education level of the workforce, the expertise of the entrepreneur, the availability of capital, a good organizational and management system (according to business needs), the availability of technology, the availability of information, the availability of other inputs, such as energy and raw materials. (Bismala Lil, 2018)

(Dong Sung Chao, 2022) Factors that influence the competitiveness of MSMEs: Efficiency and effectiveness of the use of current resources, willingness and ability to link profitability with capacity growth, namely the desire to invest. Ability to innovate to improve technology and organization thereby increasing efficiency and effectiveness. The technology used is simple technology, in accordance with the operational capabilities of MSMEs. Companies must have a competitive advantage if they want to survive in the face of competition and continue to grow and develop. This advantage will later become the company's core competition, which is one of
the company's weapons to face competitors.

**METHOD**

This research uses a descriptive quantitative approach, namely a method used to understand the characteristics of a phenomenon of the object under study so that the main problems that arise can be identified and analyzed and alternative solutions can be taken. This type of research is descriptive, namely a method that examines the status of a group of people, an object, a condition, a system of thought at the present time. The aim of descriptive research is to create a systematic, factual and accurate description of the facts, nature and relationships between the phenomena being studied. The data in this research uses quantitative

**Research Stages**

Stages in this research, identifying problems, analyzing problems in environmental aspects, capital, marketing strategies for MSMEs in the city of Bengkayang. The aim of the research is to identify aspects that are closely related to the problem with the variables studied, literature study, in-depth study of supporting data, literature, good journals and text books, data processing, feasibility studies regarding the variables studied and their factors, analysis, analyzing the extent to which the results of data processing are related to environmental issues, capital and creative marketing strategies, making conclusions based on research results.

**Data Collection Techniques**

In this research, the data used is primary data, namely by sending/distributing questionnaires to Bengkayang city MSMEs. Apart from primary data, this research also uses library data, namely data as a source of theories used in research. The measurements in this study of the variables analyzed are divided into dependent variables and independent variables. The variables of entrepreneurial characteristics, Business Capital, Marketing Strategy, Business Development will be tested for their influence, where the variables Business Environment (X1), Business Capital (X2), Marketing Strategy Creativity (X3) are the independent variables and Competitiveness (Y) is the dependent variable

**Data Processing and Analysis Techniques**

To find out whether the research instrument is able to measure the selected concept, a validity and reliability test is used. The classic assumption test is intended to test the data so that it meets the Best Linear Unbiased Estimator (BLUE) criteria so that it can produce a valid estimator (Supramono, 2003).

1. **Validity Test**
   - The validity of a measure shows the level of validity of an instrument. An instrument is valid if it is able to measure what is desired. A research instrument is said to be valid if it has a coefficient value of more than 0.2.

2. **Reliability Test**
   - Reliability refers to the level of reliability. Something reliable means it can be trusted, so it can be relied on. A research instrument can be said to be reliable if it has a reliability coefficient of 0.6 or more (Arikunto 2006).

3. **Normality Test**
   - Whether a data distribution is normal or not can be seen from the comparison of the skewness value with the standard error of skewness and the comparison of the kurtosis value with the standard error of kurtosis. If the comparison value of the two values is between -2 to +2 then the data is said to meet a normal distribution

4. **Multicollinearity Test**
   - There are several indications of multicollinearity if the F statistic is significant but the statistic is not significant, if the R is relatively large but the t statistic is not significant
Multicollinearity is tested by calculating the VIF (Variance Inflating Factor), if the VIF value is smaller than 5 then no multicollinearity occurs.

Based on the existing variables, the model that will be used in this research is multiple linear regression to determine the influence of entrepreneurial characteristics, business capital, marketing strategies on business development. With the following formula:

\[ Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 \]

Where:
- \( Y \) = Competitiveness
- \( X_1 \) = Business Environment
- \( X_2 \) = Modal Usaha
- \( X_3 \) = Marketing Strategy Creativity

Next, to see whether each regression coefficient is significant, a significance level of 5% will be used. This test is used to find out whether the independent variable has a significant influence on the dependent variable.

**Hypothesis test**

In this research, hypothesis testing uses the simultaneous F test, and hypothesis testing uses the partial t test. The simultaneous F test can be determined by using the results of SPPS Version 26 data processing. By looking at the comparison between calculated F and F table and also assessing the significance (sig) which is determined to be 5% (\( a \leq 0.05 \)), whether together the dependent variable has a significant effect on the independent variable. The partial t test by comparing the t table and calculated t values and also the significant value (sig) is determined to be 5% (\( a \leq 0.05 \)).

**RESULTS**

**Classic Assumption Test**

Figure 1 Normal P-Plot

![Normal P-Plot](image)

Source: Primary data processed, 2023

Figure 1 on the normal P-Plot graph shows the dots spread around the diagonal line and following the direction of the diagonal line, indicating that the regression model used in this study meets the normality assumption.
The analysis test results in table 1 state that all variables show > 0.01 with a VIF value < 10, coefficient tolerance of business environment variables 0.978 is greater than 0.1 and the VIF of 1.023 is smaller than 10. Business Capital tolerance coefficient 0.965 greater than 0.1 and the VIF is 1.036 smaller than 10. Strategy Creativity Tolerance Coefficient 0.949 is greater than 0.1 and the VIF is 1.053 smaller than 10. With the multicollinearity analysis of the independent variables in this study, it can be concluded that multicollinearity does not occur, and is suitable for use as research data.

**Heterokedasitacy Test**

![Heterokedasitacy Test](image)

Figure 2 shows that the dots spread around the diagonal line. So it can be concluded that this research meets the heteroscedasticity test and the residual value is normal.

**Porridge F**

**Table 2. F test**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>41.398</td>
<td>B</td>
<td>13.799</td>
<td>16.837</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>62.289</td>
<td>76</td>
<td>.820</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>103.688</td>
<td>79</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Competitiveness
b. Predictors: (Constant), Creativity_Strategy, Business_Environment, Business_Capital

Source: Primary data processed, 2023
Based on the results of regression analysis using calculated F of 16.837 with a significance level of probability 0.000 <0.05, it can be concluded that the variables business environment, business capital, strategic creativity together have a significant effect on Competitiveness.

**T Test**

**Table 3 T Test**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>9.108</td>
<td>2.493</td>
<td>3.653</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Business Environment</td>
<td>.082</td>
<td>.079</td>
<td>.094</td>
<td>1.040</td>
</tr>
<tr>
<td></td>
<td>Business Capital</td>
<td>.092</td>
<td>.076</td>
<td>.109</td>
<td>1.204</td>
</tr>
<tr>
<td></td>
<td>Creativity Strategy</td>
<td>.426</td>
<td>.067</td>
<td>.582</td>
<td>6.377</td>
</tr>
</tbody>
</table>

Dependent Variable: Competitiveness 
Source: Primary data processed, 2023

**Correlation Coefficient**

In carrying out the analysis of this research, we are looking for a relationship between the 3 independent variables which together can be linked to the dependent variable so that we can know the magnitude of the contribution of all the independent variables which are the object of research to the dependent variable.

**Table 4 Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>R Square Change</th>
<th>F Change</th>
<th>df1</th>
<th>df2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.632a</td>
<td>.399</td>
<td>.376</td>
<td>.905</td>
<td>.399</td>
<td>16.837</td>
<td>3</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Competitiveness 
b. Predictors: (Constant), Creativity_Strategy, Business_Environment, Business_Capital 
Source: Primary data analyzed, 2023

From table 4 above, the R value is 0.632 or 63.3%. This shows that there is a relationship between 63.2% between variables (X1) Business Environment, (X2) Business Capital, (X3) Strategy Creativity on Competitiveness (Y).

**Coefficient of Determination (R²)**

To measure how far the model's ability to explain variations in the dependent variable Determination Coefficient is used. 0-1 is the coefficient of determination value.
Nilai R² amounting to 0.399 or 39.9%. In table 5, this means that the dependent variable Competitiveness (Y) can be explained by the independent variables, namely Business Environment (X1), Business Capital Variable (X2), Strategy Creativity Variable (X3) while the remaining 60.1% can be explained by other factors. which was not examined in this study.

DISCUSSION

Business Environment Variables on Competitiveness

Business Environment variables will influence Competitiveness, this is proven by testing the hypothesis in a positive and significant direction. Previous research was conducted by Gendut Sukarno (2011) who concluded that the business environment has a significant effect on the marketing performance of MSMEs in Sidoarjo Regency.

The Effect of Business Capital on Competitiveness

The influence of business capital on competitiveness, in this research analysis shows a positive and significant influence. The Business Capital variable in this research has a significant and influential effect on Competitiveness. Previous research conducted by Endang Purwanti, (2011) concluded that Business Capital has a significant influence on the development of MSMEs in Dayaan and Kalilondo Villages, Sala Tiga.

The Influence of Strategic Creativity on Competitiveness

The influence of marketing strategy creativity on competitiveness, in this research analysis shows a positive and significant influence. The Strategy Creativity variable in this research has a significant and influential effect on Competitiveness. This research is also supported by previous research from Endang Purwanti (2011) concluding that strategic creativity has a very positive influence on the development of MSMEs in Dayaan and Kalilondo Villages, Sala Tiga.

CONCLUSION

1. Based on the results of simultaneous analysis, the variables Business Environment, Business Capital and Marketing Strategy Creativity have a significant effect on increasing the Competitiveness of MSMEs in Bengkayang City.
2. The results of the partial test analysis that has been carried out show that the Business Environment variable has a significant effect on increasing the Competitiveness of MSMEs in Bengkayang City. c. The results of the partial test analysis that has been carried out show...
that the Business Capital variable has a significant effect on increasing the Competitiveness of MSMEs in Bengkayang City. 

3. The results of the partial test analysis that has been carried out show that the Marketing Strategy Creativity variable has a significant effect on increasing the Competitiveness of MSMEs in Bengkayang City.

SUGGESTION 

Based on the results of data analysis in this research, MSME actors in Bengkayang City must always pay attention to the following things:

1. Pay attention to the business environment, capital provided, always be creative in marketing to continue to develop and be able to compete with other MSME players. MSME players in the city of Bengkayang must always continue to innovate, be creative in marketing their products with attractive promotions, prices of goods sold according to market standards, business premises and services to consumers are increasingly improved so that they can compete with MSME players in the city of Bengkayang.

2. MSME actors must continue to pay attention to environmental conditions, the situation of the surrounding environment so that they can always adapt to changes in the environment.

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