

The Effect Entrepreneurship Product Innovation on Business Performance in Industry Micro Food of Brown Sugar in Bonto Bahari District Bulukumba Regency

Sasmila¹, Muhammad Guntur², Aris Baharuddin³, Aslinda⁴, Andi Cudai Nur⁵

Program Studi Ilmu Administrasi Bisnis, Fakultas Ilmu Sosial dan Hukum, Universitas Negeri

Makassar^{1,2,3,4,5}

Email: Sasmila220@gmail.com¹

ABSTRACT

This study aims to determine the effect of entrepreneurial product innovation on business performance in the brown sugar micro food industry in the district of Bonto Bahari, Bulukumba Regency. This study uses a quantitative approach to the type of descriptive research with a population of 30 respondents and the sample in this study as many as 30 respondents. Data collection techniques used through observation, questionnaires (questionnaire), and documentation. The data obtained from the research results were processed using data analysis and using the SPSS software application consisting of descriptive analysis techniques and inferential statistical analysis. The results of the research that can show that the indicators for each of the variables used are in the entrepreneurial product innovation variable showing that the indicators used in this study are in the good category. As for the indicators on the business performance variable, it shows in the very good category. Based on the results of the inferential analysis, it was obtained that the person correlation was 0.939, which means that there is a very strong relationship between the two variables. So it can be concluded that there is a significant influence between Entrepreneurial Product Innovation on Business Performance in the Brown Sugar Food Micro Industry in Bonto Bahari District, Bulukumba Regency.

Keywords: Entrepreneurship, Product Innovation, Business Performance

INTRODUCTION

Marketing plays a strategic role for the continuity of a business. A business with mediocre product results can be successful only because of the right marketing strategy. In any activity basically requires the role of marketing as an effort to achieve goals in developing a business. The company's goal to be able to ensure business continuity, develop and be able to compete, can occur if the company can sell its products at favorable prices at the expected quantity level, and is able to overcome the challenges of competitors in marketing. For that, we need people who are dynamic, have creativity,

initiative and tenacity and can satisfy consumers. Trading success is skill or expertise, cleverness and skill. Without skills, you can imagine the many problems faced in the trading world, especially if the company being handled is a large company. In essence, the wider the business and the greater the capital, the higher the skills required in its management.

According to (Soegoto, 2009) The meaning of entrepreneurship is a creative effort carried out based on innovation to produce something new, has added value, provides benefits, creates jobs and the results are useful for others.

Indonesia is an agricultural country, meaning that the agricultural sector still plays an important role in the overall national economy. One of the agricultural sub-sectors which is quite important in national development is the plantation sub-sector. The plantation commodity that is widely conserved by the community is coconut, because coconut is a form of entrepreneurship that is very much in demand by people, where one coconut tree can all be used from leaves, flowers, fruit to the trunk. Utilization of coconut can be used as raw material for cosmetics, white copra, art knick-knacks, ingredients for making shampoo, margarine, activated carbon, raw materials for medicines, and so on. In addition to coconut which can be processed into various products with high economic value, another product that is no less important than coconut is nira. Nira is a liquid with a high sugar content which is tapped from coconut flowers (mayang). Products that can be developed from sap include coconut sugar, palm sugar, bioethanol, and bee feed.

According to (Hidayat, 2013) Sugar is an item or material that contains carbohydrates, this is because sugar can in fact dissolve in water and can also be directly absorbed by the body which is then converted into energy in the body.

Making Coconut Brown Sugar is to evaporate the water in the sap to a certain thickness, then the thick sap is printed using a mold (Suhardiyono, 2014).

Brown sugar is obtained from coconut sap which has been evaporated and molded in various forms. Until now, the manufacture of coconut sugar is done by traditional craftsmen on a small scale using simple tools (Hidayat, 2013).

Brown sugar is one form of entrepreneurship that is in great demand by the community, it is said to be entrepreneurship because it can create and take advantage of existing opportunities and resources to generate added value in the family economy. The large number of brown sugar enthusiasts from various food and beverage industries or directly consumed by households, so brown sugar is one of the commodities that many people are interested in making into a business. One of the brown sugar-making businesses is in the province of South Sulawesi, including Bulukumba Regency.

The business of making brown sugar in Bulukumba Regency is actually spread over several sub-districts. However, the object of this research is the business of making brown sugar in the district. Bonto Bahari Kab. Bulukumba. The business of making brown sugar is a descendant business from parents, or from their own business. The business of making brown sugar has been started decades ago. This business processes

coconut sap into brown sugar. Brown sugar is a sweetener made from sap derived from flower bunches of trees from the palm family, such as coconut, palm, and siwalan. The benefit of brown sugar is that it can increase endurance due to the presence of phytonutrients such as polyphenols, flavonoids, anthocyanins, high iron, niacin, and others. The content is also believed to prevent anemia, accelerate blood circulation, and keep cholesterol levels in the body stable.

According to (Keller, 2014) states that product innovation is a combination of various processes that influence each other. So innovation is not a concept of a new idea, a new invention or also not a development of a new market, but innovation is a description of all these processes.

Product innovation is creating new products that can meet consumer needs and desires so that buying interest arises for the product, which is expected to be realized through purchasing decisions (Makmur, 2015).

According to (Rivai, 2005) The notion of performance is the willingness of a person or group of people to carry out an activity and perfect it according to responsibilities with results as expected. Performance refers to the employee's achievement which is measured based on the standards or criteria set by the company.

Based on the results of observations made by researchers on August 18, 2021 in the brown sugar industry, it shows that many brown sugar entrepreneurs in the Benjala sub-district who are the successors of family businesses do not have the confidence to manage their business considering that the business is not their own startup, so there are entrepreneurs who do not dare make decisions regarding the progress of their business. Likewise in the aspect of market orientation, entrepreneurs do not make a definite picture to develop market share and only tend to deposit markets that have become their customers. While in the aspect of product innovation, for example in terms of packaging where entrepreneurs only use dry banana leaves or use clear plastic, entrepreneurs also have not dared to innovate their business products, for example producing ant sugar, which has a much higher selling price, although the stages that must be passed are also more difficult. longer than regular brown sugar.

Based on the background described above, the researcher will raise the title **"The Effect of Entrepreneurial Product Innovation on Business Performance in the Brown Sugar Micro Food Industry in Bonto Bahari District, Bulukumba Regency"**

RESEARCH METHODS

This research uses quantitative methods, according to (Yusuf, 2014) The quantitative method adopts a structured, formal and specific design, and has a detailed operation design. By using this type of quantitative descriptive research, this is a type of research that aims to systematically, correctly and accurately describe the facts and characteristics of a particular population, or try to describe a phenomenon in detail. According to (Sugiyono, 2014) "Population is a generalization area consisting of: objects/subjects that have a certain quantity determined by the researcher to be studied and then draw conclusions". Meanwhile, the population in this study was 30 people, so all brown sugar makers in Binangakeke Kel. Benjala,

District. Bonto Bahari, Kab. Bulukumba became the population in this study. Sampling in this study used a saturated sampling technique, saturated sampling is a sampling technique when all members of the population are used as samples, the number of respondents determined in this study is 30 respondents (all taken). (Sugiyono, 2012) The sample is part of the number and characteristics possessed by the population. Based on a population that is not greater than 100 respondents. In this study, the measurement of variables used a research instrument, namely a questionnaire (Questionnaire). The scale used is the Likert scale, where the Likert scale is a measurement of attitudes by stating agree or disagree (Amir, Yulmardi, dan Junaidi, 2009).

RESEARCH RESULTS AND DISCUSSION

1. Entrepreneurship Product Innovation

Product innovation is something that can be seen as a product's functional progress that can take the product one step further compared to competing products. By using the three indicators proposed by (Kotler, 2018) namely Product quality, product variants, and product style and design.

a. Product Quality

Based on the results of research conducted, it can be seen that from data processing using the level of achievement of scores on product quality indicators, the results obtained in this study indicate the level of achievement of the percentage score of 72.40% with good categories.

b. Product Variants

Based on the results of research conducted, it can be seen that from data processing using the level of achievement of scores on product quality indicators, the results obtained in this study indicate the level of achievement of the percentage score of 84.27% with a very good category.

c. Product Style And Design

Based on the results of research conducted, it can be seen that from data processing using the level of achievement scores on product quality indicators, the results obtained in this study indicate the level of achievement of the percentage score of 82.53% with a very good category.

From the results of the research above, it shows that the average level of achievement obtained from all indicators used in this study to measure the Entrepreneurial Product Innovation variable in the brown sugar micro food industry in Bonto Bahari sub-district, Bulukumba Regency, was 79.73% in the good category. The results of the research on product innovation variables using the indicators proposed by (Kotler, 2018) product quality, product variants, and product style and design partially have a very strong influence on business performance.

2. Business Performance

Business performance is defined as an effort to measure the level of performance

with indicators as expressed by (Ferdinand T., 2011) namely, Sales Growth, Business Capital Growth, Labor Growth, Market Growth, and Profit Growth.

a. Sales Growth

Based on the results of research conducted, it can be seen that from data processing using the level of achievement of scores on product quality indicators, the results obtained in this study indicate the level of achievement of the percentage score of 82.27% with a very good category.

b. Business Capital Growth

Based on the results of the research conducted, it can be seen that from data processing using the level of achievement of scores on product quality indicators, the results obtained in this study indicate the level of achievement of the percentage score of 77.7% with good categories.

c. Labor Growth

Based on the results of research conducted, it can be seen that from data processing using the level of achievement of scores on product quality indicators, the results obtained in this study indicate the level of achievement of the percentage score of 80.67% with good categories.

d. Market Growth

Based on the results of research conducted, it can be seen that from data processing using the level of achievement scores on product quality indicators, the results obtained in this study indicate the level of achievement of the percentage score of 83.78% with a very good category.

e. Profit Growth

Based on the results of research conducted, it can be seen that from data processing using the level of achievement scores on product quality indicators, the results obtained in this study indicate the level of achievement of the percentage score of 82.67% with a very good category.

From the results of the research above, it shows that the average level of achievement obtained from all the indicators used in this study to measure the Business Performance variable in the brown sugar micro food industry in the Bonto Bahari sub-district, Bulukumba Regency, was 81.03% in the very good category.

3. The Effect Of Entrepreneurship Product Innovation On Business Performance In Industry Micro Food Of Brown Sugar In Bonto Bahari District, Bulukumba Regency

Based on the results of simple linear regression analysis shows that the value obtained is 1.158. contained in the regression coefficient of the Product Innovation variable. Based on the results of the T-test analysis test, it was obtained that tcount was 14,440 and ttable (0.05:30) was obtained at 1,701 (in the attachment t-table) meaning that Tcount was greater than Ttable because $Tcount > Ttable$, then H_0 was rejected and H_a was accepted. So that indirectly the results of data management in this study with a hypothesis that says "It is suspected that there is an influence between the influence of

Entrepreneurial Product Innovation on Business Performance in the Brown Sugar Food Micro Industry in Bonto Bahari District, Bulukumba Regency" is declared accepted.

From the results of the correlation test between the effect of entrepreneurial product innovation on business performance, it was obtained that a person correlation of 0.939 was in a strong position with an interval of 0.80 – 1.000, so it can be said that the Entrepreneurial Product Innovation variable (X) has a very strong relationship to performance. Effort (Y). To improve business performance in the brown sugar micro food industry in the district of Bonto Bahari, Bulukumba Regency, it is necessary to increase the given Entrepreneurial Product Innovation, because every increase in Entrepreneurial Product Innovation will affect business performance. Based on the output results obtained from r^2 of 0.882, which means the influence of the independent variable (X) on the dependent variable (Y) or means the effect of Entrepreneurial Product Innovation (X) on business performance (Y) of 88.2 percent, meaning 88.2 percent Business performance (Y) is influenced by Entrepreneurial Product Innovation (X) while the remaining 11.8 percent is influenced by other factors that have not been studied in this study.

The results of this study are in line with the theory expressed by (Killa, 2014) Where product innovation efforts are believed to improve business performance. As research conducted by (Elviana Niken Kumalasari, 2016) that Product Innovation has a positive and significant effect on business performance variables.

CONCLUSION

Product Innovation (X) in the Sugar Food Micro Industry in Bonto Bahari Subdistrict, Bulukumba Regency is in the good category, where business actors who are used as respondents the majority choose to agree on the statement based on three indicators formulated on the entrepreneurial product innovation variable. With the percentage level of the average score obtained from the results of data processing in the previous chapter, it is in the good category. Business performance in the Sugar Food Micro Industry in Bonto Bahari Subdistrict, Bulukumba Regency is in the very good category, where the majority of business actors who are respondents chose to agree on the statement based on five indicators formulated on the business performance variable. The results of the analysis show that there is an influence between entrepreneurial product innovation on business performance in the Sugar Food Micro Industry in Bonto Bahari Subdistrict, Bulukumba Regency of 0.939. has a very strong level of influence.

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