



## THE INFLUENCE OF MILENIAL GENERATION CREATIVITY AND SOCIAL MEDIA USE ON THE DEVELOPMENT OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSME) AT DKI JAKARTA

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### Abstract

The Covid-19 epidemic, as we are all aware, is causing havoc around the globe and is delaying the economy's growth. Therefore, a pandemic may be viewed as a flow of change that takes place, and business owners need to be able to manage this flow of change in order for their company to survive. This study aims to identify and analyze the influence of the creativity of millennial generation MSMEs and the use of social media on business development in MSMEs in the DKI Jakarta area. This study is a quantitative investigation that gathers information in the form of numerical data, which is then processed and analyzed to learn more about the meaning of the data. More specifically, this study used a survey method along with a regression strategy. The study will be conducted in Jakarta, Indonesia's Special Capital Region. All creative economy participants in DKI Jakarta, including up to 115 MSME participants, including small and medium-sized enterprises, were included as the study's sample. The use of social media and creativity are positively correlated. Utilizing social media more and being more creative will all aid in the growth of MSMEs. Micro, small, and medium-sized enterprises (MSMEs) will diminish as innovation and social media use decline

### Abstrak

Epidemi Covid-19, seperti yang kita semua ketahui, menyebabkan malapetaka di seluruh dunia dan menunda pertumbuhan ekonomi. Oleh karena itu, pandemi dapat dilihat sebagai arus perubahan yang terjadi, dan pemilik bisnis harus mampu mengelola arus perubahan tersebut agar perusahaannya dapat bertahan. Penelitian ini bertujuan untuk mengetahui dan menganalisis pengaruh kreativitas UMKM generasi milenial dan pemanfaatan media sosial terhadap perkembangan bisnis pada UMKM di wilayah DKI Jakarta. Penelitian ini merupakan penyelidikan kuantitatif yang mengumpulkan informasi berupa data numerik, yang kemudian diolah dan dianalisis untuk mengetahui lebih jauh makna dari data tersebut. Secara lebih khusus, penelitian ini menggunakan metode survei dengan strategi regresi. Kajian akan dilakukan di Jakarta, Daerah Khusus Ibukota Indonesia. Semua peserta ekonomi kreatif di DKI Jakarta, termasuk hingga 115 peserta UMKM, termasuk usaha kecil dan menengah, dimasukkan sebagai sampel penelitian. Penggunaan media sosial dan kreativitas berkorelasi positif. Memanfaatkan media sosial lebih banyak dan menjadi lebih kreatif semuanya akan membantu pertumbuhan UMKM.

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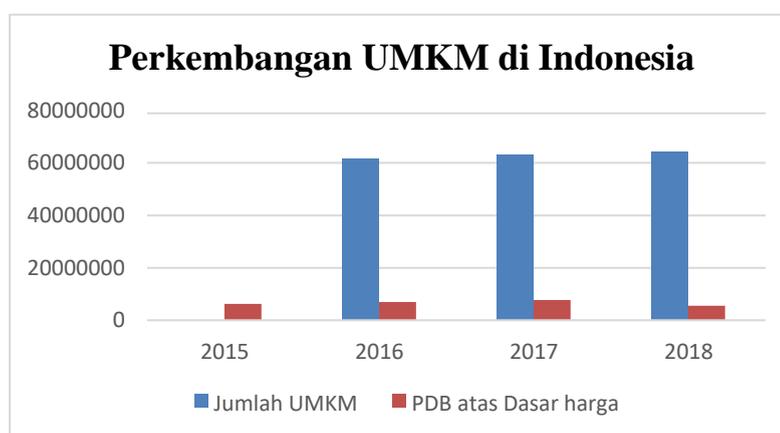
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## INTRODUCTION

The industrial revolution 4.0 is impacted by the quick growth of technology and the digital world, which also affects the marketing industry. The transition from traditional (offline) to digital marketing medium started at this time (online). Increasingly, commercial actors are promoting their goods digitally, which makes purchasing and selling transactions more convenient. As commercial actors, members of the public can advertise their goods on websites like Shopee, BukaLapak, JD.ID, Instagram, Tokopedia, Lazada, and Bli-Bli.com. Business opportunities for economic actors are made available by the growth of e-commerce. Micro, Small, and Medium-Sized Businesses are one type of business entity that uses digital technology (UMKM).

The establishment of this digital company offers convenience in interactions between sellers and purchasers as Small and Medium Enterprises (MSMEs) actors (Ifinedo, 2012). Several MSMEs have implemented digitalization advances by maximizing technology, and it has turned out that they are making more money. According to International Data Corporation (IDC) research, digitalizing MSMEs can boost state revenue (Rahman, 2020). MSMEs are becoming more digitalized, which has advantages for income and production.

According to research by (Suyudi, 2020), 82 percent of MSMEs in Indonesia are interested in undergoing a digital transformation that will enable them to expand their product and service offerings. The revival of businesses and the expansion of the economy as a whole are both impacted by this MSME change. MSMEs still have a lot of room to grow in terms of their digital potential. In order to reach the necessary aims and yet rely on the inventiveness of MSME players to produce high-quality goods, collaboration between a number of parties is required, including the government and technological service providers.



Picture 1. Development of MSMEs in Indonesia 2015-2018  
Source: (UMKM, 2018)

According to data published on the Depkop website, the growth of MSMEs in Indonesia has increased by 2.02% annually. This is due to the government's numerous programs to increase MSMEs, including: (1) Increasing market access for MSME products and services, including government infrastructure development projects; (2) Prioritizing MSME expenditures by the ministries of Institutions and SOEs; and (3) Accelerating and making People's Business Credi easier to finance.

Additionally, MSME players must approach problems with caution, taking into account factors like fierce competition, a competitive environment, dynamically shifting consumer preferences, and price variations. making business actors more aware of rapidly changing times that are impossible to foresee in any situation.

The 2019 Novel Coronavirus (2019-nCov), also known as Covid-19, developed, much like Indonesia, which is currently going through a change in currents, including the advent of viral outbreaks, particularly the most recent ones after SARS and MERS. A virus called Covid-19 first surfaced in the Wuhan Market in China. It's also referred to as a zoonotic virus, which is a term for a virus that may infect humans and originates in animals. Respiratory issues in the upper and lower respiratory tract are the first sign of the flu in humans, which can cause mild cases of the flu, such as the common cold, to severe cases of the flu.

Numerous countries had virus outbreaks in January 2020, creating a risky situation for the environment, the economy, and industry. MSMEs thus experience comparable difficulties with regards to manufacturing and sales. The Covid-19 virus's spread has an effect on Indonesia's MSMEs. In order to maintain the continuity of their business, business actors must be able to operate normally while also putting up a strong defensive. It is impossible to overestimate the significance of MSME actors in sustaining MSME growth in the face of an epidemic.

Utilizing social media with a creative and exclusive attitude to learn how a business can grow and develop in accordance with the times in order to achieve Indonesia's shared objective of becoming Asia's digital energy. In order to avoid being overtaken by rivals, digitally based firms will consequently become a development for the business actors themselves. The growth of a company's business typically follows a straightforward pattern, like working your way up from the ground up. Some companies begin as tiny business units that cater to a particular marketing niche.

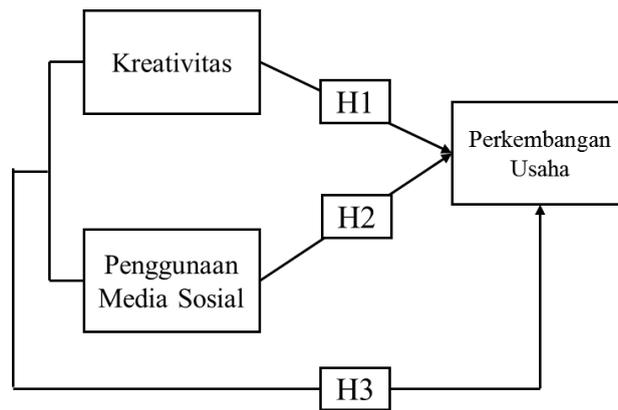
Millennials track the growth of MSMEs year after year in order to seize business possibilities. Confident, independent, and goal-oriented are traits that are often associated with the millennial age. The ability to be creative, as evidenced by the way they think, which is unconventionally and generates innovative ideas that are helpful to the corporate world, is one of the benefits the millennial generation possesses (Tomoda et al., 2010).

This generation's inventiveness is hoped to help MSME actors in Indonesia advance and change. For the Indonesian economy, MSME growth plays a crucial role in attaining development goals like boosting people's income, reducing poverty, and creating job opportunities (Widar, 2017). The potential of the digital economy will contribute \$150 billion in value to the country's GDP in 2025 (Kemenprin, 2018). The ease of transactions is made possible by the quick development of technology and the understanding of economic actors, as seen in the emergence of e-commerce platforms like BukaLapak, Tokopedia, Shopee, Instagram, JD.Id, Lazada, and Bli-Bli.com. The millennial generation prefers to shop conveniently by using applications, and the growth of MSMEs makes it easier for economic actors to access applications.

Due to the pandemic, people are choosing to shop using applications rather than bringing their data straight into establishments (Giri, 2020). According to data provided by BPS (2019), the growth of the e-commerce industry was 25.11%. To enable MSME actors to use the e-commerce platform to advertise their products, hence increasing their income (Supriadi, 2017). However, there are still a number of issues with its implementation for MSME actors, such as: Some MSME actors do not comprehend e-commerce in promoting their products, MSME actors are limited in business capital, and MSME players, packaging is not appealing, which deters consumers' interest (CNN, 2020). Therefore, MSME actors must continue to use ingenuity to stay ahead of the competition.

There are steps that must be taken in order to successfully build a business. The Covid-19 epidemic, as we are all aware, is causing havoc around the globe and is delaying the economy's growth. Therefore, a pandemic may be viewed as a flow of change that takes place, and business owners need to be able to manage this flow of change in order for their company to survive. It is difficult to explain how to defend MSME business players given the Covid-19 epidemic, but it is undoubtedly a difficulty for business actors or MSMEs to endure and advance. Businesses that are going through a crisis are supposed to grow through innovation and social media use. Even though it is predicted that individuals would spend the entire time at home, it is still possible to run a business by using social media to increase the efficiency of retail transactions.

Based on the research background outlined above, the author is interested in discussing how to foster a business actor's creative spirit so that he can continue operating his company despite the Covid-19 pandemic. He is also interested in discussing how business actors use social media as a platform for product marketing and interactions with customers. Thus, the proposed research title for this study by the author is " The Influence Of Milenial Generation Creativity And Social Media Use On The Development Of Micro, Small And Medium Enterprises (MSME) at DKI Jakarta." This study aims to identify and analyze the influence of the creativity of millennial generation MSMEs and the use of social media on business development in MSMEs in the DKI Jakarta area. Therefore, the researcher formulated the hypothesis as follows.



Picture 2. Constellation of Relations Between Variables  
 Source: Sata processed by Researchers (2022)

## LITERATURE REVIEW

### Business Development

Business development is a form of effort undertaken on behalf of the company to advance and achieve the peak or pinnacle of success. Business development is concerned with companies that have begun to be processed and seem to have room to grow. Business development, according to Chandra (2018), is defined as a rise in sales turnover, income, and staff (Nurwahida, 2018).

Business development, according to Sakur (2011), necessitates knowledge of the product quality to be created as well as the ability to pick up new technologies. Additionally, it requires a small amount of capital and relies less on government loans. According to the description given above, business development is the process of increasing revenue, earnings, and workforce. It necessitates knowledge of the caliber of the final product to be created as well as the ability to pick up new technologies.

According to Donalt L. Kirkpatrick (2019), business development is an initiative to enhance performance and organizational growth through a methodical and progressive process to improve knowledge, skills, attitudes, and performance of those with business managerial responsibilities (Sucahyawati, 2019). According to Jeaning Beaver in Mohamad Soleh, the rise of sales turnover is a gauge of the size of small businesses' success and progress (2008). Enterprise development standards must be quantifiable criteria that are not relative or even virtual, making it impossible to account for. All stakeholders will find it simpler to comprehend and support the achievement if the criteria are more clearly defined. Increased sales turnover, personnel expansion, and client growth are all suggested as signs of business progress (Soleh, 2008).

### Micro, Small and Medium Enterprises (MSMEs)

MSMEs with a focus on creativity play a variety of roles as economic stimuli in different nations. In industrialized nations, the position of creativity-based SMEs serves as the primary engine of economic growth, while in a number of emerging nations, their presence plays a very minor role in economic growth when compared to other sectors. The development of MSMEs in Indonesia has been investigated and addressed by a number of researchers. Supriyanto (2006) conducted these studies, as well as others, and came to the conclusion that MSMEs had the potential to help Indonesia's poor get out of poverty. It turns out that the MSME sector has a sizable contribution to employment, which takes in more than 99.45% of the workforce and adds to GDP. This suggests that fostering the growth of MSMEs has the potential to significantly reduce poverty. MSMEs will be able to absorb a little more than 30% of the labor put forth to advance and strengthen the industry, which will inevitably increase the welfare of those employed within and lower unemployment. It will ultimately be applied to the reduction of poverty.

### The Effect of Creativity on the Development of MSMEs

Thinking with the potential to change a situation is creativity. Whereas creative business players are undoubtedly influenced by a number of factors, including ideas or (producing a lot of ideas), flexibility or (how to overcome problems), originality or (inventing from original products), decomposition or (explaining something in depth), and reformulation or (reviewing the problem).

As a result, an entrepreneur must have the creativity to meet these challenges and discover indirect means of communication, such as using social media, which can obviously be a solution. Using social media will have its own advantages for business owners, such as making transactions more effective and efficient and making it simpler to choose items that can be completed at home. This is because, as is well known, bacteria may move from one hand to another in the eye. money. Therefore, we can scale back on health promotion for a bit.

According to Andi et al. (2019), creativity needs to be increased seriously for the development of MSMEs, and MSME actors with competent intelligence will be able to do so more swiftly. The degree of information is one factor that significantly affects creativity; the more knowledge one has, the more creative one can be (Sucahyawati, 2019). According to Amabile & Prett (2016) research, one factor that significantly affects creativity is one's level of knowledge. His level of creativity will rise with his knowledge. New approaches to business development have been produced as a result of the application of both creativity and innovation.

### **H1 : There is a positive influence between the creativity of the millennial generation on the development of MSME businesses at DKI Jakarta**

#### **The Effect of Media Use on the Development of MSMEs**

The term "social media" is defined by Van Dijk (2017) as a platform for media that emphasizes the presence of users who support them in their endeavors and interactions. In light of this, social media can be viewed as an online facilitator that strengthens user connections and social ties. Social media and social software, on the other hand, according to Shirky, are tools that let individuals share information, work together, and take collective action outside of institutional and organizational frameworks (Nasrullah, 2017).

Social media uses, also referred to as digital marketing, are social networking platforms that can be used to advertise media products. It is hoped that promotions will endure, but it is important to balance their use with other factors, including relationships (creating connections with customers through social media), communication (figuring out how to engage with them there), and so on.

Using social media for MSMEs has many benefits, including collecting data on distributor needs, supplier needs, target consumer needs, and product galleries as well as tracking consumer behavior. Additionally, social media can be utilized as a discussion board, to aid in decision-making, to respond to consumer inquiries, to document those inquiries, to advertise and promote items, and to recommend in-person meetings with customers (Purwiantoro et al., 2016). The numerous advantages of using social media in the development of MSMEs are one of the key factors encouraging MSMEs to keep using it to expand their businesses, boost product sales, engage with customers, and create a larger market network.

### **H2 : There is a positive influence between the use of social media on the development of MSME businesses at DKI Jakarta**

#### **The Influence of Creativity and Use of Social Media on the Development of MSMEs**

According to Dedi et al. (2017) 's research, corporate growth will increase if creativity rises. Business actors can enhance their business development by having the ability to create ideas and concepts. By courageously widening their perspectives on the most recent technologies, business players can develop their thoughts and ideas and discover what the demands of society are in order to come up with fresh ideas and ideas.

Business actors can investigate both technology and the products they sell, giving them a greater understanding of what consumers desire from the products they make. The aforementioned remark makes it obvious that business development can be accomplished by utilizing managerial skills, technology, intellectual property, and outside guidance. Business development can also be carried out by expanding the amount of available money for the company, in addition to these different approaches. A portion of the funds or capital may be spent on goods that will aid in the operation of the business.

### **H3 : There is a positive influence between the creativity of the millennial generation and the use of social media on the development of MSME businesses at DKI Jakarta**

## METHOD

Research is a means of discovering the truth, whereas method is a strategy to accomplish goals. This study is a quantitative investigation that gathers information in the form of numerical data, which is then processed and analyzed to learn more about the meaning of the data (Martono, 2010). More specifically, this study used a survey method along with a regression strategy.

The study will be conducted in Jakarta, Indonesia's Special Capital Region. All creative economy participants in DKI Jakarta, including up to 115 MSME participants, including small and medium-sized enterprises, were included as the study's sample. The Probability Sampling Method will be employed as the sampling strategy in this investigation. MSME actors in DKI Jakarta are the samples used in this study. There were 115 samples total in this investigation.

The method of data collection involves distributing the scale among the participants who have been chosen in accordance with the variable to be assessed. Researchers employ a questionnaire as their primary research tool. As a method of gathering data, questionnaires or surveys ask participants to respond to a series of questions or written remarks (Sugiyono, 2008). The IBM SPSS Statistics 25 measurement device was utilized as part of the study's quantitative data analysis approach to test the data.

## RESULTS AND DISCUSSION

### Normality Test Results

Testing for normality is done to see whether the data obtained is correctly distributed. In this test, the Kolmogorov-Smirnov test and Normal Probability Plot (P Plot) were employed to confirm the validity of the data set. The Kolmogorov-Smirnov test bases its decision criteria on a significant value, with a significant value > 0.05 regarded to be indicative of regularly distributed data. On the other hand, if the significance level is less than 0.05, the data are not regularly distributed.

Table 1. Normality Test Results  
**One-Sample Kolmogorov-Smirnov Test**

		Unstandardized Residual
N		115
Normal Parameters <sup>a,b</sup>	0.0000000	.0000000
	3.42920565	3.25161697
Most Extreme Differences	0.074	.066
	0.074	.063
	-0.032	-.066
Test Statistic		0.074
Asymp. Sig. (2-tailed)		0.171 <sup>c</sup>

a. Test distribution is Normal.

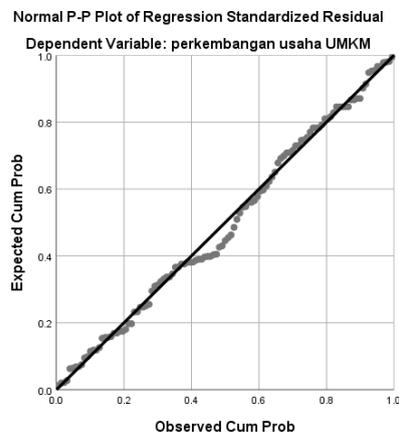
b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Source: Data processed by Researchers (2022)

Based on the calculation (result) for SPSS 25, it may be inferred that the data are regularly distributed because the significance level for the data is  $> 0.05$ . In addition to the Normal Kolmogorov-Smirnov test, the normal Probability Plot (Plot) can be used to assess the data's normalcy.



Picture 3. Graph of Normal Probability Plot (P Plot)  
Source: Data processed by Researchers (2022)

### Linearity Test Results

The linearity test checks to see if there is a linear relationship between these variables. X1 = Creativity; Linearity test in SPSS; significance level set at 0.05.

Table 2. Linearity Test Results Creativity with MSME Development

			Sum of Squares	df	Mean Square	F	Sig.
Perkembangan UMKM*	Between Groups	(Combined)	1173.105	12	97.759	5.348	.000
		Linearity	886.151	1	886.151	48.476	.000
		Deviation from Linearity	286.954	11	26.087	1.427	.172
Within Groups			725.000	1864.582	102	18.280	
Total			1190.775	3037.687	114		

Source: Data processed by Researchers (2022)

Based on the results (output) of evaluating the data, it can be deduced that the relationship between the variable creativity and the growth of MSMEs is linear because the value of linearity is 0.000 0.005.

Table 3. Linearity Test Results Media Social Use with MSME Development

			Sum of Squares	df	Mean Square	F	Sig.
Perkembangan UMKM*	Between Groups	(Combined)	1738.122	17	102.242	7.631	.000
		Linearity	1515.374	1	1515.374	113.108	.000
		Deviation from Linearity	222.748	16	13.922	1.039	.424
Within Groups			725.000	229.548	1299.565	97	13.398
Total			1190.775	1190.775	3037.687	114	

Source: Data processed by Researchers (2022)

The variable use of social media with the development of MSMEs can be inferred to have a linear relationship since the findings (output) of evaluating the data show that the value of Linearity is 0.000 0.005.

### Multicollinearity Test Results

It is necessary to perform a multicollinearity test in order to determine whether the independent variables, creativity, and social media usage, are similar. The Variance Inflation Factor (VIF) can be used to determine whether multicollinearity exists; if the Tolerance value is  $> 0.1$  and the VIF value is 10, multicollinearity does not occur. The multicollinearity test was computed using SPSS as shown in the following.

Table 4. Multicollinearity Test Results  
Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	Collinearity Statistics	
		B	Std. Error	Beta	Tolerance	VIF
1	(Constant)	20.973	2.062			
	Kreativitas	0.406	0.104	0.275	0.792	1.263
	Penggunaan media sosial	0.566	0.069	0.581	0.792	1.263

a. Dependent Variable: Perkembangan UMKM

Source: Data processed by Researchers (2022)

The tolerance value, the creativity variable, and the VIF value are all shown in the table above as  $0.792 > 0.1$  and  $1.263 < 10$ , respectively. Social media usage is a variable with a value of  $0.792 > 0.1$  and a VIF value of  $1.263 < 10$ . It is therefore possible to draw the conclusion that the multicollinearity issue in the regression model used in this investigation is not present.

### Heteroscedasticity Test Results

When a regression model's residuals have disparate variances, this is known as heteroscedasticity. A sound regression model ought to have no issues with heteroscedasticity. To check for heteroscedasticity, utilize the scatter plot and Spearman Rank Test. In the case of  $sig > 0.05$ , there is no issue with heteroscedasticity in the output correlation, and in the case of  $sig < 0.05$ , there is. You can see the heteroscedasticity test's calculation results as follows:

Table 5. Heteroscedasticity Test Results  
Correlations

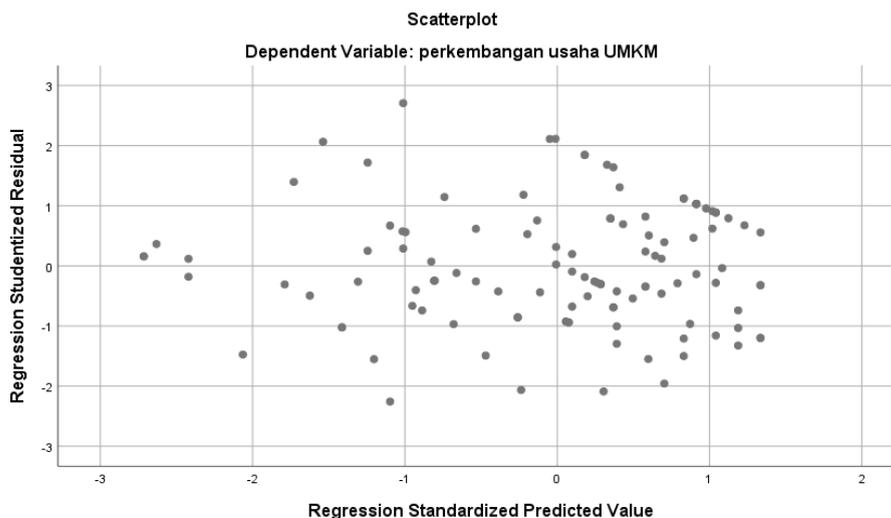
			Kreativitas	Penggunaan media sosial	Unstandardized Residual
Spearman's rho	Kreativitas	Correlation Coefficient	1.000	.385**	-.003
		Sig. (2-tailed)	.	.000	.978
		N	115	115	115
Penggunaan media sosial		Correlation Coefficient	.385**	1.000	.044
		Sig. (2-tailed)	.000	.	.641
		N	115	115	115
Unstandardized Residual		Correlation Coefficient	-.003	.044	1.000
		Sig. (2-tailed)	.978	.641	.
		N	115	115	115

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Data processed by Researchers (2022)

According to the table above, the significant values for creativity (X1) and social media use (X2) are  $0.978 > 0.05$  and  $0.641 > 0.05$ , respectively. As a result, there are no issues with heteroscedasticity in the regression model that was utilized in this investigation. Heteroscedasticity testing can also be carried out using scatterplot graphs. If a particular pattern is present, heteroscedasticity has taken place. As a result, there are no issues with heteroscedasticity in the regression model that was utilized in this investigation. If there is no discernible pattern and the points are evenly spaced out, heteroscedasticity does not happen.

Picture 3. Scatterplot Heteroscedasticity Test



Source: Data processed by Researchers (2022)

### Multiple Linear Regression Test Results

The multiple regression test is used to determine whether there is a linear relationship between two or more independent variables and the dependent variable. This analysis is done to determine what value the dependent variable will have if the independent variable's value is raised or lowered. The outcomes of the calculations for the multiple regression test are as follows:

Tabel 2. Multiple Linear Regression Test Results  
Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	
1	(Constant)	20.973	2.062		10.173	.000
	Kreativitas	.406	.104	.275	3.897	.000
	Penggunaan media sosial	.566	.069	.581	8.231	.000

a. Dependent Variable: Perkembangan UMKM

Source: Data processed by Researchers (2022)

The constant value of 20,973 in the table above indicates that the growth of MSMEs is worth 20,973 if inventiveness and social media use are both 0. Given that the creative variable (X1) has a regression coefficient of 0.406, the growth of MSMEs will increase by 0.406 for every unit increase in creativity. The X1 coefficient is positive, indicating that the growth of the MSME will increase if the entrepreneur's creativity is high; conversely, if the entrepreneur's creativity declines, the growth of his MSMEs would likewise decline. This demonstrates that the development of the MSME will be better the more positive the entrepreneur's

innovation.

The social media usage variable (X2) has a regression coefficient of 0.566, which indicates that the growth of MSMEs will rise by 0.566 if social media use grows by 1. The positive correlation X2 implies that as the usage of social media by business owners grows, so does the growth of MSMEs, and vice versa as the use of social media by business owners declines, so does the growth of MSMEs. This demonstrates that the development of these MSMEs will be better the more positively entrepreneurs use social media.

### F Test Results

The substantial impact of the independent factors on the dependent variable is evaluated using the F test. The calculation of the F test using SPSS is as follows in table 3:

Table 3. F Test Results  
ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1,697.109	2	848.555	70.893	0.000 <sup>b</sup>
	Residual	1,340.577	112	11.969		
	Total	3,037.687	114			

a. Dependent Variable: Perkembangan UMKM

b. Predictors: (Constant), Penggunaan media sosial, Kreativitas

Source: Data processed by Researchers (2022)

According to table 3, the F count is 70,893, and the F table can be seen in the statistical table at a significance level of 5% or 0.05. Since df 1 (number of variables - 1) is equal to 2, and df 2 = n - k - 1 (n is the number of data and k is the number of true variables), or 115 - 2 - 1 = 112, the F table will be 3.08. If  $F_{count} < F_{table}$ , H0 is accepted; however, if  $F_{count} > F_{table}$ , H0 is refused and Ha is accepted. These results suggest that social media use and inventiveness are related to the growth of MSMEs.

### Test Results t

The t test is used to determine if the independent and dependent variables are related. The selection criteria are visible by examining the t-count values in the coefficient table output. There is a partial link between the independent variable and the dependent variable if either  $t_{count} < t_{table}$  or  $t_{count} > t_{table}$ . The output of the t test using SPSS 25 is as follows.

Table 4. Test Results t  
Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	20.973	2.062		10.173	0.000
	Kreativitas	0.406	0.104	0.275	3.897	0.000
	Penggunaan media sosial	0.566	0.069	0.581	8.231	0.000

a. Dependent Variable: Perkembangan UMKM

Source: Data processed by Researchers (2022)

### Test Results for the Coefficient of Determination

How well a model can account for variations in the dependent variable is determined through analysis of the coefficient of determination. The Model Summary table's R Square value, which is the outcome of SPSS computations, serves as the foundation for the decision criterion. The link between the independent and dependent variables is regarded as strong if  $R^2$  is greater than 0.75. The association between the independent and dependent variables falls within the moderate category if  $R^2$  is 0.50. The link between the independent

and dependent variables is regarded as weak if  $R^2$  is less than 0.25. The result of the SPSS 25 computation is as follows.

Table 5. Coefficient of Determination  
**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.747 <sup>a</sup>	0.559	0.551	3.460

a. Predictors: (Constant), Penggunaan media sosial, Kreativitas

b. Dependent Variable: Perkembangan UMKM

Source: Data processed by Researchers (2022)

According to the results of the Model Summary table above, the  $R^2$  value is 0.747, which means that 74.7% of the variability of the MSME Development variable can be explained by Creativity and Use of social media, with the remaining 25.3% being influenced by other variables that were not taken into consideration.

## Discussion

The research data of MSME entrepreneurs in Jakarta are thought to meet the calculation requirements for the stages of multiple regression testing, hypothesis testing, and analysis of the coefficient of determination, according to the findings of the requirements test and the traditional assumption test. The formula used is perhitungan  $\hat{Y} = 20.973 + 0.406X_1 + 0.566X_2$ . The obtained constant is 20,973, as can be seen from the regression equation. This demonstrates that the value of MSME Development (Y) is 20,973 if the independent variables, Creativity (X1) and Use of Social Media (X2), have a value of 0.

The Creativity Variable and SME development are positively correlated (X1). The development of the MSME will increase if the entrepreneur's inventiveness is great; conversely, if it declines, the development of his MSMEs would as well. The MSME Development score of 0.406 will rise by one unit for Creativity for a total increase. This suggests that the development of the MSME entrepreneur will be better the more positive the entrepreneur's inventiveness.

The growth of SMEs and the varying use of social media are positively correlated (X2). The positive correlation X2 shows that as social media use among entrepreneurs rises, MSMEs expand more rapidly, and vice versa as social media use among entrepreneurs falls, MSMEs grow less rapidly. The MSME Development score will rise by 0.506 points for every unit that social media use is valued at. This demonstrates that the UMK is developing at a faster rate the more social media the students are using.

The Creativity variable (X1) has a t count value of 3,897, and a t table value of 1,658, which were used to conduct the t test. This hypothesis is accepted since it can be inferred from the results of t count > t table, specifically  $3,897 > 1,658$ , indicating there is a relationship between creativity and MSME development to some extent. This is in line with studies done by Ni Ketut Arniti (2019), I. Putu. D. P., & Made. D. M. Y. (2019), dan Dedi, P., Siti, J., & I Ketut R. S. (2017) that found that creativity had a favorable impact on business development. The subsequent acquisition of the t count value for the variable "use of social media" (X2) was 8,231. Based on the findings of t count > t table, specifically  $8,231 > 1,658$ . Therefore, it can be claimed that there is a tenuous connection between social media use and the growth of MSMEs. The findings of this study support previous studies by Ni Ketut Arniti (2019), Grace Citra Dewi (2019), Widya Nuriyanti. (2019), Malik. S. S., Muh. Saarim. G., & Atta. R. M. (2016) showing social media use has a favorable impact on business development. believes that social media may greatly help the marketing process, but that in order to do so, they must continue to learn about and gain a better understanding of social media.

According to the results of the Model Summary table above, the  $R^2$  value is 0.747, which means that 74.7% of the variability of the MSME Development variable can be explained by Creativity and Use of social media, with the remaining 25.3% being influenced by other variables that were not taken into consideration.

According to research on the creativity of Jakarta SME entrepreneurs, the use of social media, and the traits of company growth, the more creativity and use of social media, the better the business development.

The results of this study could help MSME business owners in Jakarta grow their enterprises, especially by inspiring them to be more inventive and make better use of social media.

## CONCLUSIONS AND SUGGESTION

### Conclusion

The following conclusions can be reached from data processing findings, data descriptions for each variable presented, and analysis and discussion of the data described in the preceding chapter:

1. The growth of MSME is positively and significantly influenced by creativity. Entrepreneurs with more entrepreneurial innovation will be more likely to create micro, small, and medium-sized businesses (MSMEs). On the other hand, if entrepreneurial creativity falls, so will MSMEs' rate of expansion.
2. The growth of MSMEs and the use of social media are positively and significantly related. A business owner who uses social media more frequently will see their micro, small, and medium-sized companies (MSMEs) grow. On the other side, as the use of social media for business declines, so will the expansion of MSMEs.
3. The use of social media and creativity are positively correlated. Utilizing social media more and being more creative will all aid in the growth of MSMEs. Micro, small, and medium-sized enterprises (MSMEs) will diminish as innovation and social media use decline.

### Suggestion

Based on the findings and implications discussed above, the researchers suggest the following:

1. Owners of MSME businesses must have the ability to expand their entrepreneurial innovation. because being a business can help you support yourself. Jakartan business owners are expected to remain as creative as other MSME proprietors. This section contains the conclusions of research results and suggestions by researchers.
2. Researchers advise entrepreneurs in Jakarta to see more opportunities in expanding market networks, such as developing new product variations through the use of efficient and effective tools and new technology, which is expected to promote the growth of SMEs in Jakarta. This will increase innovation. In order to promote innovation and the usage of social media, researchers contend that MSME owners in Jakarta are more self-assured in their ability to conduct business and build strong ties with people in their industry on both an internal and external level. Numerous cutting-edge tools for business development are available in Jakarta.

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