

The Effect Of Product Quality, Price, And Innovation On Marketing Performance Moderated Consumer Purchasing Power In Umkm Of Boba Drinks In Deli Serdang

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Abstract.

The purpose of this study was to see the effect of product quality, price, and innovation on marketing performance moderated by the purchasing power of consumers in UMKM of Boba Drinks in Deli Serdang. This study uses an associative research approach. The population of this study is all the users of UMKM in the beverage sector (especially beverage Boba) in the District of Deli Serdang. The population in this research does not know certain, and the sample in this study takes 100 UMKM Boba Drinks based on the Lemeshow formula. Sample of 100 UMKM boba drinks. in the District of Deli Serdang distributed in districts located in urban areas, district Kec. Tanjung Morawa, District.Percut Sei Tuan, District .Sunggal, District. Lubuk Pakam, District. Labuhan Deli. Each city took 20 UMKM as a sample. Hypothesis test in this research using regression hierarchy. Based on the results of research product quality affects the marketing performance of UMKm Boba Drinks in Deli Serdang regency. Price affects the marketing performance of B UMKM Boba Drinks in Deli Serdang regency. Innovation affects the marketing performance of UMKM Boba Drinks in Deli Serdang regency. Purchasing ability can moderate the influence of product quality on the marketing performance of UMKM Boba Drinks in Deli Serdang regency. Purchasing ability can moderate the influence of prices on the marketing performance of UMKM Boba Drinks in Deli Serdang regency. Purchasing ability can moderate the influence of innovation on the marketing performance of UMKM Boba Drinks in Deli Serdang regency.

Keywords: Product quality, price, innovation, Purchasing Ability and Marketing Performance.

I. INTRODUCTION

UMKM is considered very significant because this sector is not only a source of livelihood but also provides direct and indirect employment opportunities to people with a relatively low level of knowledge and skills. (Tirtayasa et al., 2021). The study about UMKM is important because the contribution of UMKM to the Indonesian economy reaches 60.4 percent (BPS, 2020). After Covid-19 passed, the performance of UMKM has seen an increase of around 70 %. This is to the results of a pre-survey of 20 UMKM in the beverages sector, where 20 UMKM of Beverages sector has good marketing performance, where the volume of income each month in the last 1 month has increased by 71 %. The increase in the marketing performance of UMKM Boba Drinks is also related to the strategy applied by entrepreneurs, such as maintaining product quality and price strategies after covid-19. The quality of products by doing guarantees the taste, unique packaging, and guaranteed quality of raw materials that come from trusted distributors. The selling price after covid-19 is normal around Rp.5000 to Rp. Rp. 10,000 each cup. However, the increase in BBM prices increased inflation by 5.2% in Deli Serdang, which has an impact on consumer purchasing power. Therefore, researchers are interested to know below :

1. Does the quality of the product affect the marketing performance of UMKm Boba Drinks Deli Serdang regency?
2. Does the price affect the marketing performance of UMKM Boba Drinks in Deli Serdang Regency?
3. Does innovation affect the marketing performance of UMKM Boba Drinks in Deli Serdang regency?
4. Does product quality affect marketing performance moderated by consumer purchasing ability of UMKM Boba Drinks in Deli Serdang?
5. Does price affect marketing performance moderated by consumer purchasing ability of UMKM Boba Drinks in Deli Serdang regency?
6. Does innovation affect marketing performance moderated by consumer purchasing ability of UMKM Boba Drinks in Deli Serdang?

II. LITERATURE REVIEW

Product quality is the ability of a product to fulfill its functions. product quality includes durability, capability, ability, and other attributes that have other value a product that has been able to perform its functions can be said to be a product that has good quality. (Arianty, 2015). According To (Farisi, 2018). Product quality is an effort made by the company to provide satisfaction for their customer. Based on the above definition, it can be concluded that product quality plays an important role in running a business to maintain market share. According to (Tirtayasa, et al., 2021) the factors affecting product quality are:1) external Form of the product, 2) function of a product and 3) cost of the product. According to (Arif, 2020), price is not just a number on the label of a product. Prices come in many forms and have many functions, prices also have many components, and prices are usually determined from the results of negotiations between sellers and buyers. Price is a certain amount of value charged for a service product provided by consumers to obtain benefits from owning or using the product, the price depends on company policy by considering various things (Tirtayasa, 2022). According to the opinion (Limakrisna N. & Susilo, 2012), several factors affect the price as:1) product quality 2) brand image, and 3) durability of a product. Price indicators according to (Kotler, P. & Armstrong, 2014), the four measures that characterize price, are: 1) price affordability, 2) price according to ability or price competitiveness, 3) price conformity with product quality, and 4) price conformity with benefits.

According to (Kotler, P. & Keller, 2016), product innovation is a collection of diverse processes that influence each other. Innovation is not only a design of a new idea, a new invention, or a continuation of a new market but also a reflection of the whole process. Product innovations are new products to the world, new product lines, additions to existing product lines, and improvements to existing products. According To (Kotler, P. & Keller, 2016) product indicators include the following: creating new products, improving existing products, following the market, and additions to existing products. Marketing performance is related to the results achieved by the company as an impact of the company's strategy. Marketing performance can achieve of them through the capacity of business networks. Business networking itself is a form of partnership between individuals, groups, or organizations in achieving certain goals (Sijabat, 2017). According to (Hatta, 2015) stated the factors that improve marketing performance consists of growth in market share, profit, sales volume, and customer satisfaction.

According to (Sayekti & Soliha, 2016) marketing performance is assessed from the following indicators:

1. Sales volume development
2. The growing scale of customers
3. New market share

Consumer purchasing power is the ability of society as a consumer to buy goods or services that are needed. Consumer purchasing ability is characterized by increasing or decreasing, where purchasing ability increases if it is higher than in the past period while purchasing ability decreases characterized by higher purchasing ability than in the previous period. (Nainggolan, 2019) and (Hanikah et al.,) an indicator of the level of purchasing ability is:

1. Price of goods
2. Income level
3. Tastes or habits
4. Education level
5. Needs level

According to (Nainggolan, 2019) purchasing power indicators are:

1. Consumer Price Index, which is a measurement of the overall cost of purchasing products by the average consumer. where the measurement of this index needs to pay attention to several things, such as price, quantity, base year, and year of purchase.
2. The producer price index is a measurement of the cost of producing goods that consumers will buy.

III. HYPOTHESIS

Effect Of Product Quality On Marketing Performance

According to (Kasmiruddin, 2016) explained that: “there is a positive relationship between product quality and marketing performance, the higher the quality of handicraft products, the higher the marketing performance of these products”. The results of research conducted by Kasmiruddin showed a regression coefficient of 0.411, which means there is a correlation "medium" between product quality variables (X1) with marketing performance (Y) of 0.411. Research (Diponugroho, 2015) proves the quality of a product has a significant effect on marketing performance. The results concluded the good quality of a product will increase the marketing performance of the product.

H1: product quality has a significant effect on marketing performance

Effect Of Price On Marketing Performance

From this study, it was found that the influence of price on marketing performance is significant positive with a P-Values value of 0.000 where if the price increases then the marketing performance also increases, this is to the theory proposed by (Tirtayasa & Daulay, 2021) (where one of the pricing goals is the goal-oriented to sales volume and profit. So the higher price by public affordability, quality, and price competitiveness will improve marketing performance.

H2: the price has a significant effect on marketing performance

Effect Of Innovation On Marketing Performance

Based on research (Haji, 2017) showed that product innovation variables affect marketing performance, which means that product innovation variables have a positive influence on marketing performance, increasing product innovation will improve marketing performance. Research (Prakosa, 2005), proves that to obtain a competitive advantage, market performance is influenced by market orientation, learning orientation, and innovation. Innovation can also act as an intervening variable from market orientation and learning orientation to company performance.

H3: innovation has a significant effect on marketing performance

Effect Of Product Quality On Marketing Performance Moderated Consumer Purchasing Ability

(Kasmiruddin, 2016) explained, “there is a positive relationship between product quality and marketing performance, the higher the quality of handicraft products will increase the marketing performance of these products”. (Pomantow et al., 2019) showed that product quality and Price have a positive and significant effect on purchasing ability simultaneously, but partially the quality of the product has no effect. The suggestion given by the researcher is that the company must maintain the quality of the product so that the product will be more widely known by consumers and easy to remember, as well as service and information later than it is the advantages of the product.

H4: product quality has a significant effect on marketing performance and moderated consumer purchasing ability.

Effect Of Price On Marketing Performance Moderated Consumer Purchasing Ability

(Tirtayasa & Daulay, 2021) it was found that the influence of price on marketing performance was significantly positive with a P-Values value of 0.000 where if the price increases, the marketing performance also increases. So the higher the price public affordability, quality, and price competitiveness will improve marketing performance. Research (Pigome, 2013) Price has a significant influence on the purchasing power of consumers when buying Peralite where the significant value is $0.000 < 0.05$ which means that when the price changes it will affect the purchasing ability of consumers buying.

H5: the price has a significant effect on marketing performance and moderated consumer purchasing ability.

Effect Of Innovation On Marketing Performance Moderated Consumer Purchasing Ability

Research (Haji, 2017) showed that product innovation variables affect marketing performance, which means the product innovation variables have a positive influence on marketing performance, increasing product innovation will improve marketing performance. According to (Fikri et al., 2022) innovation has a significant effect on consumer purchasing ability of 0.008, and marketing strategy has a significant effect on consumer purchasing ability with a value of 0.001. Creative variables, innovation, and

marketing strategies together affect the purchasing power of consumers.

H6: innovation has a significant effect on marketing performance and moderated consumer purchasing power.

Population And Samples

The population used in this study is all of UMKm Boba Drinks especially those in the District Tanjung Morawa, District Percut Sei Tuan, District Sunggal, District Lubuk Pakam, and District Labuhan Deli, and the number population is unknown. The Sampling uses the Lemeshow formula because the number population is unknown (Lemeshow et al. 1990:42). With a sampling of 96, rounded up to 100 UMKM Boba Drinks in Deli Serdang regency.

Data Collection Techniques

The collection of this research is obtained by spreading questioner/questionnaires to all UMKM Boba Drinks Users, and the questionnaire was distributed using Google Forms.

Data analysis techniques

The analysis technique used in this study by using Hierarchy Regression analysis (HRA)

IV. RESULTS AND DISCUSSION

Identity of respondent

The distribution of the questionnaire that the researchers did to 100 respondents, of course, had different characteristics both in gender, age, education, and the length of business of UMKM Boba Drinks in Deli Serdang regency. That's why it is necessary to have a grouping for each of the personal identities of the respondents.

Table 1. Identity Of Respondents

| Identity Character | Frequency | Percentage |
|----------------------|-----------|------------|
| Age | | |
| 1. 16 - 20 Years Old | 18 | 18% |
| 2. 21 – 25 Years Old | 62 | 62% |
| 3. 26 – 30 Years Old | 16 | 16% |
| 4. > 31 Years Old | 4 | 4% |
| Education | | |
| 1. SMP | 2 | 2% |
| 2. SMA | 69 | 69% |
| 3. SMK | 10 | 10% |
| 2. D3 | 9 | 9% |
| 3. S1 | 10 | 10% |
| Leng of Business | | |
| 1. < 1 Year | 25 | 25% |
| 2. 1 - 5 Years | 75 | 75% |
| Gender/ Sex | | |
| 1. Man | 34 | 34% |
| 2. Woman | 66 | 66% |

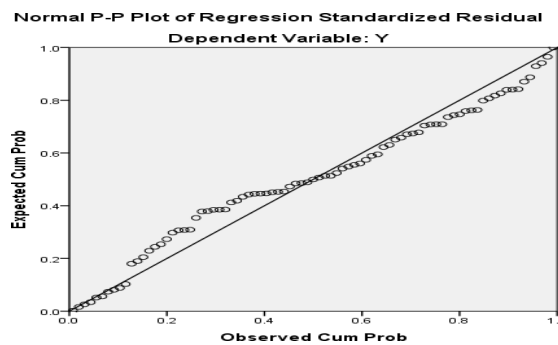
Source: Google Forms data processing results

From the age table, the largest majority is the age range of 21 – 25 years with a percentage of 61% this is very reasonable considering that the age range is the age where a person usually wants to gather with friends or community to add insight and relationships in friends. The education level of the largest respondents around 79% is the High School Education Level This is also by the large percentage of age where high school age and strata 1 bekisar > 20 years, following the D-3 and S1 education levels with a percentage of 10%, this is because today high school children buy more boba drinks in Deli Serdang regency, compared to D3 Education which is busy looking for work because this is under the large percentage for D3 education only 10%. Based on the presentation of gender in men as much as 34%, while the presentation in women is 66%. So based on the above explanation that dominates in this study are female respondents.

Classical Assumption Test

a. Normality Test

Before processing the data using regression analysis, first performed the data normality test. A data normality test was conducted to analyze whether the regression equation conditions have been met or not by looking at the P-Plot image.



Normal P-Plot of Regression Standardized Residual

The figure above shows that the spread of data in the figure above is said to be spread around the perimeter of the diagonal line (not scattered far from the diagonal line). This result indicates that the data to be regressed in this study are normally distributed or it can be said that the requirements of data normality can be met.

b. Multicollinearity Test

The multicollinearity test is a condition where the independent variables influence each other very strongly. A good multiple regression equation is free of multicollinearity. The presence or absence of multicollinearity problems in a regression model can be detected by the value of VIF (variance infector factor) and the value of tolerance (tolerance). A regression model is said to be free from the problem of multicollinearity if the value of VIF is less than 10 and has a tolerance value above 0.1. In this regression model, the results of multicollinearity can be seen in the following table :

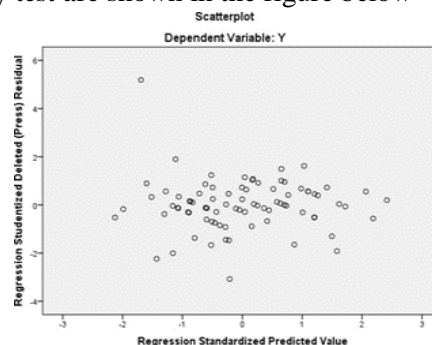
Table 2. Multicollinearity Test

| Model | | Collinearity Statistics | |
|-------|------------|-------------------------|-------|
| | | Tolerance | VIF |
| 1 | (Constant) | | |
| | X1 | .293 | 3.408 |
| | X2 | .795 | 1.259 |
| | X3 | .336 | 2.973 |

Based on the results of the processing showed the value of VIF and tolerance of all variables in this study did not experience multicollinearity. This is indicated by the VIF value of the three variables whose magnitude is less than 10 and the tolerance value far exceeds 0.1. These results indicate that in this regression model all independent variables do not occur a multicollinearity problem.

c. Heterocedasticity test

A heteroskedasticity test is performed to test whether in a regression model there is a similarity of residual variants from one observation to another. If there is a regular pattern, then heteroscedasticity has occurred. If there is no clear pattern and the dots spread irregularly then heteroskedasticity does not occur. The results of the heteroskedasticity test are shown in the figure below



Heterocedasticity test

The picture above shows that the resulting dots spread randomly and do not form a specific pattern or trend line. The figure above also shows that the data distribution is around the zero point. The results of this test indicate that this regression model is free from heteroskedasticity problems, in other words, the variables to be tested in this study are homokedasticity

Multiple Linear Regression

The results of the interpretation of regression analysis were obtained with the help of software SPSS version 24 using the form of equations, where the equation or model contains constantans and regression coefficients obtained from the results of data processing that has been done before. Regression equation that has been formulated then with the help of the SPSS program performed data processing to obtain the final equation as follows :

Regression Analysis With Moderating Variables

1. Product Quality Variable

The test results, to test H1 (regression model 1) found that equal to 5,675 or a significant t of 0.000 \leq 0.05, which means there is a positive and significant influence between product quality and marketing performance (H1 received). Meanwhile, to test hypothesis 2, the role of purchasing ability as a moderator (regression model 2) can be seen from the value of R^2 increased from 0.247 to 0.422, then interact purchasing ability (regression model 3) R^2 increased to 0.433. and to see the interaction (effect of product quality) on marketing performance with purchasing ability can be seen that the T-test of 3.036 or 0.003 \leq 0.05. Based on this test can be concluded that the influence of purchasing ability as a moderator variable is positive and significant to the influence of product quality and marketing performance (H2 received). From the explanation above, the following table is visible:

Table 3. Moderating Effect Of Purchasing PAbility Effect Of Product Quality On Marketing Performance

| No Model | Variable | Coefficients | Std. Error | t value | Sig-t |
|----------|-----------------|--------------|------------|---------|-------|
| 1 | (Constant) | 2.614 | 0.359 | 7.273 | 0.000 |
| | Kualitas Produk | 0.445 | 0.078 | 5.675 | 0.000 |
| | R^2 | 0.247 | | | |
| | R^2 Change | 0.240 | | | |
| | Sig. F Change | 0.000 | | | |
| 2 | (Constant) | 8.029 | 0.654 | 3.028 | 0.003 |
| | Kualitas Produk | 0.408 | 0.218 | 4.957 | 0.000 |
| | Daya Beli | 0.274 | 0.201 | 4.367 | 0.000 |
| | R^2 | 0.422 | | | |
| | R^2 Change | 0.318 | | | |
| 3 | (Constant) | 3.766 | 2.899 | 3.330 | 0.002 |
| | Kualitas Produk | 0.631 | 0.511 | 3.926 | 0.000 |
| | Daya Beli | 0.616 | 0.475 | 3.993 | 0.000 |
| | Interaction | 0.556 | 0.346 | 3.036 | 0.003 |
| | R^2 | 0.433 | | | |
| | R^2 Change | 0.426 | | | |
| | Sig. F Change | 0.000 | | | |

2. Price variable

From the table above, to test the H3 (regression model 1) found that the amount of 8621 or significant t of 0,000 \leq 0.05, this means there is a positive and significant influence between the price on marketing performance (h3 accepted). Meanwhile, to test hypothesis 4, the role of purchasing ability as a moderator (regression model 2) can be seen from the value of R^2 increased from 0.422 to 0.439, then interact

purchasing power (regression model 3) R^2 increased to 0.482. Furthermore, to see the interaction (effect of product quality) on marketing performance with purchasing ability can be seen that the T-test of 3.444 or $0.001 \leq 0.05$. Based on this test can be concluded that the influence of purchasing power as a moderator variable is positive and significant to the influence of price and marketing performance (H4 accepted). From the explanation above, the following table is below:

Table 4. Effect Of Moderating Purchasing Ability Effect Of Price On Marketing Performance

| No | Variable | Coefficients | Std. Error | t value | Sig-t |
|-------|---------------|--------------|------------|---------|-------|
| Model | | | | | |
| 1 | (Constant) | 1.325 | 0.391 | 3.389 | 0.001 |
| | Harga | 0.183 | 0.021 | 8.621 | 0.000 |
| | R^2 | 0.422 | | | |
| | R^2 Change | 0.425 | | | |
| | Sig. F Change | 0.000 | | | |
| 2 | (Constant) | 1.532 | 0.323 | 2.872 | 0.005 |
| | Harga | 0.253 | 0.018 | 3.355 | 0.001 |
| | Daya Beli | 0.220 | 0.222 | 4.088 | 0.000 |
| | R^2 | 0.439 | | | |
| | R^2 Change | 0.318 | | | |
| | Sig. F Change | 0.000 | | | |
| 3 | (Constant) | 1.860 | 2.794 | 3.712 | 0.002 |
| | Harga | 0.139 | 0.569 | 3.280 | 0.001 |
| | Daya Beli | 0.226 | 0.054 | 3.451 | 0.001 |
| | Interaction | 0.151 | 0.114 | 3.444 | 0.001 |
| | R^2 | 0.482 | | | |
| | R^2 Change | 0.433 | | | |
| | Sig. F Change | 0.000 | | | |

3. Innovation variable

The test results to test the H5 (regression model 1) found that 14,372 or a significant t of 0,000 ≤ 0.05 , which means there is a positive and significant influence between innovation and marketing performance (h3 accepted). Meanwhile, to test hypothesis 6, the role of purchasing ability as a moderator (regression model 2) can be seen from the value of R^2 increased from 0.431 to 0.523, then interact purchasing power (regression model 3) R^2 increased to 0.585. Furthermore, to see the interaction (effect of innovation) on marketing performance with purchasing ability can be seen that the T-test of 3.932 or $0.001 \leq 0.05$. Based on this test can be concluded that the influence of purchasing power as a moderator variable is positive and significant to the influence of innovation and marketing performance (H4 accepted). From the explanation above, the following table is below:

Table 5. Effect Of Moderating Purchasing Ability Effect Of Innovation On Marketing Performance

| No | Variable | Coefficients | Std. Error | t value | Sig-t |
|-------|---------------|--------------|------------|---------|-------|
| Model | | | | | |
| 1 | (Constant) | 2.222 | 1.071 | 2.075 | 0.041 |
| | Inovasi | 3.453 | 0.240 | 14.372 | 0.000 |
| | R^2 | 0.431 | | | |
| | R^2 Change | 0.425 | | | |
| | Sig. F Change | 0.000 | | | |
| 2 | (Constant) | 2.339 | 1.155 | 8.953 | 0.000 |
| | Inovasi | 0.190 | 0.065 | 2.895 | 0.005 |
| | Daya Beli | 0.220 | 0.281 | 5.981 | 0.000 |
| | R^2 | 0.523 | | | |
| | R^2 Change | 0.518 | | | |

| | | | | | |
|---|-----------------------|-------|-------|-------|-------|
| | Sig. F Change | 0.000 | | | |
| 3 | (Constant) | 1.820 | 2.130 | 3.038 | 0.001 |
| | Inovasi | 0.156 | 0.243 | 4.451 | 0.000 |
| | Daya Beli | 0.240 | 0.265 | 3.969 | 0.001 |
| | Interaction | 0.180 | 0.186 | 3.932 | 0.001 |
| | R ² | 0.585 | | | |
| | R ² Change | 0.563 | | | |
| | Sig. F Change | 0.000 | | | |

Hypothesis Test

Based on the above table obtained the following results :

1. The value of significance for variable product quality of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H1 is accepted for product quality variables. Based partially on that product quality variables have a significant effect on marketing performance.
2. The value of significance for the variable price of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H2 is accepted for the variable price. Based partially on that the price variable has a significant effect on marketing performance.
3. The value of significance for the innovation variable of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H2 is accepted for the innovation variable. Based partially on that the price variable has a significant effect on marketing performance.
4. The value of significance for product quality variables on marketing performance moderated by the purchasing power of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H4 is accepted for product quality variables. Based partially purchasing ability can moderate the influence of product quality on marketing performance.
5. The value of significance for the variable price to marketing performance moderated by purchasing ability of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H5 is accepted for the price variable. Thus purchasing ability can moderate the influence of price on marketing performance.
6. The significance value for innovation variable to marketing performance moderated by purchasing ability of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H5 is accepted for the innovation variable. Based partially purchasing ability can moderate the influence of innovation on marketing performance.

Simultaneous Significant Test (F Statistical Test)

F-test is done to see the effect of independent variables simultaneously on dependent variables. F test stages are as follows:

Table 6. Simultaneous Test

| Model | Some of Squares | Df | Mean Square | F | Sig. |
|--------------|-----------------|----|-------------|--------|-------------------|
| 1 Regression | 362.494 | 3 | 120.1001 | 27.105 | .000 ^b |
| Residual | 352.181 | 79 | 4.458 | | |
| Total | 714.675 | 82 | | | |

The results of the F test in this study's known significance value of 0.000 is smaller than the alpha value of 0.05. Thus it can be concluded that product quality, price, and innovation influence simultaneously marketing performance.

Coefficient Of Determination (R-Square)

The coefficient of determination (R²) essentially measures how far the model can explain the variation of the dependent variable. Here are the results of the coefficient of determination in this study :

Table 7. Coefficient Of Determination

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .712 ^a | .507 | .489 | 2,11139 |

Table above can be seen the results of the overall regression analysis showed the value Adjust R Square of 0.489. This shows that the relationship between product quality and price to marketing performance has a level of relationship that is equal to :

DISCUSSION

1) The effect of product quality on marketing performance UMKM Boba Drinks in Deli Serdang.

The value of significance for variable product quality of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H1 is accepted for product quality variables. Based partially on that product quality variables have a significant effect on marketing performance. According to (Kasmiruddin, 2016) explained that: "there is a positive relationship between product quality and marketing performance, the higher the quality of handicraft products, the higher the marketing performance of these products". The results of research conducted by Kasmiruddin showed a regression coefficient of 0.411, which means that there is a correlation "medium" between product quality variables (X1) with marketing performance (Y) of 0.411. Research (Diponugroho, 2015) proves the quality of a product has a significant effect on marketing performance. The results concluded that the better the quality of a product, the better the marketing performance of the product itself. Looking at the details of the coroner questions that have been done, namely: who offers drinks sold with flavors that match the tastes of consumers with a percentage of strongly agree 95% of marketing performance has increased, and who does not agree on the percentage of only 5%. Display and packaging design has a good quality and attracts the attention of consumers with a percentage of strongly agreeing 77% improved performance, and a less agree to a percentage of 23%. Beverage packaging is not easily damaged and does not disappoint customers with a percentage of strongly agree 72%, less agree there 16%, do not agree 10% and very less agree 2%.

2) The effect of price on marketing performance Of UMKM Boba Drinks in Deli Serdang

Price affects Marketing Performance, This shows that if every MSME already has a price, marketing performance can increase. From this study, it was found that the influence of price on marketing performance is positively significant with a P-Values value of 0.000 where if the price increases then the marketing performance also increases, this is under the theory proposed by (Tjiptono, 2014) in ((Tirtayasa & Daulay, 2021) (where one of the pricing goals is the goal-oriented to sales volume and profit. So the higher the price public affordability, quality, and price competitiveness will improve marketing performance. research that has been conducted by (Risal & Snow, 2017) shows that the academic implications of this study explore the concept of marketing with a marketing mix approach with indicators; product, price, promotion, and place as a tool to improve marketing performance. Practical implications will provide some ideas and suggestions in the decision to apply the marketing mix to the marketing performance in small industries processing seaweed. The original contribution of this paper is that the product, price, promotion, and place have a significant effect on improving marketing performance in small industries. By looking at the details of the questioner question: affordability of product prices by product quality percentage strongly agree 93%, which means that marketing performance has improved, and the less agree on the percentage of 7%. Prices of products that compete with other products percentage strongly agree 62%, less agree 3%, disagree 20% and strongly disagree 15%. The price of the product has good benefits compared to others with the percentage of strongly agree 50%, less agree 5%, disagree 20% and strongly disagree 15%. Product prices vary by percentage 87%, 11% less agree and do not agree 2%.

3) The effect of innovation on the marketing performance of UMKM Boba Drinks in Deli Serdang

The results of the t-test in this study's known significance value of 0.000 are smaller than the alpha value of 0.05. It can be concluded that innovation affects marketing performance. According to research conducted by (Haji, 2017) states that product innovation variables that affect marketing performance, mean product innovation variables have a positive influence on marketing performance, and increasing product innovation will improve marketing performance. Research (Prakosa, 2005), proves that to obtain a competitive advantage, market performance is influenced by market orientation, learning orientation, and innovation. Innovation can also act as an intervening variable from market orientation and learning

orientation to company performance. From the details of the cohesion question that has been done, namely: your business is adding types of products in line with consumer needs with a percentage of strongly agree 73%, less agree 18%, do not agree 8% and strongly disagree 1%, your business is updating the products produced to compete with the market with a percentage of strongly agree 90% less agree 8% and do not agree 2%, the products offered have followed the market trend with a percentage of 73%, less agree 22%, do not agree 4% and strongly disagree 1%, Will always make improvements by the tastes of consumers with the percentage of 76%, 17% less agree, disagree 5%, and strongly disagree 2%.

4) Purchasing Ability moderates the relationship of product quality to marketing performance OF UMKM Boba Drinks in Deli Serdang.

Variable product quality to marketing performance moderated by the purchasing ability of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H4 is accepted for product quality variables. Thus purchasing ability can moderate the influence of product quality on marketing performance. According to Abor and Quartey (2010), MSMEs often experience delays in their development, this is due to various conventional problems that are not completely resolved such as human resources, capacity problems, ownership, financing, marketing, and various other problems related to business management. Therefore, strategic efforts are needed to improve marketing performance. One way that can be done is to enrich the knowledge of UMKM to financial knowledge in the phenomenon of lack of purchasing power of UMKM when viewed from the average respondent answered Well about the purchasing ability possessed by each UMKM for example, UMKM and their workers can do well in innovating to produce products that are by market demand. By having good purchasing ability, every UMKM can understand all the products produced with good quality and affordable prices for consumers

5) Purchasing Ability moderating the relationship of price to marketing performance of UMKM Boba Drinks in Deli Serdang.

Variable price to marketing performance moderated by the purchasing ability of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H5 is accepted for the price variable. Thus purchasing power can moderate the influence of price on marketing performance. The results of this study are by the theory proposed by (Tjiptono, 2014) ((Tirtayasa & Daulay, 2021) (where one of the pricing goals is goal-oriented to sales volume and profit. So the higher the price public affordability, quality, and price competitiveness will improve marketing performance. According to (Pigome, 2013) the price has a significant influence on the purchasing power of consumers when buying petalite where the significant value is $0.000 < 0.05$ which means that when the price changes it will affect the purchasing power of consumers in buying.

6) Purchasing ability moderating the relationship of innovation to marketing performance Of UMKM Boba DDrinks in Deli Serdang.

Variable price to marketing performance moderated by the purchasing ability of 0.000 is smaller than the alpha of 0.05. Based on the results obtained, H5 is accepted for the price variable. The purchasing ability can moderate the influence of price on marketing performance. According to China's research (2014) which states that product innovation affects marketing performance. Also supported by the results of research conducted by Samsul Haji, et al., (2017) stated that 0.276 is a positive coefficient of product innovation variables that affect marketing performance, meaning that 30 product innovation variables have a positive influence on marketing performance, increasing product innovation will improve marketing performance. (Gunawan et al., 2018) to stay ahead in the competition it is necessary to increase product innovation, product quality, and product marketing which will refer to product satisfaction. Product innovation is one of increasing the purchasing ability of products to consumers, product quality as an expectation that can be useful in consuming the product, and product marketing as a product that is marketed on target that does not make it difficult for consumers to get the product. The innovation applied is the innovation of easily available snacks, made and developed by the community.

V. CONCLUSION

The conclusions that can be drawn from this study are :

1. Based on this study, it was found that product quality variables have a positive and significant effect on the marketing performance of UMKM boba drinks in the Deli Serdang regency.
2. Based on this study, it was found that the price variable has a positive and significant effect on the marketing performance of UMKM boba drinks in the Deli Serdang regency.
3. Based on this study, it was found that the innovation variable had a positive and significant effect on the marketing performance of UMKM boba drinks in the Deli Serdang regency.
4. Based on this research, it was found that purchasing ability can moderate the influence of product quality on the marketing performance of UMKM boba drinks in the Deli Serdang regency.
5. Based on this study, it was found that purchasing ability can moderate the influence of price on the marketing performance of UMKM boba drinks in Deli Serdang regency.
6. Based on this research, it was found that purchasing ability can moderate the influence of innovation on the marketing performance of UMKM boba drinks in the Deli Serdang regency.

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