

THE INFLUENCE OF DIGITAL MARKETING, MARKETING INNOVATION AND BUSINESS COMPETITIVENESS ON THE PERFORMANCE OF WOMEN'S MSMEs IN BIREUEN DISTRICT

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Received : 21 April 2025

Revised : 29 April 2025

Accepted : 15 May 2025

Published : 08 June 2025

DOI : <https://doi.org/10.54443/ijset.v4i7.776>

Link Publish : <https://www.ijset.org/index.php/ijset/index>

Abstract

Micro, Small, and Medium Enterprises performance refers to the level of success or achievement of micro, small, and medium enterprises in achieving their business goals. This performance includes various aspects that reflect the success of MSMEs in operations, finance, marketing, and overall business growth. This study aims to test and analyze the influence of digital marketing variables, marketing innovation and business competitiveness on MSME performance in Bireuen Regency. The data used are primary data collected using questionnaires distributed to 144 female MSME actors in two sub-districts in Bireuen Regency. The data analysis tool uses multiple regression analysis with the SPSS version 25 program. The results of the study found that digital marketing variables, marketing innovation and business competitiveness have a significant effect on MSME performance in Bireuen Regency.

Keywords: *Digital marketing, marketing innovation, business competitiveness, MSME performance.*

INTRODUCTION

Nowadays, women UMKM actors are increasingly utilizing digital technology to develop their businesses. E-commerce and social media are important platforms to reach wider consumers (Dsouza and Panakaje, 2023). The use of digital technology can also expand the work network and community for MSME actors. So that the emergence of various communities and networks for female MSME actors helps them support each other, share experiences, and build collaborations. The application of the right technology and effective digital strategies will help MSMEs adapt to market changes, achieve business goals, and create better growth opportunities in the ever-growing digital era (Amggren and Muchran, 2023). The entry of female MSME actors into various business sectors, apart from being influenced by the need factor, is also influenced by their attention to the potential of local products, so that many female MSMEs focus on local products and handicrafts, thus helping to preserve culture and increase the added value of local products (Yendra, Rosa, Rajunas, and Kurniawan, 2024). Despite progress, female MSMEs still face various challenges, such as lack of access to larger markets, socio-cultural barriers, and inequality in access to resources. However, with continued support from various parties, it is hoped that female MSMEs in Indonesia can continue to grow and contribute more to the national economy.

Micro, Small, and Medium Enterprises (MSMEs) have a very significant influence on the Indonesian economy. MSMEs are able to contribute around 60% of Indonesia's Gross Domestic Product (GDP). This shows how important this sector is in driving national economic growth. In addition, MSMEs are one of the largest job providers in Indonesia, which can absorb around 97% of the workforce. This helps reduce unemployment rates and improve community welfare. By producing and selling local products, MSMEs also play a role in improving the regional economy. This also encourages infrastructure development and increases local community income. And in relation to innovation and creativity, MSMEs are often pioneers in innovation and creativity, both in products and services. They can adapt more quickly to market changes and consumer needs. The number of MSMEs in Bireuen Regency, Aceh, may vary from time to time. However, based on the latest available data, there are thousands of MSMEs operating in the area. The MSME sector in Bireuen covers various fields, such as agriculture, trade, crafts, and services. Table 1 below explains the number of MSMEs based on formal and non-formal businesses in various sectors in Bireuen Regency.

Table 1 Number of MSMEs in Bireuen Regency

Type of Industry	Number of Businesses	Number of Workers	Business turnover (Million)
1 Food, beverages and tobacco	1.915	3.753	35.500
2 Textiles, leather goods and footwear (crafts)	445	960	10.150
3 Wood and forest products	409	492	45.000
4 Paper and printed materials	40	445	7.472
5 Fertilizers, chemicals and rubber goods	-	-	-
6 Cement and non-metallic minerals	110	530	10.110
7 Basic metals iron and steel	99	460	-
8 Means of transport, machinery and equipment	-	-	-
9 Ice cube/ice block/ice crystal industry	6	179	940
10 Other items	101	3.366	1.250
Jumlah total	3.125	10.185	110.422

Source: <https://bireuenkab.bps.go.id>

Table 1 explains that the number of small businesses in Bireuen Regency is 3,125 businesses, dominated by businesses in the food, beverage and tobacco sector which reached 1,915 businesses. And able to absorb a workforce of 3,753 people. In addition to the food and beverage sector, the most popular business sectors in Bireuen Regency are textiles, leather goods and footwear (including crafts) reaching 445 businesses and able to absorb a workforce of 960 people. In Bireuen Regency, female entrepreneurs are more involved in the food and beverage and craft business sectors and are able to contribute 38.74 percent in 2022 and decrease to 38.51 percent in 2023 (<https://www.bps.go.id>).

This decline is due to many business actors not being integrated with digital marketing strategies and the lack of innovation in marketing activities. In fact, MSME actors are often asked to present various unique and creative products and services to improve marketing performance and MSME performance. This diversity can attract consumer interest and create differentiation in the market. Improving performance and competitiveness is influenced by several main factors, such as digital literacy skills and innovation skills, including product and service innovation (Al Koliby, Mehat, Al-Swidi, and Al-Hakimi, 2024; Amggreni and Muchran, 2023; Dsouza and Panakaje, 2023; Munizu, Alam, Pono, and Riyadi, 2024). The growth of female MSME actors has a significant impact on the performance of small and medium enterprises and business competitiveness in various sectors, especially in Bireuen Regency. According to Nuseir & Refae, (2022), Business performance refers to the extent to which a company achieves its production, human resource, marketing, and financial goals. Business performance can be viewed from both financial and non-financial perspectives (Suheli, Yusuf, and Maliki, 2022). Meanwhile, according to (Giantari, Yasa, Suprasto, and Rahmayanti, 2022), Business performance is a condition that a company wants to achieve because of the efforts made by all components of the company. Performance is the result of efforts that are used as a measure of work performance using certain assessment methods (Cho and Lee, 2018). MSME business performance is measured using financial performance such as sales growth, sales transactions, and profits achieved, as well as non-financial performance such as customer satisfaction, customer loyalty, and brand equity (Giantari et al., 2022). Performance is the level of achievement or accomplishment of a company within a certain period of time. The company's goals consisting of; remaining standing or existing (surviving), gaining profit (benefits) and being able to develop (growth) can be achieved if the company has good performance. Company performance can be seen from the level of sales, profit level, return on capital, capital turnover rate, and market share that it has achieved (Rostini, 2021).

Digital marketing is a form of marketing that uses electronic devices such as computers, smartphones, tablets, cable TV, and even game consoles (Muis, Adhi, and Kamalia, 2022). Several previous studies have found a close relationship between digital marketing capabilities and the increasing performance of MSMEs in expanding their markets, such as (Chinakidzwa and Phiri, 2020; Munir, Kadir, Umar, and Lyas, 2023). Results of research analysis Sultoni et al., (2022) shows that digital marketing has a positive and significant effect on marketing performance and company competitiveness. Marketing management by integrating marketing capabilities and

information technology can optimize digital marketing on SME performance (Munir et al., 2023; Suheli et al., 2022). And innovation capability has also been found to influence the increasing performance and competitiveness of a business (Farida and Setiawan, 2022; Munizu, Alam, et al., 2024). Increasing the performance of MSMEs will have an impact on high competitiveness in the market. However, research Suheli et al., (2022), found different conditions, where digital marketing and innovation capabilities do not have a significant effect on small business performance. While the impact of marketing innovation on growth is not visible in the context of small and medium enterprises in Ethiopia (Esubalew and Adebisi, 2024).

Competitiveness is defined as the ability of an entity, be it an individual, a company, or a country, to compete effectively in global or local markets (Jasin, 2022). Competitiveness reflects the extent to which an entity is able to offer better products or services compared to its competitors in terms of quality, price, innovation and efficiency and improve its business performance (Djalic, Nikolic, Bakator, and Erceg, 2021). Key factors of long-term competitiveness can usually be assessed from several important aspects, such as product and service quality, price, innovation, operational efficiency, access to resources, brand reputation and adaptation to market changes (Farida and Setiawan, 2022). However, this is different from the findings in the study (Rostini, 2021), which states that business competitiveness does not have a significant effect on business performance. Overall, competitiveness is a key factor in the long-term success of an entity in an increasingly competitive market and has a direct impact on sustainable business performance. This is in accordance with the results of the study (Al Koliby et al., 2024; Ali and Anwar, 2021; Amggreni and Muchran, 2023) who found a strong influence between business performance and increasing business competitiveness. Survey results show that technological innovation influences environmentally conscious owners which has a positive impact on company performance (Chege and Wang, 2020). Good business performance can mediate the increasing competitiveness of a business (Untari and Satria, 2021). However, Rostini, (2021), stated that the development of business competitiveness does not have a significant effect on business performance. The importance of this study lies in several main reasons that are the novelty of research on the impact of digital marketing and innovation on MSME performance and its implications for competitiveness, including the ability to use new technology (digital marketing) in managing small businesses by women. The latest digital marketing tools are a form of automation of business activities, especially marketing strategies for MSMEs, and make them more efficient and effective.

Furthermore, the integration of innovation in small businesses is the result of the interaction between digital marketing and its innovations which are not only in products but also in marketing processes and models (promotion and delivery of products to consumers). This holistic approach can reveal new paths for business growth. Adaptation to rapid changes in market trends can make MSMEs adjust their strategies in response to rapidly evolving market trends, especially in the digital space, and what innovations are most effective. Innovation is also important for cross-industry comparisons and to identify unique challenges and opportunities for MSMEs in implementing digital marketing and innovation strategies. Digital marketing and innovation can improve the competitiveness of SMEs, not only in the local market but also on a global scale, allowing them to compete with larger companies, which ultimately digital marketing and innovation contribute to sustainable business practices in SMEs, in line with the increasing consumer preference for environmentally friendly products. By discussing these aspects, this study is expected to contribute to a deeper understanding of how SMEs can effectively utilize digital marketing and innovation to improve their competitiveness and business performance in the market, especially in emerging markets such as Indonesia.

LITERATURE REVIEW

Relationship between Digital Marketing and MSME Performance

Digital marketing is a concept that encapsulates various interactive and integrated marketing strategies, which has opened the door for closer interaction between producers, market intermediaries and consumers (Sifwah et al., 2024). Beberapa kajian sebelumnya telah memvalidasi pentingnya pemasaran digital dalam meningkatkan kinerja pemasaran. Research by Muis et al., (2022), found the relationship between digital marketing skills and MSME performance as a very significant relationship. Digital Marketing allows buyers to get all the information about a product and can make buying and selling transactions via the internet (Suryanto, 2021). Overall, good digital marketing skills can contribute greatly to the growth and success of SMEs, helping them compete in an increasingly digital marketplace. However, there are studies that disagree with this, such as (Suheli et al., 2022), who found that digital marketing does not have a significant effect on the performance of MSME businesses. According to Kimathi

et al., (2023), Good digital marketing skills can contribute greatly to the growth and success of MSMEs, helping them compete in an increasingly digital marketplace. Next research results, Mehralian & Khazaei, (2022), shows that digital marketing is an important factor in improving the performance of MSMEs in Tehran during the COVID-19 pandemic. Based on the results of previous research, the hypothesis in this study is:

H₁: Digital marketing has a significant influence on the performance of MSMEs in Bireuen Regency.

The Relationship between Marketing Innovation and MSME Performance

The relationship between innovation and UMKM performance is very close and mutually supportive. High innovation capabilities can improve business performance (Khurana, Haleem, and Mannan, 2019). Another opinion says that the innovation process significantly improves the business performance of MSMEs (Achi, Adeola, and Achi, 2022; Taleb, Hashim, and Zakaria, 2023). The same thing was also conveyed by Wahyono & Hutahayan, (2021), where innovation significantly influences business performance. Then, Aksoy, (2017), got the same results, that innovation has a positive impact on business performance. In another study (Kilay, Simamora, and Putra, 2022; Purwanto, Nashar, Jumaryadi, Wibowo, and Mekaniwati, 2022) shows evidence that applied innovation can improve business performance, including in the context of MSMEs. In other studies, empirical evidence shows that marketing innovation has a significant effect on improving business performance, including in the context of MSMEs (Adhi & Kamalia, 2024). Overall, innovation plays an important role in improving the performance of MSMEs, enabling them to grow and develop in a dynamic business environment. Based on the results of previous research, the hypothesis in this study is:

H₂: Marketing innovation has a significant effect on the performance of MSMEs in Bireuen Regency.

Relationship between Business Competitiveness and MSME Performance

Sustainable business performance and competitiveness are important and primary approaches to survive in a competitive environment. Competitive advantage is an advantage over competitors gained by giving customers more for less money or having better features because of higher prices (Kotler and Armstrong, Gary, 2018). The relationship between the competitiveness of MSMEs and the performance of MSMEs is very close (Rokhman, Ratnawati, and Rahayu, 2023). Furthermore, Rostini, (2021), stated that the development of business competitiveness has a significant effect on business performance but learning orientation has a significant effect on business performance. The results of a study conducted by Hariyono & Narsa, (2024), Finding competitiveness can improve the performance and sustainability of MSMEs in Indonesia. Other research results have also been conducted to validate the push of business competitiveness on business performance, especially in the context of MSMEs, such as (Budiman and Fithri, 2025; Mittal, Sheetal, and Soriya, 2025; Zahara, 2024). Overall, high competitiveness contributes to good performance for MSMEs, helping them to grow, develop, and adapt in a competitive business environment. Based on the results of the description of previous studies, the hypothesis in this study is:

H₃ : Business competitiveness has a significant influence on the performance of MSMEs in Bireuen Regency.

Based on the empirical description, a conceptual framework of the research was built. This conceptual framework was built as a basis for analyzing the influence between variables, as well as to direct the process of data collection and analysis. The development of a conceptual framework aims to provide a systematic understanding of the researcher's thought process in answering the problem formulation. Figure 1 below presents the conceptual framework of this research:

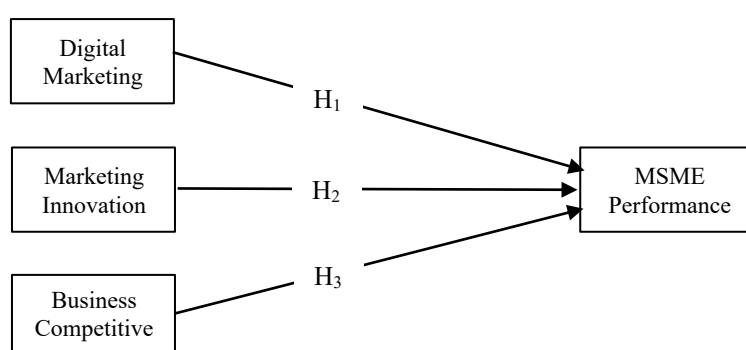


Figure 1 Conceptual Framework of Research

METHOD

This research is a quantitative approach with an explanatory research design. Data collection was carried out by distributing questionnaires directly to female MSME actors in Bireuen Regency. The questionnaire was developed based on the results of previous studies by measuring digital marketing adapted from Muis et al., (2022), marketing innovation (Aksoy, 2017), business competitiveness (Muis et al., 2022), and performance of MSMEs (Chege and Wang, 2020; Yuliantari and Pramuki, 2022). The sampling technique used the purposive sampling method. While the number of respondents or samples studied was 144 women UMKM actors or managers. SPSS Version 25 was used for data analysis and testing hypotheses in this study.

RESULTS AND DISCUSSION

Respondent Characteristics

Respondent characteristics refer to the characteristics and traits of individuals who are participants in the study, such as age and gender. The characteristics analyzed in this study include age, education, marital status, type of business and source of business capital (own capital and partner capital/credit/debt). The profile of respondents based on socio-demographics in this study can be seen in Table 2 below:

Tabel 2 Profil Sosio Demografi Responden

Variables	Total (N=144)	Percentage
Age:		
20-30 Years	9	6.3
30-39 Years	46	31.9
40-50 Years	69	47.9
>50 Years	20	13.9
Educational level:		
Junior High School	8	5.6
Senior High School	63	43.8
Diploma	22	15.3
Bachelor	42	29.2
Postgraduate	9	6.3
Marital status:		
Married	135	93.8
Single	9	6.3
Type of business:		
Culinary (Restaurants, cafes, etc.)	44	30.6
Fashion business (Boutique, Tailor, etc.)	44	30.6
Crafts (metal, wood, etc.)	16	11.1
Agricultural/plantation tools	6	4.2
Other services	34	23.6
Venture capital:		
Owner's equity	86	59.7
Venture capital	58	40.3

Source: Research Results (2025)

The results of the study presented in Table 2 above show that most respondents in this study were aged 40-50 years, namely 47.9%, with the highest level of education being high school, namely 43.8%. Then, looking at marital status, it was found that 93.8% of responses or female entrepreneurs were recorded as being married. Furthermore, the most dominant types of businesses carried out by respondents were culinary businesses and fashion businesses,

each reaching 30.6%. Meanwhile, sources of business financing generally come from their own capital, reaching 59.7%, while the remaining 40.3% are sources of partner business capital (bank debt/credit or financing institutions). These data show that the majority of research respondents are entrepreneurs who are still productive, and are strengthened by educational abilities and sources of financing.

Research Instrument Evaluation Test

Furthermore, after the data is collected, the data is checked using validity and reliability tests. As presented in Table 3, all data can be declared valid and reliable, because the r-count value is greater than the r-table value. Cronbach's alpha coefficient which is ≥ 0.60 (Ghozali, 2014), is used for data reliability analysis, and all Cronbach's alpha cut-off values are found to be more than 0.60. So, it is concluded that all item instruments used in this study are reliable.

Table 3 Results of Data Validity and Reliability Tests

Questionnaire Variables and Items	r-count	r-table	Cronbach's alpha coefficient (≥ 0.60)
Digital Marketing:			
1. Internet-based communication media	0,547	0.163	0,771
2. Efficiency in accessing information about products	0,814		
3. More popular product content	0,731		
4. Fast delivery of customer ordered products	0,732		
5. More updated product information	0,774		
Marketing Innovation:			
1. Innovating in marketing programs	0,664	0.163	0,745
2. Building and improving customer relationships	0,757		
3. Sales techniques are always being revised	0,758		
4. Developing new business models	0,662		
5. Product designs are continuously updated according to customer needs	0,710		
Business competitiveness:			
1. Positive added value	0,765	0.163	0,637
2. Unique or rare resources	0,566		
3. Products that are difficult to imitate	0,727		
4. Sufficient resources	0,563		
5. Ability to compete	0,579		
MSME Performance:			
1. Sales growth	0,438	0.163	0,711
2. Capital growth	0,633		
3. Additional workforce every year	0,651		
4. Market growth and marketing	0,798		
5. Growth in operating profit/profit	0,698		
6. The company's image is getting better	0,650		

Source: Research Results (2025)

The next stage is to conduct classical assumption testing consisting of a series of data normality test processes, heteroscedasticity tests, and multicollinearity tests. The results of classical assumption testing in this study are presented in Figure 2 and Table 4 below:

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		144
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	,22146116
Most Extreme Differences	Absolute	,066
	Positive	,066
	Negative	-,038
Test Statistic		,066
Asymp. Sig. (2-tailed)		,200 ^{c,d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Figure 2 One-Sample Kolmogorov-Smirnov Test

Source: Research Results (2025)

Figure 2 shows that the Asymp. Sig. (2-tailed) value in the One-sample Kolmogorov-Smirnov Test table has a value of 0.200 and is much greater than the criterion value of 0.05, which indicates that the research data is normal. Then the multicollinearity test is carried out by looking at the tolerance value or its opposite, namely the Variance Inflation Factor (VIF) value. If the tolerance value is > 0.10 , it can be interpreted that there is no data multicollinearity problem. And if the VIF value is < 10.0 , then there is no data multicollinearity problem. Furthermore, to see the results of data processing for the data multicollinearity test in this study, it can be seen from the following table:

Table 4 Multicollinearity Test Results

Model	Collinearity Statistic	
	Tolerance	VIF
Digital Marketing	0,527	1,896
Marketing Innovation	0,713	1,403
Business competitiveness	0,571	1,752

Source: Research Results (2025)

The table above explains that all independent variables have a Tolerance value > 0.1 . And the VIF value < 10 . These values indicate that there is no problem of data multicollinearity in this research model. Furthermore, to assess whether there is no inequality of variance from the residual of one observation to another (Ghozali, 2018), the heteroscedasticity test is used, which in this study uses the glejser method with the help of SPSS. The results of the glejser method test can be seen in the following table:

Table 5 Heteroscedasticity Test Results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	,218	,105		3,085	,439
Rata2_X1	-,071	,034	-,238	-2,105	,067
Rata2_X2	,071	,032	,216	2,216	,058
Rata2_X3	-,011	,038	-,032	-,294	,769

a. Dependent Variable: ABS_REST

Source: Research Results (2025)

Based on the table above, it can be seen that the significance value (Sig.) for the digital marketing variable is 0.067. While for the marketing innovation variable it is 0.058. And the business competitiveness variable is 0.756. Because the significance value of all these variables is greater than 0.05, then according to the basis for decision

making in the glejser test, it can be concluded that the data in this study does not show symptoms of heteroscedasticity in the regression model.

Multiple Regression Analysis Results

Multiple linear regression analysis aims to determine whether or not there is an influence between independent variables on dependent variables. The independent variables in this study are digital marketing, marketing innovation and business competitiveness. While the dependent variable is the performance of MSMEs. The results of data analysis through multiple linear regression in this study are shown in Table 6 below:

Table 6 Results of Multiple Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	,932	,184		5,055	,000
Digital Marketing	,373	,060	,474	6,265	,000
Marketing Innovation	,176	,056	,204	3,127	,002
Business Competitiveness	,193	,067	,211	2,903	,004

a. Dependent Variable: MSME Performance

Source: Research Results (2025)

The results of multiple regression statistical analysis using SPSS version 25 explain that digital marketing variables have a significant effect on the performance of Women's MSMEs in Bireuen Regency by 0.373 or 37.3 percent. This result can also be proven by the t-count value of 6.265 which is much larger than the t-table value of 1.98, and the significance value (P) of 0.000 which is much smaller than the alpha value of 0.050. The results of the analysis conclude that accepting the first hypothesis (H1). The results of this study mean that the use of digital marketing can significantly improve marketing performance. The use of digital marketing can help companies to communicate more easily with customers, such as the use of internet-based communication media, customers are more efficient in accessing information about products, product content is more popular, delivery of customer orders is fast and customers can get more updated information about products.

The findings of this study are in line with several previous studies in various industries and in various countries, such as the results of the study (Muis et al., 2022), which states that digital marketing has a significant effect on the performance of Micro, Small, and Medium Enterprises. Another study also found that digital marketing is a driver of increasing the performance of small businesses, and this allows consumers to get all the information about the product and can make buying and selling transactions via the internet (Suryanto, 2021). Overall, good digital marketing skills can contribute greatly to the growth and success of MSMEs, helping them compete in an increasingly digital market. This is in line with the results of a study conducted by Kimathi et al., (2023), which found a significant influence between the use of digital marketing on the performance of MSMEs in Kenya. Furthermore, the results of the study Mehralian & Khazaei, (2022), shows the influence of digital marketing efforts on the performance of MSMEs in Tehran during the COVID-19 pandemic, as digital technology has enabled businesses to engage and interact with their customers remotely, and also that this influence has been strengthened by customer relationship management. Several other studies in various countries have also validated the results of this study in the context of MSMEs. Where the study explains the importance of MSMEs to work to maximize their marketing with digital tools including the use of social media and other digital platforms to support their marketing section (Ajede, Ibrahim, Bakare, and Abdulwahab, 2025; Asikin et al., 2024; Fiona, Salim, Hadi, and Hayu, 2024; Munizu, Arsyad, and Munir, 2024; Tatik and Setiawan, 2025).

Then the results of the statistical regression analysis to explain that the marketing innovation variable has a significant effect on the performance of Women's MSMEs in Bireuen Regency by 0.176 or 17.6 percent. This result can also be proven by the t-count value of 3.127 which is much larger than the t-table value of 1.98, with a significance value (P) of 0.002 which is much smaller than the alpha value of 0.050. The results of the analysis concluded that accepting the second hypothesis (H2). The results of this study can provide meaning that innovating in the field of marketing is an important factor in improving the performance of MSMEs. The findings in this study have provided some important information for MSMEs in Bireuen Regency to make some efforts and evaluate their business strategies, such as innovating in marketing programs, building and improving relationships with customers,

routinely revising sales techniques, developing new business models, updating product designs according to customer needs and improving digital-based promotional methods and tools.

The results of this study provide some important information related to the ability of marketing innovation to encourage increased performance of MSME businesses. The relationship between innovation and MSME performance is very close and mutually supportive. Several previous studies have been conducted and are in line with the results of this study, such as the results of the study Khurana et al., (2019), which states that the ability to implement high innovation in the marketing process of goods and services can improve the performance of MSMEs. Another opinion states that the innovation process significantly improves the performance of MSME businesses (Achi et al., 2022; Taleb et al., 2023). The same thing was also conveyed by Wahyono & Hutahayan, (2021), where innovation significantly influences business performance. Then, Aksoy, (2017), get the same results, that innovation has a positive impact on business performance. In other studies, evidence is shown that applied innovation can improve business performance, including in the context of MSMEs (Adhi and Kamalia, 2024; Kilay et al., 2022; Purwanto et al., 2022). In the context of MSMEs in Santiago Chile, Carrasco-Carvajal et al., (2023) found a positive correlation between the marketing innovation strategies implemented and increased performance of MSMEs.

Furthermore, the results of the data analysis also explain that the variable of business competitiveness has a significant effect on the performance of Women's MSMEs in Bireuen Regency by 0.193 or 19.3 percent. This result can also be proven by the t-count value of 2.903 which is much larger than the t-table value of 1.98. This result is reinforced by a significance value (P) of 0.004 which is much smaller than the alpha value of 0.050. The results of the analysis conclude that the third hypothesis (H3) is accepted. The results of this study mean that increasing business competitiveness will have an impact on increasing the performance of MSMEs. This information is important for MSMEs in Bireun Regency as an effort to improve their business performance. Several things need to be done to evaluate their business strategies, such as increasing positive added value to products and services, making the use of unique or rare resources more effective, producing products that are difficult to imitate, managing sufficient resources and increasing the ability to compete in a very competitive market space.

The results of this study are in line with several previous studies that show that the relationship between competitiveness and MSME performance is very close (Rokhman et al., 2023). Sustainable business performance and competitiveness are important and primary approaches to survive in a competitive environment. Competitive advantage is an advantage over competitors that is gained by providing customers with more benefits and making the business more profitable (Adomako, Abdelgawad, Ahsan, Amankwah-Amoah, and Azaaviele Liedong, 2023; Kotler and Armstrong, Gary, 2018). In line with this study, Hariyono & Narsa, (2024), also found competitiveness to be an important factor in improving the performance and sustainability of MSMEs in Indonesia. In this case, competitiveness refers to the ability of a country, industry, or organization to achieve and maintain a profitable position in the global market (Hurdawaty and Tukiran, 2024).

CONCLUSION

Based on the results of data analysis, this study produces several conclusions that can be information for the sustainability of MSME performance, especially MSMEs run by women in Juang District and Kuta Blang District. Several conclusions in this study are that the results of this study have proven the previously proposed hypothesis, namely that digital marketing has a significant effect on the performance of MSMEs in Bireuen Regency. The digital marketing variable is a very large factor and has a very dominant influence on MSME performance, and the results of this study are consistent with several previous studies. Then the results of this study have proven the previously proposed hypothesis, namely that marketing innovation has a significant effect on the performance of MSMEs in Bireuen Regency. The marketing innovation variable is a very large and important factor in driving MSME performance, and the results of this study are consistent with several previous studies. And then the results of this study have proven the previously proposed hypothesis, namely that business competitiveness has a significant effect on the performance of MSMEs in Bireuen Regency. The business competitiveness variable is a very large and important factor in driving MSME performance, and the results of this study are consistent with several previous studies.

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