

HOW FAR DIGITAL MARKETING AND HALAL CERTIFICATE EFFECT ON MSME'S SUSTAINABILITY BASED ON CULINARY LOCAL WISDOM

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Abstract

Technology growth rapidly on society. Many people use technology to help their activities. Especially on their demand or buying activities to get their need. Many people use digital technology to help them on fulfill their need. They use smartphone to get their things. Muslim customer also do this activities. They also must get their product with selective way because they must buy halal product. As marketer in business must be have smart tactic to face that situation. Even though they use technology to introduce and promote their product they must be notice and sure that their product is halal. This research aim to know the effect of digital marketing and halal certificate on SME's based on culinary local wisdom. The result of this research is digital marketing and halal certificate significantly effect SME's sustainability based on culinary local wisdom.

Keywords : *Digital; Marketing; Halal; Local; Wisdom*

INTRODUCTION

Nowadays communication develop rapidly. Many society use smartphone to do their activities. Marketer must be smart thinking to face that situation. This situation also face MSMEs. MSMEs needs digital application for introduce their product. Especially for MSMEs cullinary have to use digital application to advertise their food product. Digital advertisement or also known digital marketing help culinary owner bussines to establish their bussines. It can make their marketing easier and spend lower budget for advertisement. They can use Whattssapp, Facebook, Instagram, Go Food, Grab Food or their web bussines application to introduce their product. Even though MSMEs producing food on local wisdom which is special or unic product that can make buyer intention but it can make lower result if not use digital marketing. If owner culinary local wisdom business have success in their business they can advertising their product in digital application.

Indonesian is many muslim people country. This situation also befall muslim consumer but any different way and attitude to consume product although the product

get *online* purchase. Muslim consumer attitude is guided in islamic law and standard that guidance in everyday life. Muslim not to lot of spend money. They must be spend money with correctly way. Muslim spend money for thing usefull. They must be remember Allah for spend their money such as Zakat or Sadaqah. They also must follow sharia rules for spend money and eating halal. It means that muslim consumer behaviour is attitude with process selecting, purchasing, using or disposing with islamic law. At least MSMEs in culinary local wisdom must be concern in this gidelines if their will exist.

Halal isn't just an Islamic devout convention. Halal is really great for all individuals, counting those who are not Muslims. Halal implies all the fixings or origin until the method of making or overseeing is carried out according to Islamic sharia, that's the proper way concurring to Islamic sharia. Then the halal meaning is nice for everybody. The ensure of halal items is anticipated to supply consolation, security, and certainty of the accessibility of halal items for the community in expending and utilizing items as well as to extend included esteem for businesses to deliver and sell halal products. In Indonesia itself, there are arrangements that control halal item ensures such as: Law of the Republic of Indonesia Number 33 of 2014. Within the sanctioning article 4 states that items entering, circulating and exchanging in Indonesian domain must be halal certified. This research aims to find out effect of use digital aplication and halal certificate for MSME'S sustainability that producing culinary local wisdom

LITERATURE REVIEW

Micro, Small, and Medium Enterprises (MSMEs) frequently straightforwardly use the mental riches put away in social legacy and nearby conventions [1]. In reality, this incorporates the application of particular fabricating methods, the utilize of locally sourced crude materials, and the encapsulation of social values in each perspective of the items created [2]. Abusing this mental riches not as it were serves as a recognizing asset giving a competitive advantage for MSMEs but moreover demonstrates to be an greatly successful technique in reinforcing their item character in the mindset of expanding showcase competition.

Within the setting of an progressively demanding era of globalization, there's a noteworthy slant towards item homogenization, which possibly undermines the differing qualities and uniqueness of neighborhood items. Numerous MSME players are forced to take after worldwide patterns and actualize uniform production standards [3]. Thus, this might result within the obscuring of the distinctive characteristics of the items created and lower their competitiveness within the advertise [4]. This infers the require for techniques centered on the conservation and reinforcing of neighborhood perspectives characteristic in items, whether through the utilize of neighborhood crude materials, the application of conventional generation methods, or the advancement of social values in item showcasing. Such procedures not only play a part in keeping up the supportability of MSMEs but too strengthen neighborhood character within the progressively competitive worldwide advertise.

Creating items established in nearby shrewdness isn't as it were a shrewd trade technique for MSMEs but too has wide impacts on nearby financial development. By prioritizing the generation and deal of nearby items that use social legacy and conventional shrewdness, MSMEs can play a driving part in territorial financial

improvement [5]. Moreover, through these exercises, they can moreover make noteworthy commitments to neighborhood work creation, decrease unemployment rates, and fortify the nearby financial arrange. Besides, the improvement of locally motivated items can serve as a establishment for economical financial improvement, giving a more vigorous premise for territorial financial self-reliance and decreasing reliance on outside item supplies [6]. Hence, this activity not as it were brings financial benefits but moreover plays a part in building a more steady and maintainable establishment for local economic development. There's a developing worldwide drift where buyers progressively look for items that not as it were have neighborhood pertinence but moreover reflect supportability values and conventional intelligence [7]. In this setting, activities particularly centering on the advancement of items established in nearby shrewdness appear awesome potential to pull in shoppers delicate to these perspectives. By advertising items that combine components of nearby intelligence, supportability, and convention, MSMEs can open entryways to unused undiscovered showcase sections, hence extending the reach of their items [8]. In this respect, it is critical for MSMEs to require vital steps that not as it were oblige progressively different buyer requests but moreover have a positive affect in supporting natural maintainability and protecting nearby social legacy.

Local Wisdom is the information, social values, conventions, and hones passed down from era to era inside a particular community or society [9]. It includes different points of life, extending from conventional agrarian strategies, particular nourishment preparing methods, crafted works, to neighbourhood convictions and traditions. Neighborhood intelligence reflects the near relationship between people and the environment and shrewdness in utilizing common assets economically [10]. It moreover includes a profound understanding of the social and otherworldly values that shape the social personality of a community. Nearby shrewdness is regularly an priceless resource that shapes the premise for creating interesting merchandise and administrations that vary from mass-produced items [11]. Within the setting of this investigate, nearby intelligence is the central point within the improvement of SME items to strengthen character and meet showcase needs, hence supporting local financial development and protecting cultural heritage.

Beside that cullinary local wisdom MSMEs need halal sertification for their product can acceptable on muslim customer. Halal certification can applies to the cullinary segments and confirms that a item is made in full compliance with the statutes of Islamic Law.

RESEARCH METHOD

This research method use quantitative research. This research are descriptive analytic research. This research use purposive sampling with some criteria e.g a moslem, having age upper 16 years old, bought local wisdom product more once, have ever seen and transaction digital marketing of local wisdom product on digital aplication.

This research use multiple linear regretion that SPPSS 14.0 for windows. This research determine couse effect relationship between digital marketing (DM) and Halal

Certificate (HC) with MSMEs Sustainability (MS). As formulation of multiple linear regression is :

$$Y = a + b_1X_1 + b_2X_2 + e$$

Explanation :

Y = MS

a = constanta

X₁ = DM

X₂ = HC

b₁, b₂ = coefficient

e = error

Multiple linear regression analysis can be carried out if it meets statistical requirements if it produces a regression model that meets the BLUE (Best Linear Unbiased Estimator) criteria. To produce a regression model that meets these criteria, it is necessary to test classical assumptions, including:

1. Normality Test

The normality test aims to test whether in the regression model, the dependent variable, independent variable, or both have a normal distribution. It can be determined by looking at the distribution of statistical data on the diagonal axis of the normal distribution graph.

2. Multicollinearity

Ghozali (2011:105) stated that the multicollinearity test aims to test whether the regression model finds a correlation between independent (free) variables. A good regression model should have no correlation between independent (free) variables. "If independent variables are correlated with each other, then these variables are not orthogonal. Orthogonal variables are independent variables whose correlation value between independent variables is equal to zero." To detect whether there is multicollinearity, you can look at the Variance Inflation Factor (VIF) and Tolerance. The guideline for a regression model that is free of multicollinearity is to have a tolerance number close to 1, the VIF limit is 10, if the VIF value is below 10, then there are no symptoms of multicollinearity according to Gujarati (2012: 432).

3. Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression model there is inequality of variation from the residuals of one observation to another. If the variation from the residual from one observation to another is constant, it is called homoscedasticity and if it is different it is called heterodasticity. A good regression equation is if heterodasticity does not occur Ghozali (2011: 139).

Next, multiple linear regression analysis can be carried out. The multiple linear regression analysis includes:

1. Coefficient of Determination (R²)

The coefficient of determination (R²) value shows the percentage of influence of all independent variables on the dependent variable both partially and simultaneously

(Kurniawan, 2014: 186). The adjusted R² value ranges from 0 to 1, meaning the independent variable's ability to explain fluctuations in the dependent variable is strong. On the other hand, if the adjusted R² value is closer to 0, it means that the independent variable's ability to explain fluctuations in the dependent variable is getting weaker.

2. F Test

The F test aims to test whether all the independent variables included in the model together have an influence on the dependent variable. Decision Making Criteria (Sugiyono, 2016):

- Ho is rejected if the significance value is < 0.05 or $F \text{ count} > F \text{ table}$
- Ho is accepted as a significance value > 0.05 or $F \text{ count} < F \text{ table}$

3. T test

Individual testing shows how far the influence of one independent variable simultaneously and partially explains the dependent variable. According to Sugiyono (2016:184) the t test criteria can be explained as follows:

- If $t \text{ table} > t \text{ count}$ then, H₁ is accepted and H₀ is rejected at significance $\alpha = 5\%$
- If $t \text{ table} < t \text{ count}$ then, H₁ is rejected and H₀ is accepted at the significance level $\alpha = 5\%$

RESULTS AND DISCUSSION

1. Research Instrument Test Results

a. Validity Test

Instrument validity shows the extent to which the instrument used is able to measure the variables studied. The validity test results show that all question items are significantly correlated with the indicators, and the indicators are also significantly correlated with the variables, shown by the calculated r value $> r \text{ table}$. A significant correlation between items and indicators indicates that the items used can measure the indicators, while the indicators have a significant correlation with the variables indicating that the indicators used are able to measure the variables studied, in other words the instruments used are able to measure the variables studied so that all question items are declared valid .

b. Reliability Test

Instrument reliability shows the extent to which the instrument used is reliable or shows the extent of the instrument's consistency. Reliability testing uses the Test-Retest method, namely correlating the total score of the first questionnaire with the total score of the second questionnaire. The technique used is Product Moment correlation, the instrument is declared reliable if the total score of the first questionnaire is significantly correlated with the total score of the second questionnaire. This shows that there is a strong relationship between the results of the first measurement score and the results of

the second measurement score, in other words it shows consistency, so that the question items are declared reliable.

2. Classic Assumption Test Results

a. Normality Test

The residual normality test aims to test whether in the regression model, the dependent variable and the independent variable both have a normal distribution or not. A good regression model has a normal or close to normal residual distribution. Normality testing in this study used the Shapiro Wilk method, because the number of subjects was less than 50. The calculation results showed that the P value (sig) of all variables was > 0.1 , meaning that the data tested had a distribution that was no different from normal data or the data tested had normal distribution

b. Multicollinearity Test

The multicollinearity test aims to test whether the regression model finds a perfect correlation between the independent variables. A good regression model should not have perfect correlation between independent variables. One way to detect multicollinearity is to look at the tolerance or Variance Inflation Factor (VIF). If the tolerance is smaller than 0.1 or the VIF value is above 10, then multicollinearity occurs

The results of the multicollinearity test in the table above show that the tolerance results for each variable are greater than 0.1, while the Variance Inflation Factor (VIF) value is smaller than 10. So the regression model in this study does not have multicollinearity problems.

c. Heteroscedasticity Test

Heteroscedasticity means that there is residual variation that is not the same for all observations, or that there is greater residual variation with a larger number of observations. The linear regression model assumes that the residual variance is constant or the same for various observations. Testing symptoms of heteroscedasticity uses the Glesjer method (Glesjer Test) by creating a regression model between the absolute value of the residual as the dependent variable and all independent variables at a confidence level of 95% ($\alpha = 0.05$). If the independent variable has a significant effect on the absolute value of the residual, then in the regression model there are symptoms of heteroscedasticity

At the $\alpha = 5\%$ level, the value of t-table = 2.05 is obtained, so the calculated value of each variable in table 10 is smaller than ttable, this shows that the independent variable does not have a significant effect on the residual, meaning that the constant residual is

not influenced by changes in the independent variable so that in the regression model there is no heteroscedasticity.

Hypothesis Testing

Hypothesis testing in this research uses multiple linear regression, this analysis is intended to determine the influence of independent variables on the dependent or influenced variables.

1. Hypothesis Test Results I (F Test)

At the 95% confidence level ($\alpha = 5\%$) the F-table value = 2.34, while the F-count = 10,967, so $F_{count} > F_{table}$ and the significant value of 0.000 is smaller than 0.05, so it is proven that Digital Marketing and Halal Certificate together -the same has a significant effect on the sustainabel MSMEs, thus the first hypothesis is tested.

The coefficient of determination (R^2) value of 0.798 shows variations in changes in MS, 79.8% of which is due to DM and HC, while the remaining 20.2% is caused by other variables not included in the research.

2. Hasil Uji Hipotesis II

Persamaan garis regresi yang diperoleh adalah sebagai berikut:

$$Y = 11,320 + 0,126 X_1 + 0,053 X_2$$

Persamaan regres tersebut dapat dijelaskan sebagai berikut:

a) The tested DM has a significant effect on production, as shown by the t-count value of 4.340 which is greater than $t_{table} = 2.13$ with a significance value of 0.003 (smaller than 0.05). The DM regression coefficient of 0.126 shows the magnitude of the influence of DM on MS with a unidirectional influence, meaning that if DM increases or gets better it will cause an increase in MS and conversely a decrease in DM will cause a decrease in MS assuming other variables remain constant.

b) Tested HC has a significant effect on MS, shown by the t-count value of 3.124 which is greater than $t_{table} = 2.13$ with a significance value of 0.000 (smaller than 0.05). The working HC regression coefficient of 0.053 shows the magnitude of the influence of working HC on SM with a unidirectional influence, meaning that if working DM increases it will cause an increase in MS and conversely a decrease in working DM will cause a decrease in MS assuming other variables are constant.

The results of the partial regression test show that DM, and HC partially have a significant effect on MS, so that to find out which variables have a dominant influence

on production, it can be seen from the magnitude of the regression coefficient for each variable. It turns out that the land area variable has a regression coefficient of 0.532 is the largest and most significant regression coefficient so that the land area variable is the variable that has the most dominant influence on production, so the second hypothesis is tested

Result of this research find that :

Variable	Koefisien Regresi	Std error	t-count	Sig.
DM	0,126	1,646	4,340	0,003
HC	0,053	1,556	3,124	0,000
MS	11,320	1,438		0,000
F- Count	10,967			
F -Table	2,34			
Adj R ²	0,798			

Source: Research Data, Processed

CONCLUSION

Conclusion of this research is Digital Marketing and Halal Certificate together influence significant MSMEs Sustainability with production local wisdom product. The other results Digital Marketing and Halal Certificate partially influence significant MSMEs Sustainability based on local wisdom.

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