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**THE INFLUENCE OF BUSINESS COMMUNICATIONS AND THE USE OF
SOCIAL MEDIA ON WOMEN'S BUSINESSES' SUCCESS**

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Abstract

Women entrepreneurs face various obstacles and challenges in running their businesses. This study aims to determine the effect of business communication and the use of social media on business success for women entrepreneurs in Medan. The method used in this research is associative research with a quantitative approach. The data collection tool used in this study was a questionnaire measured by a Likert scale. The total population in this study were all women entrepreneurs in Medan, then the sample was determined by purposive sampling. The data analysis technique used in this study is multiple linear regression analysis. The results of this study indicate that business communication and the use of social media simultaneously and partially have a positive and significant effect on on the success of women's businesses in Medan.

Keywords : Business Communication; Social Media; Business Success; Women Entrepreneurs.

Introduction

The Indonesian government has introduced several policies encouraging Indonesians to become successful entrepreneurs. These policies include making loans for new entrepreneurs to set up or develop their businesses, conducting training to improve their business skills, or holding exhibitions to showcase their products to the public (Melissa, Hamidati, Saraswati, & Flor, 2013). These policies are implemented to increase the number of entrepreneurs from 3.47 percent to 4 percent of the total population in 2024, which is ideal for a developing country like Indonesia to become a developed country (Catriana, 2021).

Since the early 2000s, women entrepreneurs have been considered as a key source of innovation and growth (Rosca, Agarwal, & Brem, 2020). Based on data from the Central Statistics Agency (National Labor Force Survey, 2021) that women run around 64.5 percent of entrepreneurial businesses in Indonesia. However, entrepreneurship has the potential to be a challenge for women. Given their role as the main caretakers of the family, women may need some help in finance, business skills, mobility, and networking, to be able to run a successful business (Public Relations of the Ministry of Cooperatives and SMEs, 2021).

More and more women are involved in business activities not only to show independence but also to meet the economic needs of their families (Nirmala & Wijayanto, 2021). Generally, the role of women as entrepreneurs encounters more obstacles, especially for women who are married and have household obligations. It can also be a separate motivation for women to succeed in their businesses. The success of the business itself can be judged by the amount of profit earned, competitive ability, competence, and business ethics which is the accumulation of knowledge and the results of experience while running a business, as well as the establishment of a good image in the eyes of consumers (Wastuti, Sumekar, & Prasetyo, 2021).

Business communication that the company runs well can convince individuals or groups to know, understand, and buy the products offered (Priyatna & Ardianto, 2008). In business communication, entrepreneurs must carry out a series of marketing activities. Promotion is one of the marketing mix activities that are very important in the success of a product or goods and services or any business. According to (Christy, 2019), Business Communication is communication used in the business world, which includes various forms of communication, both verbal and nonverbal, to achieve goals. The better business communication is built, the greater the opportunity for business success.

Information and Communication Technology have become a way of life today. One of them is social media which is quite widely used and is a contemporary and easy way for entrepreneurs to use in order to provide information about products or services to potential customers. Social media also brings entrepreneurship opportunities that women can use without limit. In addition to engaging consumers with marketers, social media has transformed market research. Companies can gather input about customer preferences without actively asking consumers. (Schiffman & Wisenblit, 2019).

Instagram is one of the most commonly used social media for women in Indonesia. Based on data (NapoleonCat, 2023), there were 94.54 million Instagram users in Indonesia in January 2023, with 52.2% female and 47.8% male users. Instagram evolved from just a platform for social networking to become a possible source of income (Holmes, 2015). According to Citrahost (2021), apart from having advantages, Instagram has disadvantages when used for business promotion, such as updating diligently, spamming, less practical transactions, and frequent fraud.

Research method

The research method used in this study is the associative method, which is research that connects two or more variables to see the relationship between variables through testing the hypothesis on the research title *The Effects of Business Communication and Use of Social Media on the Success of Women's Business in Medan City*. The variables linked in this study are the

independent variables, namely Business Communication (X1), Social Media Use (X2), and the dependent variable, namely Business Success (Y).

The population in this study were women entrepreneurs in the city of Medan, totaling 218 people. Data were collected from 69 samples, with the technique of determining the sample used was a purposive sampling technique, namely the technique of determining the sample based on the specified criteria. The sample criteria are women entrepreneurs who use the social media Instagram to conduct business activities.

Data was collected by distributing questionnaires that measured each variable in this study using a Likert scale of 1 to five (Strongly Disagree-Strongly Agree). Before data collection, validity and reliability tests were carried out on the questionnaire statements of 30 female entrepreneurs outside the study sample.

According to the research method, the data source to be used in this study is primary data, namely data obtained directly from the respondents selected. In this study, primary data was obtained by administering a questionnaire and asking several questions and statements. Secondary data is data obtained through documents studied through literature, internet websites, previous research, and journals that support this research.

The data collection method used in this study was an interview. The researcher asked women entrepreneurs who use Instagram to run their businesses directly to obtain information about various matters regarding this research. Then the questionnaire, a data collection technique, provides questions or written statements to the respondents to be answered regarding the research variables. Furthermore, the study of documentation, namely collecting data through information from articles, journals, magazines, the internet, and books relevant to research. Later the data is used as a reference in this study.

RESULTS AND DISCUSSION

Classic Assumption Test

According to Gujarati & Porter (2013), the classical assumption test aims to ensure that the research results are valid with the data used theoretically unbiased, consistent, and efficient regression coefficient estimation.

1. Normality test

According to Gujarati and Porter (2013), the normality test aims to test whether the confounding or residual variables in the regression model have a normal distribution. The data normality test in this study was carried out using several approaches, such as the histogram approach, the graphical approach, and the Kolmogorov-Smirnov statistical approach.

a. Histogram Approach

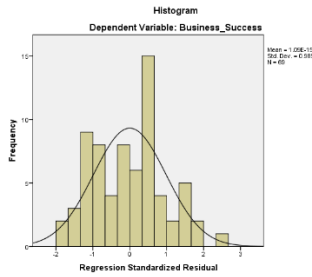


Figure 1 Normality Test Histogram

The data normality test with the histogram approach above shows the regression model's normal distribution. It can be seen from the histogram line, which does not deviate to the left or right so that the data distribution is normally distributed.

b. Normal Probability Plot

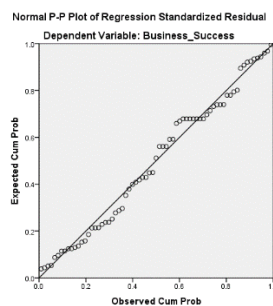


Figure 2 P-Plot of Normality Test

Based on the results of the normality test with the graphical approach above, it can be seen that the data has a normal distribution. It can be seen from the spread of points around the diagonal axis of the graph.

c. Kolmogorov-Smirnov test (K-S)

Table 1

Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		69
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.67104214
Most Extreme Differences	Absolute	.082
	Positive	.071
	Negative	-.082
Test Statistic		.082
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.

Source: Research Processed Data (2023)

Based on the above, it can be seen that the value of Asymp.Sig. (2-tailed) is $0.200 > 0.05$. It means the value is above the significant value of 5% (0.05). Therefore, the Kolmogorov-Smirnov (K-S) test also states that the residual data is normally distributed.

2. Heteroscedasticity Test

The heteroscedasticity test aims to test whether there is an inequality of variance in the regression model from the residuals of one observation to another. If the variance from the residual from one observation to other remains, then it is called homoscedasticity; if it is different, it is called heteroscedasticity (Ghozali, 2016).

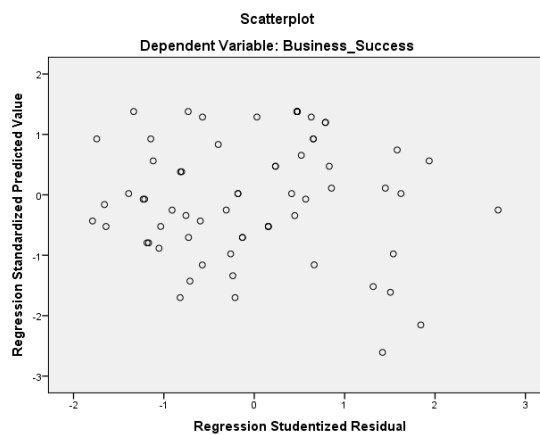


Figure 3 Heteroscedasticity Test

Based on Figure 3, it can be seen that there is no clear pattern, and the points spread above and below the number 0 on the Y axis, so based on the graphical method, there is no heteroscedasticity in the regression model.

3. Multicollinearity Test

According to Ghozali (2016), the multicollinearity test aims to test whether the regression model found a correlation between independent (independent) variables. A good regression model should not correlate with the independent variables. If the independent variables are correlated, then these variables are not orthogonal.

Table 2 Multicollinearity Test

Model		Coefficients ^a					Collinearity Statistics	
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	4.664	1.133		4.117	.000		
	Business_Communication	.262	.083	.317	3.152	.002	.378	2.644
	The_Use_of_Social_Media	.520	.088	.593	5.896	.000	.378	2.644

a. Dependent Variable: Business_Success

Source: Research Processed Data (2023)

In Table 2, it is known that the Tolerance value of the variables Business communication (X1) and Use of social media (X2) is > 0.1, and the VIF value is < 10. It shows that there is no multicollinearity between the independent variables.

Multiple Linear Regression Analysis

Multiple linear regression analysis is used to determine how much influence the independent variable (X), which consists of business communication (X1) and Use of social media (X2), has on the dependent variable (Y), namely business success. The multiple linear regression coefficient values can be seen in Table 3 below:

Table 3. Multiple Linear Regression Analysis Test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.664	1.133		4.117	.000
	Business_Communication	.262	.083	.317	3.152	.002
	The_Use_of_Social_Media	.520	.088	.593	5.896	.000

a. Dependent Variable: Business_Success

Source: Research Processed Data (2023)

Based on table 3, the multiple linear regression equation models can be formulated as follows:

$$Y = 4,664 + 0,262X_1 + 0,520X_2$$

Based on the above equation can be explained as follows:

1. Constant (β_0) = 4,664 indicates a constant level, where if business communication (X1) and use of social media (X2) = 0, then business success (Y) is 4,664, assuming other variables are constant.
2. The business communication variable (β_1) has a positive effect on business success (Y), meaning that if the business communication variable (X1) is increased, the business success variable (Y) will increase, and vice versa.
3. The social media usage variable (β_2) has a positive effect on business success (Y), meaning that if the social media usage variable (X2) is increased, the business success variable (Y) will increase, and vice versa.

Determination Coefficient Test (R²)

According to Ghozali (2016), the coefficient of determination test (R²) is a tool to measure how far the model's ability to explain variations in the dependent variable. In other words, the coefficient of determination test (R²) determines the ability of the independent variables used in the regression equation to explain dependent variation. The results of the coefficient of determination (R²) can be seen in Table 4 :

Table 4. Determination Coefficient Test Results

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.865 ^a	.748	.740	1.69617

a. Predictors: (Constant), The_Use_of_Social_Media, Business_Communication

b. Dependent Variable: Business_Success

Source: Research Processed Data (2023)

Based on the table above, it can be seen that the Adjusted R Square value is 0,74. It means that 74% of the variation in business success variables can be explained by business communication and the use of social media. At the same time, the remaining 26% is explained by other factors not examined in this study.

Simultaneous Hypothesis Test (Test F)

This test is basically to see whether all the independent variables included in the model have a simultaneous effect on the dependent variable. In this study, it was known that the number of samples (n) was 69, and the total number of variables (k) was 3. So that:

$$df1 = k - 1 = 3 - 1 = 2$$

$$df2 = n - k = 69 - 3 = 66$$

The calculated F value will be obtained using SPSS assistance and then compared with Ftable at the level of $\alpha = 5\%$. The test results can be seen in Table 5 below:

Table 5 Test Results F

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	562.930	2	281.465	97.833	.000 ^b
	Residual	189.882	66	2.877		
	Total	752.812	68			

a. Dependent Variable: Business_Success

b. Predictors: (Constant), The_Use_of_Social_Media, Business_Communication

Source: Research Processed Data (2023)

Based on Table 5, We can see that Fcount is 97,833 with a significance level of 0.000. Meanwhile, Ftable at the 95% confidence level ($\alpha = 0,05$) is 3,14. Therefore, Fcount (97,833) > Ftable (3,14) and a significance level of 0,000 < 0,05 indicates that the independent variables consisting of business communication and the use of social media simultaneously have a positive and significant effect on the success of women's businesses.

Partial Hypothesis Test (t-test)

This test is carried out to find out how far the influence of an independent variable partially (individually) on the variation of the dependent variable is. The test results are, with an error rate

$(\alpha) = 5\%$ and degrees of freedom $(df) = (n-k) = 69-3 = 66$. Then, the ttable used is $0,05\% (66) = 1,668$.

Table 6 t-test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.664	1.133		4.117	.000
	Business_Communication	.262	.083	.317	3.152	.002
	The_Use_of_Social_Media	.520	.088	.593	5.896	.000

a. Dependent Variable: Business_Success

Source: Research Processed Data (2023)

Based on Table 6, it can be seen that:

1. The business communication variable has a coefficient $(\beta_1) = 0,262 > 0$ with tcount $(3,152) >$ ttable $(1,668)$ and significant $(0,002) < 0,05$. Thus the business communication variable has a positive and significant partial effect on the success of women's businesses. If the business communication variable increases, the success of women's businesses will also increase significantly, and vice versa.
2. The variable use of social media has a coefficient $(\beta_2) = 0,520 > 0$ with tcount $(5,896) >$ ttable $(1,668)$ and significant $(0,000) < 0,05$. Thus the variable use of social media has a positive and significant partial effect on the success of women's businesses. If the variable of social media use increases, then women's businesses' success will also increase significantly, and vice versa.

CONCLUSION

Based on the results of this study, the conclusions can be described as follows:

1. Business communication and the use of social media have a positive and significant simultaneous effect on the success of women's businesses.
2. Business communication has a partially positive and significant effect partially on the success of women's businesses.
3. The use of social media has a partially positive and significant effect on the success of women's businesses.

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