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Digital Organizational Culture and Accounting Information Quality

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ABSTRACT

Digital organization culture is one that leverages digital technologies to enhance its operations, decision-making processes and achieve business goals. The purpose of this research exermine the effect of digital organizational culture on accounting information quality. Data was collected form 155 accounting directors of quality accounting firms inThailand by questionnaire. The analysis tool in this research in using ordinary teast square regresson. The results revealed that 3 dimensions of digital organizational culture (including digital empower talent, distinctive digital utilization, and adhere to related regulation) had significant positive associations with accounting information quality.

ARTICLE INFO

Keywords:
Digital organizational culture, Accounting informantion quality, Quality accounting firm

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1. Introduction

The current trend for companies are increasingly aware of the need to adapt to the challenges of the new normal through activities, strategies, and routines by optimizing and ensuring process execution through digital technology to ensure business continuity (Heredia et al., 2022). Organizationals have decided on digital strategies as a part of the business operation plan and such integration would contribute to successful digital transformation (Laorach, 2021). Digital tranfomation is the leading force shaping the future of organizations, significantly influencing social and economic asects. This includes fostering greater collaboration, intensifying competition, and compelling oragniztoins to cultivate novel capabilities. (Snow, Fjeldstad, & Langer, 2017). Digital transformation provides opportunities for members of an organization to self-organize and thereby avoid the distortions, delays, and other damaging effects of hierarchically organized systems. On the other word, digital transformation is a major change in the performance of an organization and factor in its survival and success in the digital era. It is not only investing in new digital equipment but also requires a change with human challenges, such as digital organizational. Digital organization is one that leverages digital technologies to enhance its operations, decision-making processes, and customer interactions. The transformation towards establishing a digital organizational culture is propelled by the necessity to adjust to swiftly changing technological environments, competitive demands, and shifting customer anticipations. Digital organizatonal culture has been documented as a driving force of the acceptance of accounting information systems in business.

Digital organizational culture is an important for encourages organizations to use and develop digital technology to improve work quality and achieve organizational success. If the organization aims to succeed in transforming into a digital organization, organizational leaders must create a culture that is open to change in order to incorporate digital technology into their operations and business processes. These are also some challenge to attaining digitalization and automation objectives lies in the requirement for fostering a digital culture and providing training. Digital culture is corporate culture which supports and endorses utilization of digital technology for aiming quality of work and sustainable business success (Rudito & Sinaga , 2017).

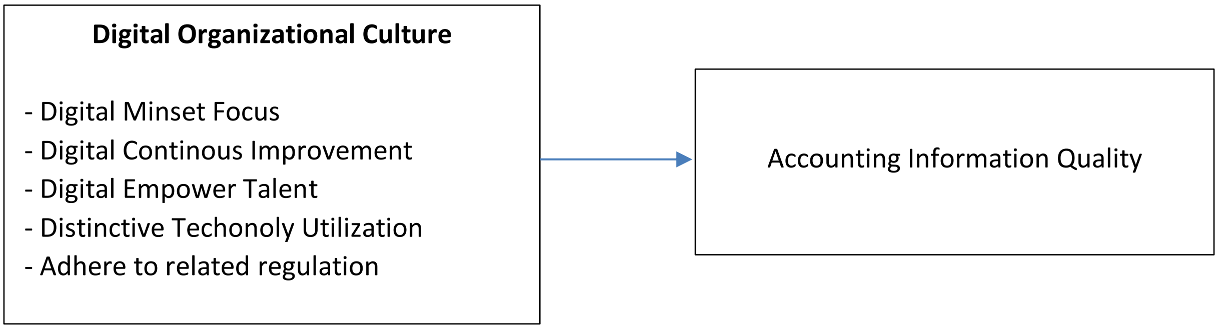
Based on previous research, digital organizational culture in the accounting firms is a topic that has not been studied much, especially in Thailand with a research gap, and only a few concrete characteristics are known. Therefore, this research attempts to integrate the key components of digital organizational culture in a new model. The purpose of this research is to investigate the effects of digital mindset focus, digital continuous improvement, digital empower talent, distinctive digital utilization and adhere related regulation on accounting information quality. Also, the current research could make some contributions to how executives ought to decide on organizational culture as well as on the acceptance of digital organizational culture so that their organizational performance could be improved.

2. Literature Review

This research applies dynamic capabilities concept in the context of digital organizational culture and accounting information quality. Teecee et al., (1997) dynamic capabilities enable organizations to integrate, build and reconfigure their resources and competencies, maintain performance in the face of changing business environments. On the other hand, dynamic capabilities help to transform and reconfigure operational capabilities by enabling the creation, extension an dmodification of operational resources (Teecee et al., 1997; Pisano and Teecee, 2007). Therefore, dynamic capabilities concept provides a useful framework to develop hypotheses about the effects of digital organizational culture on accounting information quality.

Digital organizational culture is a set of shared assumptions and common understandings of organizational practices in a digital context (Kocak&Pawlowski, 2023). Beside, Chantanee and Saengthongdee (2022) illustrate that digital organizational culture refers to values, knowledge, concepts, morals, traditions from learning and using as a way of life that has been practived continuously which will become habits by using digital technology to sove problems and transfer toothers. In the context of accounting firm, digital organizational culture can be defined as an overall organizational structure, shared values, and assumptions for using digital resources to create value. It encompasses a range of elements, including mindset, competency, digital engangement, technology adoption and regulation. Unlike traditional organizational culture, digital culture is focused on leveraging technology to achieve business goals. In this research applies a 4 dimensions of Volini &Mazor (2020) and 1 dimension of accounting firm context. Because of accounting firms is essential to maintain the integrity, accuracy, and reliability of financial reporting and auditing processes. These regulations ensure that accounting firms conduct their professional standards, legal requirements,and ethical guideline (Federation of Accounting Professions, 2019), In this research, digital organizational culture consist of digital mindset focus, digital continuous improvement, digital empower talent, distinctive digital utilization and adhere to related regulation (Volini & Mazor, 2020). From prior research, Binh,Tran &Vu (2022) identified that innovative organizational culture is an essential factor in enhancing the quality of accounting information systems of Vietnamese firms. Also, organizational culture has effects on accounting information quality that is in turn determined by the acceptance of accounting information systems in business (Huynh,2021). Furthermore, Hadi & Baskaran (2021) indicated that digital organizational culture influences performance. Teguh et al., (2022) demonstrated that some substantial implications for management by focusing on digital organizational culture and digital capability as fundamental predictors of organizational performance throuth digital technology. Overall, it can suggest that digital organizational culture influence accounting information quality. The conceptual model presents the effect of digital organizational culture on accounting information quality as shown in Figure 1.

Figure 1. Conceptual of digital organizational culture affect accounting information quality



Digital mindset focus refers to an attitude that shows the trend of explaining and solving problems with digital technology as the basis for improving work processes to make changes convenient, fast, accurate, including the organizational vision that wants to increase the quality of work (Volini & Mazor, 2020). From the literature review, it was found that digital organizatoianl culture consist of digital mindset focus had a highly significant positive fluence on quality of work (Papamo et al.,2022) Thus, this research could conjecture the following research hypothesis:

H1: Digital mindset focus will positively relate to accounting information quality

Digital continuous improvement can be defined as an ongoing effort to improve processes, products, or services across an organization and employee learning improvement process with a focus on enhancing activities that create the most value for customers and make the organization more efficient(Hambach et al., 2017). Digital continuous improvement is the potential and possibility to develop more efficient processes and aims to support employees in their work, not replace them, and their creativity in problem solving (Hambach et al., 2017). Therefore, the association is hypothesized as following:

H2: Digital continuous improvement will positively relate to accounting information quality

Digital empower talent defined as a combination of platform-centered business management paradigm and digital transformation. It will create opportunities to secure productivity and added values (Min & Kim (2021). Jiang et al.,(2023) identified that digital empowerment strategy employed in an e-commerce supply chain, including one platform firm and mutiple small retailers that it can be used as an effective mechanism to coordinate such a supply chain, not only increasing the profits for the platform and retailers, but also improving the digital empowerment level. Also, digital empower talent is likely to have a positive effect on accounting information quality. Respectively, the related hypothesis is postulated as the following:

H3: Digital empower talent will positively relate to accounting information quality

Distinctive technology utilization can be defined as utilize the tools, equipment, and digital technology currently available to gain maximum benefit in communication, work, and collaboration, or to develop work processes or work systems in the organization to be modern and efficient (Papamo et al.,2022). From the literature review, distinctive technology untilization affects the success of the advertising media business in Thailand (Papamo et al.,2022). As well as, Thorseng & Grisot, (2017) found that the use of digital tools or technology in patient care resulted in changes in the operational processes of employees. Also, distinctive technology utilizatiaon is likely to have a positive effect on accounting information quality. Respectively, the related hypothesis is postulated as the following:

H4: Distinctive technology utilization will positively relate to accounting information quality

Adhere related regulation refers to recognition that the agency has rules, principles, or guidelines for controlling and inspecting practices in the organization by supervisors to employees under the rules, regulations, ethics, and standards (Tapadis & Tongkong, 2022). Adhere related regulation affected the overall work quality of accounting practitioners. Likewise, Binh,Tran &Vu (2022) established that innovative organizational culture with adhere related regultation is an essential factor in enhancing the quality of accounting information. Hence, the association is hypothesized as following:

H5: Adhere related regulation will positively relate to accounting information quality

3. Method, Data, and Analysis

3.1 Sample selection and data collection procedure

In this research, the population was selected from accounting director of quality accounting firm in Thailand. The quality accounting firm are active in the database totaling 174 firms (information draw on May 23, 2023; www. Dbd.go.th). The questionnaires were sent to 174 firms. Accordingly, an appropriate 155 firms under the 95% confidentiality rule. Based on prior business research, 20% response rate for a mail survey, without an appropriate for distributed mail survey. With regard to the questionnaire mailing, the valid mailing was 155 surveys. Due to six found incomplete and with response errors. As a the effective response rate was approximately 89.08%

3.2 Test of non-response bias

To test non-response bias and to detect possible bias problems with non-response errors was investigated by t-test that followed to Armstrong and Overton (1977). The researcher was compared early and late responses. The results were not significant between early and late responses. Therefore, it was implied that these received questionnaires show insignificant non-response bias for the analysis in this research.

3.3 Variable measurement

To measure each construct in the conceptual model, all variables are anchored by five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). In addition, all constructs are developed for measuring from definition of each constructs and examine the relation from theoretical framework and prior literature reviews. Thus, the variable measurements of this research and described as follows:

Table 1: Measurement of variables

No.	Variables	Measurement
1	Accounting information quality	-Relevance (providing information about previous decisions to assist management in future decisions) -Faithful representation (bias-free accounting information makes better decisions) -Verifiability (ability to ensure that accounting information is reliably and accurately represented) -comparability (the degree to which accounting standards and policies are consistently applied from on period to another; financial statements are prepared in a format that can be compared with the financial statements finance in previous years -Timlinees (oinancial statements are prepared and presented in a timely manner so that users of the financial statements can use them in making decisions; -Understanding (user of accounting information can understand the accounting information presented; discslouser of accounting information)
2	Digital mindset focus	-Digital vision (organization with a sharp digital vision and sees opportunities in digital technology) - Attitude in digital (an attitude that explains and solves problems with digital technology is the basis for improving operational processes; different perspectives to create innovation with digital technology
3	Digital continuous improvement	- Digital experience (Preiod to use digital technology in work; employers continue using emerging technologies to benefit their business practices) -Digita technology skill (Ability to understand, access, and effectively use today's digital technologies) -Continuous learning in digital (The intention is to constantly learn digitally to have the knowledge and ability to manage changing problems and situations)
4	Digital Empower talent	-Business management paradiam (business's efforts to connect with, interact with and build relationships with customers through digital channels. It encompasses a wide array of technologies and platforms that enable businesses to engage and resonate with their target) -Digital tranformation (Adoption and implementation of digital technology by the means of translating business processes into a digital format)
5	Distinctive tecnology utilization	-Digital literacy (ability to find, evaluate, and communicate information using typing or digital media platforms; combination of both technical and cognitive abilities in using information and communication technologies to create, evaluate, and share informatio)

		-Collaborative tools (a group of technologies that offer real-time data, group chat, file sharing, shared calendaring, project coordination, voice and video for group communication that can be centrally managed, which streamlines administrative tasks)
6	Adhere to related regulation	- regulatory compliance (financial statement are often subject to regulations like TFRS) - professonal ethics (straightforward and honest in all professional an dubsiness relationships; never cpmpromise professoal or inappropriate influence of others; maintain professional knowledge and skill to ensure that a client or employer receives competent professional service; Maintain the confidentiality of professional or business information; void any actions that may bring discredit on the profession)

3.4 Reliability and validity

In this research, The Conbach's alpha was used to test the reliability of the measurement coefficient alpha indicates the degree of internal consistency among items that should be greater than 0.70 (Hair et al.,2010). Also, convergent validity was tested by the factor loading, each of construct should be greater than the 0.40 cut-off and all factors are statistically significant (Hair et al.,2010).

Table 2: Result of measure validation

Variables	Factor Loading	Conbach' alpha
Digital Mindset Focus (DMF)	0.710-0.919	0.803
Digital Continuous Improvement (DCI)	0.774-0.931	0.852
Digital Empower Talent (DET)	0.741-0.832	0.785
Distinctive Digital Utilization (IDU)	0.784-0.801	0.810
Adhere to related Regulation (ARR)	0.770-0.842	0.733
Accounting Information Quality (AIQ)	0.770-0.801	0.716

The results of measure validation show in table 2. presents all variables have factor score between 0.710 - 0.931 indicating that there is the construct validity. Futhermore, the reliability of all variable is accepted because Cronbach's alpha for all variables are shown between 0.716 –0.852.

4. Result and Discussion

In table 2, the descriptive statistics and correlaton matrix for all variables are presented. With respect to potential problems relating to multicollinearity, variance inflation factors (VIF) were used to provide information on the extent to which non-orthogonality among independent variables inflates standard erors. The VIFs rage form 1.551 – 2.504, well below the cust-of value of 10 as recommended by Neter, Wasserman and Kutner (1985), meaning the independent variables are correlated with each other. Thus, there were not substantial multicollinearity problems encountered in this research.

Table 3. descriptive statistics and correlation matrix

Variables	AIQ	DMF	DCI	DET	DTU	ARR	VIF
Mean	4.417	4.467	4.572	4.529	4.481	4.471	
S.D.	0.399	0.444	0.464	0.447	0.470	0.437	
AIQ	1	0.455***	0.541***	0.400***	0.302***	0.612***	1.551
DMF		1	0.512***	0.352***	0.283***	0.477***	1.731
DCI			1	0.331***	0.278***	0.524***	1.708
DET				1	0.855***	0.230***	2.504
DTU					1	0.181**	1.769
ARR						1	
	R^2 = 0.857		F =178.27		Adjust R^2 = 0.852		

*** p < 0.001, **p < 0.01, *** p< 0.05, Beta coefficients with standard error in parenthesis

The ordinary least squares (OLS) regression analysis is used to test and exmine the hypothesized effects of digital mindset focus, digital continuous improvement, digital empower talent, intelligent digital utilization and adhere to related regulation effets on accounting information quality. Because all variables in this research were neither nominal data nor categorical data, OLS is an appropriate method for examining the hypothesized relationships (Aulakh, Kotabe and Teegen, 2000). With the interest to understand the research model are depicted as follows.

$$AIQ = \alpha_1 + ß_1 DMF + ß_2 DCI + ß_3 DET + ß_4 DTU + ß_5 ARR + \varepsilon_1$$

Table 4. results of Ols regression analysis

Column 1	**Accounting Informantion Quality (AIQ)**				
	B	**Std.Err**	**Beta**	**t**	**p-value**
Constant	1.634	0.203		3.542	0.000***
DMF	0.024	0.045	0.020	0.524	0.601
DCI	0.019	0.043	0.018	0.446	0.656
DET	0.234	0.041	0.231	5.706	0.000***
DTU	0.334	0.053	0.263	2.558	0.012*
ARR	0.111	0.043	0.105	19.658	0.000***

*** p < 0.001, **p < 0.01, * p< 0.05, Beta coefficients with standard error in parentheis

Table 4 shows the results of OLS regression analysis for effects of each dimension of digital organizational culture on accounting information. Firstly, digital mindset focus has no a significant on accounting information quality ($ß_1$ = 0.024, p>0.05). Although prior study suggested that digital mindset focus had a highly significant positive fluence on quality work. A possible explanation is that may be implied that organization with digital mindset helps accounting director' response to the pressure and the situation effectively for prevent impacts on only work and life. Therefore, accounting director has a great digital mindset focus just allows accounting directors to work on their own capabilities. It is not enough to improve accounting information quality because depends on other factors. Therefore, Hypothesis 1 is not supported.

Secondly, the effect of digital continuous improvement as having no significant influence on accounting information quality ($ß_2 = 0.019$, $p>0.05$). The results of the analysis are inconsistent with previous research. This is because, during new normal condition, there was an acceleration of digitalization throughout the business chain. Although, organizational agility in digital transformation is still an emerging challenge. Directors need to be more adaptive and agile in running their business as part of the important to improving the quality of their work. Thus, Hypothesis 2 is not supported.

Thirdly, the results showed that digital empower talent had a significant positive influence on accounting information quality ($ß_3 = 0.234$, $p<0.001$). Organizational with greater digital empower talent tend to encourage accounting information quality. Consistent with Jiang et al.,(2023) identified that digital empowerment strategy employed in an e-commerce supply chain, including one platform firm and mutiple small retailers that it can be used as an effective mechanism to coordinate such a supply chain, not only increasing the profits for the platform and retailers, but also improving the digital empowerment level. Hence, Hypothesis 3 is supported.

Fourthly, the results presented that distinctive digital utilization had a significant positive effect on accounting information quality ($ß_4 = 0.234$, $p<0.001$). Organizational with distinctive digital utilization can help accountants to take the initiative an dperform the hard work to improve them. Executives are aware of the use of technology and digital signals to link activities in the work process faster for quick access to customer information, helping to streamline operations and the organization uses digital technology to communicate with customers to create value. Consistent with Thorseng & Grisot, (2017) found that the use of digital tools or technology in patient care resulted in changes in the operational processes of employees. Therefore, Hypothesis 4 is supported.

The last dimension of digital organizational culture, adhere to related regulation had a significant positive effect on accounting information quality, ($ß_5 = 0.234$, $p<0.001$). This finding confirm that organizational adhere to related regulation is important in that it creates accounting information quality. Consistent with Binh,Tran &Vu (2022) established that innovative organizational culture with adhere related regultation is an essential factor in enhancing the quality of accounting information. Thus, Hypothesis 5 is supported.

From the results can be summarized that digital empower talent, intelligent digital utilization and adhere to related regulation effect on accounting information quality. these results support previous studies showing that digital organizational culture has effect on accounting information quality (e.g., Huynh,2021; Hadi & Baskaran 2021; Teghu et al., 2022; Papamo et al.,2022) Accordingly, the results indicated that digital organizational culture influences on accounting informance quality consist of equation as following:

$$AIQ = 1.634 + 0.234DET + 0.334DTU + 0.111ARR$$

5. Conclusion and Suggestion

The results of this research found that digital empower talent, intelligent digital utilization and adhere to related regulation had a significant positive influence on accounting information quality. From the results, it can be summarized that quality accounting firm with digital organizational culture (especially, digital empower talent, distinctive digital utilization and adhere to related regulation) will increase accounting information quality. In addition,this research has potential implications for accounting directors to identify and justify the main components of digital organizational culture that may be more accounting information quality. Moreover, they are well suited to provide the details of digital organizational culture in each firm. Future research should attempt to study on other potential variables. Other methods may apply in the future such as in-depth interviews, and case studies.

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STRATEGY TO INCREASE THE ECONOMIC VALUE : THE POTENTIAL OF MORINGA OLEIFERA LEAF POWDER

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ABSTRACT

This research aims to provide information to the public about the contents of Moringa leaf extract through phytochemical analysis and the benefits of Moringa leaf extract by using a database in the form of articles in the form of online journals as a literature review. This research uses a qualitative research method with descriptive presentation. Moringa leaves have health benefits as herbal medicine. Moringa leaves (Moringa oleifera) have long been used as a good traditional medicine to prevent cancer, anti-bacterial, maintain blood pressure and anemia. The health benefits of Moringa leaves are influenced by the nutrients contained in Moringa leaves. Apart from antioxidants, Moringa leaves also contain vitamins and minerals, including vitamin B6, vitamin B2, vitamin C, vitamin A, iron and magnesium. Strategies for Increasing the Economic Value of Traditional Products Moringa Leaves are becoming increasingly important for traditional herbal medicine in Indonesia because there are more and more Consumers are aware of traditional Moringa leaf products, and prefer products that are beneficial for improving health, such as health which is influenced by the nutrients contained in Moringa leaves. Apart from antioxidants, Moringa leaves also contain vitamins and minerals, including vitamin B6, vitamin B2, vitamin C, vitamin A, iron and magnesium. Purchasing decisions are influenced by internal factors from within the consumer and external factors originating from the surrounding environment.

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1. Introduction

Indonesia is a vast country with an abundance of diverse plants. However, there are still many products that are not processed enough, such as vegetables that have a bitter taste or types of vegetables that are less popular for consumption or export. Moringa leaves (Moringa Oleifera L) are a typical tropical plant that is also easy to grow in Indonesia. Moringa leaves are widely known in Indonesia, especially in rural areas, but have not been widely used as a processed food product. (Friskilla, 2018).

Moringa leaves are a type of tropical plant that is easily recognized by the small size of its leaves. This plant has various very good benefits for health, including containing flavonoids, beta-carotene and antioxidants which are very useful for maintaining health. Moringa leaves have been used traditionally in medicine and herbal medicine, as well as in mystical rituals. The WHO organization has named the Moringa tree as a "miracle tree" because of its important benefits in healing diseases which are important in dealing with disease outbreaks and malnutrition problems..

Moringa plants are still not utilized optimally as food. In general, people only use the leaves of this plant to make vegetables. (Angelina, 2021). Many people don't like consuming Moringa leaves because of the smell.The development of Moringa leaf products faces several challenges such as lack of knowledge about processing technology, limited market access, and low public awareness about the benefits of Moringa leaves.There are still several challenges faced in developing Moringa leaf products, such as a lack of knowledge about how to develop a small Moringa leaf industrial business and a lack of effective marketing strategies. Therefore, it is necessary to carry out more effective strategies to increase the economic value of traditional Moringa leaf products.

The leaves of the Moringa plant can be processed into powder or extract which can be used to increase the nutrients in food products. Moringa leaves have complete nutritional content to support our health, because Moringa leaves contain vitamins A and C, especially beta-carotene. Some of the active compounds in Moringa leaves are arginine, leucine and methionine. (Almawanti, 2018). Moringa contains abundant nutrients which play an important role in meeting human nutritional needs. Currently, the use of Moringa leaves as a food and beverage product is growing because Moringa leaves have good health benefits. Moringa leaves are useful for treating various diseases including fever, intestinal inflammation, rheumatism, aches and pains, diarrhea, nearsightedness, dysentery, diabetes, bronchitis, inflammation of the mucous membranes, stomach ulcers, increasing breast milk (ASI) (Pitaloka , 2020).

In an effort to increase the economic value of Moringa Leaves, several strategies have been developed. One effective strategy is to improve product quality through the use of more modern and efficient technology. This can be done by improving the processing and preservation processes, as well as increasing the quality of the raw materials used. Apart from that, another strategy that can be implemented is to increase public awareness about the benefits of Moringa leaves as a traditional product that has significant economic value. In this way, people will better understand the importance of this product and will be better prepared to purchase and use this product. Based on the background above, this research aims to provide information to the public about the contents of Moringa leaf extract through phytochemical analysis and the benefits of Moringa leaf extract using a database in the form of articles in the form of online journals as a literature review. Do not indent the first paragraph of each section or subsection. The Introduction is not an extended version of the abstract; never use the same sentences in both sections. Please use no more than three levels of headings.

2. Literature Review

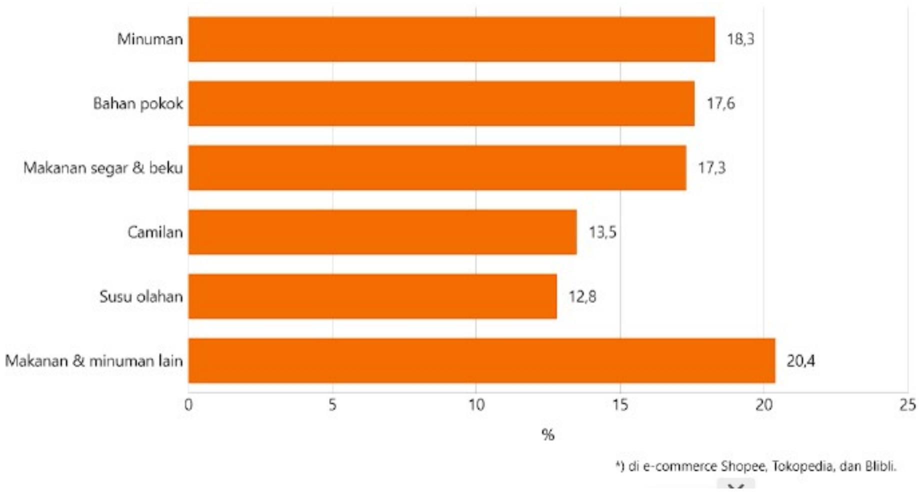
Based on the results of research on the Moringa industrial UKM PT. Tri Utami Jaya uses a marketing strategy, namely a marketing mix in the form of 4 elements, such as product strategy, price strategy, strategy, distribution or place and promotion strategy. (Reni Anggreini, 2022).

3. Method, Data, and Analysis

This research uses qualitative research methods with descriptive presentation. According to Sugiyono (2016) qualitative research methods are methods used to examine the condition of natural objects where the researcher is the key instrument. According to Nazir (2014) descriptive research examines the status of human groups, objects, conditions, thought systems or current events with the aim of creating systematically, factually and accurately descriptive of the facts studied.

4. Result and Discussion

From this data, herbal drinks in Indonesia still have quite a lot of interest. Drinks will be the food and beverage products most sought after by Indonesian e-commerce consumers in 2023. This can be seen from the Indonesian FMCG Report 2023 released by Compas, a digital market research company from Indonesia. Kompas researched sales of health products in 3 major domestic e-commerce sites, namely Shopee, Tokopedia, and Blibli.



From the results of online crawling or digital searches, Compas estimates that the sales value of food and beverage products on Shopee, Tokopedia and Blibli will reach IDR 11.8 trillion throughout 2023. This value is equivalent to 20.4% of the total sales value of the fast moving consumer goods (FMCG) sector in 3 e-commerce. In the food and beverage category, beverages have the largest proportion of sales value in 2023, reaching 18.3%. This product segment consists of :

Coffee: 6,2%
Tea: 2,8%
herbal: 2%
Syrup/Juice: 1,9%
Powder Drink: 1,8%
Another Drinks: 3,7%

Moringa leaves have health benefits as herbal medicine. Moringa leaves (Moringa oleifera) have long been used as a good traditional medicine to prevent cancer, anti-bacterial, maintain blood pressure and anemia (Saputra et al., 2020; Sulasmi et al., 2023). The health benefits of Moringa leaves are influenced by the nutrients contained in Moringa leaves. Apart from antioxidants, Moringa leaves also contain vitamins and minerals, including vitamin B6, vitamin B2, vitamin C, vitamin A, iron and magnesium

Table 1. SWOT Analysis

Strength	• Improve nutrition • Is a raw material that is often found in the community • Can be sold online • Practical for brewing
Weakness	• Low interest due to new products - Classified as being underestimated by society • There is rarely any outreach to the community about the uses and opportunities obtained from processing Moringa leaves • Lack of knowledge in the local community about the use of Moringa leaves which can be processed into herbal medicine
Opportunity	• Availability of Moringa leaf powder is still rare on the market • Processing Moringa leaves to increase creativity and improve nutrition
Thereats	• Because raw materials are easy to find, perhaps new products that are similar will emerge • People's mindset still tends to consider Moringa leaf plants as ordinary ornamental plants

Tabel 2. Table Overview of the Moringa Leaf Powder Herbal Medicine Business

Marketing Strategy	Description
Product	a. Moringa leaf powder herbal medicine is a producthomemade which is made from dried Moringa leaves to increase nutrition and is able to treat various diseases and uses corn sugar as an additional sweet taste
	b. Moringa leaf powdered herbal medicine will be packaged using standing packaging ziplock pouchmade frompaper metalize

Figure 1. Refining Moringa Leaves

4.1. Equation

BEP production prices represent the lowest prices. If the producer price is below the BEP price, then the business suffers a loss.

BEP = $\frac{Pengeluaran\ per\ produksi}{Jumlah\ dalam\ 1\ kali\ produksi} = \frac{Rp\ 750.000}{100} = Rp.7500$

So, the price is for 1pouchesMoringa leaf herbal medicine powder IDR 7,500 is the price at which production costs/return on investment are profitable, so the product price must be above IDR 7,500 to make a profit. So, for 1pouchesMoringa leaf powder herbal medicine as increasing the nutritional value of food products at a price perpouchesIDR 15,000 makes a profit of IDR 15,000 – IDR 7,500 = IDR 7,500.

5. Conclusion and Suggestion

Strategy to Increase the Economic Value of Traditional Moringa Leaf Products is becoming increasingly important for traditional herbal medicine in Indonesia because more and more consumers are becoming aware of traditional Moringa leaf products, and prefer products that are beneficial for their health. improve health, as health is influenced by the nutrients contained in Moringa leaves. Apart from antioxidants, Moringa leaves also contain vitamins and minerals, including vitamin B6, vitamin B2, vitamin C, vitamin A, iron and magnesium. Purchasing decisions are influenced by internal factors from within the consumer and external factors originating from the surrounding environment.

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THE INFLUENCE OF AN OPEN INNOVATION APPROACH ON THE ORGANIZATION OF THE PSYCHOLOGY STUDENT ASSOCIATION OF SAHID UNIVERSITY SURAKARTA

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ABSTRACT

Introduction/Main Objective: The organization should provide opportunities for all its members to innovate and be able to see the effects of planned open innovation. **Background Problems:** A concept, idea, practice or thing that is recognized and accepted as a new right by a person or group to implement. Organizations can consist of various structures designed to meet management needs. Without innovation, an organization cannot move forward to develop a vision and mission. **Research Methods:** Using qualitative research methods, this is a type of research that is descriptive and usually uses analysis. **Finding/Result:** Open innovation is very influential in the process of organizational progress. Change through open innovation reflects role models including good leadership. **Conclusion:** The results show that open innovation can shape a better performance character.

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1. Introduction

The development of an organization's environment, both internal and external, involves change. Innovation is the only way an organization can develop. Innovation is defined as a concept, idea, practice or thing that is recognized and accepted as new by a person or group to implement. Innovation can also be defined as the process of thinking about and applying research results to produce new products, services, business procedures, policies, ways, and so on (Ancok) . According to Ancok, innovation consists of three main stages: ideas are created, ideas are evaluated, and ideas are implemented.

The problems that occurred during the previous period of organizational management, there were several activities and work programs that were not realized according to the plan so that the management of the organization was not optimal. The obstruction of the work program and triggered the fading of the organizational spirit of the management of the psychology hima organization in the previous period.

[1] Djamaludin Ancok, 'Psikologi Kepemimpinan Dan Inovasi', 2020.

So that it is quite a threat to the sustainability of organizational life. The psychology student association organization that only survives on the situation without an open attitude to innovation from existing human resources will further make the state of the organization remain in its problems.

Organizations serve as places where various individuals come together to achieve common goals. Organizations consist of various structures designed to meet the needs of the organization, ranging from high-level management to the lowest layer. All parts of the organization are important according to their respective roles and tasks.

Innovation is also inseparable from the role of resources owned by the individual himself, the more knowledge, which consists of skills, competencies and experience that individuals gain, the more efficient work activities will be.

Innovation in the Psychology Student Association or Himapsi organization is the process of creating, developing, and implementing new ideas to increase benefits for members, such as improving relationships with off-campus organizations, and increasing member efficiency. Innovation in the Himapsi organization is supported by the presence of a leader who is able to move an initially rigid organization. With its new innovations, which include implementing a more flexible organizational structure, which results in more flexible forms and patterns of cooperation with various groups, including internal organizational groups. One of the reasons why Himapsi encourages innovation is because the organization makes changes to its activities and work systems. The organization's work program agenda also encourages innovation from organizational members.

Leaders in an organization as a determinant of direction for the progress of an organization and members as actors who run the wheels of their organization, so that how things happen will have an important role in supporting the achievement of the success of organizational goals, the problems that exist in the organization will be reduced by open innovation and problem solving efforts as improvements.

Effective leaders are leaders who recognize the important strengths contained in individuals or groups. A leader must be able to understand individual problems in the organization, foster trust from subordinates, provide insight and examples embedded in organizational culture. In addition, organizational commitment must be a concern because it has a significant impact on the running of an organization. Leaders must be able to understand the needs of each subordinate, motivate and empower appropriately, so that it will be in line with the formation of organizational commitment of their subordinates. Another factor that should be of concern to leaders is the level of organizational performance, because the realization of achieving organizational goals is determined by the high and low level of organizational performance. Changes in the increasingly complex and competitive organizational environment require every organization to be more responsive in order to survive and continue to grow.

2. Literature Review

Open Innovation

In Latin, innovation means renewal and change, and the verb is innovo, which means to renew and change. A change that is new or different from the previous one is called innovation, and it is intentional or planned, not accidental. The changes made are looking for more efficient ways to achieve goals. These changes must be carefully planned and directed. Ancok divides innovation into three main stages: creating ideas, assessing ideas, and implementing ideas.

To improve the quality of the organization, the innovative capacity of the organization must be improved. One way organizations solve innovation problems is by implementing open innovation. Innovation, on the other hand, can be defined as an item, idea, event, or method that is perceived or observed as new to a person or group of people (society) . It can be the result of innovation or discoversion. Based on the above understanding, innovation is a process that occurs in formal and informal organizations. Organizations progress, but there will be many challenges and obstacles when innovation begins to enter. By understanding the process of innovation in organizations, at least it will be easier for organizations to diffuse innovations.

Organization

Simply put, an organization is a means, tool, place, or container for a group of people working together to achieve a common goal. An organization is defined as a social entity that is consciously organized, followed by relatively continuous boundaries and always trying to achieve a common goal or group of goals.

According to Daft , the four main elements are described as follows:

1. Organizations can be defined as social entities formed by individuals and groups of individuals;
2. The organization will have a clear purpose, because it is the purpose that creates the basis of the organization;
3. Organizational systems are logically structured to achieve goals;
4. The organization has clear rules to determine what is considered part of the organization.

3. Method, Data, and Analysis

This research uses qualitative research methods. The Psychology Student Association organization at Sahid University Surakarta is the research location. To find out how Himapsi handles the open innovation process with descriptive open interviews. A qualitative approach does not only look at research variables, it looks at the entire social context, including places, actors, and activities of the Himapsi organization. By using a qualitative approach, the purpose of this research is to determine whether there is a correlation or impact between the implementation of open innovation and the Himapsi organizational system.

4. Result and Discussion

In the previous period, data was obtained stating that the psychology student association organization was still unsuccessful in innovating due to the dualism of leadership which caused its members to be divided into two camps. And after the author conducts research, the results of the analysis of the research conducted show that an organization applies open innovation, it will have a positive impact on the organization itself. The Psychology Student Association or what is called Himapsi Sahid University Surakarta uses an open innovation system. Under the new leader, this open innovation is running and starting to develop. Himapsi leaders implemented an innovation system by changing the organization's membership structure. The purpose of this change is to increase how effectively members work together. In the membership structure, it will be divided into several commissions, with the general acting as the person in charge and followed by the members.

[2] Hengki Wijaya, 'Model Proses Inovasi Rogers Dalam Organisasi', *Research Gate Online J., No. June*, June, 2018, 1–20.
[3] Daft Richard L, *Organization Theory and Design*, *Journal of Chemical Information and Modeling*, 2010, LIII.

Change through open innovation reflects role models including good leadership. In this management, an organization can be dynamic. It is necessary to have a plan in facing better organizational changes. The leadership style that a leader builds in an organization will encourage the involvement of his staff and generals to achieve performance. The leadership style applied by the leader will affect his employees in carrying out their work. (Ilyas et al.,2017).

The results of the analysis of this study state that another open innovation used by Himapsi is that everyone, including leaders, has the same right to develop innovative ideas and innovations that can help the progress of the organization. In addition, in collaboration with organizations on and off campus, Himapsi develops new ideas. This is in line with several other authors on open innovation who claim that innovation is the most fundamental source for the success and survival of an organization (Dirham, 2019) .

However, there are several challenges that arise during the process of implementing open innovation in the organization, including the first obstacle is that the organization cannot develop by being more innovative due to the lack of support from the organization's coaches and relationships that are not yet strong to help Himapsi innovate by collaborating with organizations outside the campus. Another obstacle is time management and communication management between the chairman or leader and his generals or staff. Because of the many mandates that are carried out and must be carried out so that monitoring coordination is quite hampered. However, this can still be resolved well by trying to improve the way of communication and time management and guiding each other without clinging to individual expectations.

With new innovations, which include the application of a more flexible organizational structure, which results in more flexible forms and patterns of cooperation with various groups, including internal organizational groups. One of the reasons why Himapsi encourages innovation is because the organization makes changes to its activities and work systems. The organization's work program agenda also encourages innovation from organizational members.

Affirming the importance of management skills because it can affect a staff's performance in the organization. In terms of direct coordination through various types of innovation (process or service) and its mediating role. Therefore, in this research, the possibility of open innovation activities is quite measurable to produce innovation outputs that can affect leadership and better performance for himapsi. The application of open innovation is considered very important because it will provide various conveniences, which not only involve internal parties but also involve external parties. Organizations that are too internally focused will be dangerous because they will miss many opportunities that come from outside the campus organization.

5. Conclusion and Suggestion

The results show that open innovation has a significant impact on the growth and achievement of organizational goals. To implement open innovation in organizations, through courage and high enthusiasm, because it will affect how leaders and members work together. The leadership style that is built from a leader through open innovation will form a better performance character, it can be reflected in a role model of membership and leadership. as well as organizational leaders as direction setters for the progress of the organization and members as actors who run the wheels of the organization, so how things happen will affect how successful the organization achieves its goals. Problems in the organization will be reduced by innovation and problem-solving efforts.

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ANALYSIS OF THE EFFECT OF TRANSFORMATIONAL LEADERSHIP ON WORK PRODUCTIVITY AND JOB SATISFACTION

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ABSTRACT

Introduction/Main Objectives: Transformational leadership is a leadership style that has long been discussed in the context of management and organization. The purpose of this study was to analyze the effect of transformational leadership on work productivity and Job Satisfaction. The research method used is a literature study or Library Research with a qualitative approach. The aim is to analyze the comparison of theories about the differentiation between current ratio and profitability ratio on the company's stock price with the help of related references in the literature review. Based on the literature review that has been carried out on the results and discussion from both national and international journals, the conclusions in this article are: Transformational Leadership affects Work Productivity and Job Satisfaction. Good leadership in the form of Transformational Leadership is essentially able to improve the quality and productivity of employee performance in a work environment.

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1. Introduction

Transformational leadership is a leadership style that has long been discussed in management and organizational contexts (Jyoti and Dev, 2015). This leadership style is known for its ability to influence employees positively and strongly. One of the most significant impacts of transformational leadership is increasing work productivity and job satisfaction. Since the early 1980s, the concept of Transformational Leadership has received significant attention in the management and psychology literature. It was first introduced by James MacGregor Burns and later developed by Bernard M. Bass. Transformational Leadership covers various aspects, including leaders who have a strong vision, the ability to motivate, inspire, and influence employees to achieve their best potential (Widyasari, Tri, 2021).

In the context of its influence on work productivity and job satisfaction, Transformational Leadership is known for being able to create a work environment that allows employees to grow, develop and contribute optimally. Transformational leaders tend to create strong bonds with their employees, so that employees feel motivated to do their work with full dedication. They encourage creativity and innovation by providing new challenges and promoting critical thinking, which can ultimately increase efficiency and productivity in the workplace. The influence of transformational leadership also includes providing emotional support and personal development to employees. Leaders with this style often pay more attention to individuals' needs, help them overcome obstacles, and provide necessary training to improve skills. If employees are given the opportunity to participate in problem solving, employees will feel involved in achievement of organizational or group goals.This can cause employees increasingly have a sense of right responsibility and lead to job satisfaction, commitment, and make organization as a place for self-actualization.

Chance for take an active role in the organization is very meaningful for employees, because the employees feel that their leaders believein their abilities and willingness to actively participate in dealing with problems within the organization, so as to create a human-oriented relationship in which the employees are considered more as co-workers by leaders. This not only increases employee confidence, but also enables them to better deal with more difficult tasks, which in turn contributes to increased productivity and job satisfaction. It is important to understand that the influence of Transformational Leadership on work productivity and job satisfaction is not only direct, but also involves factors such as job satisfaction, organizational commitment, and intrinsic motivation. Employees who feel empowered and recognized by transformational leaders tend to be more satisfied with their jobs, and high job satisfaction has been shown to be associated with increased productivity and job happiness.

2. Literature Review

2.1 *Transformational Leadership*

Transformational Leadership is a leader who has a proactive attitude and always acts as an agent of change and accommodates his employees to achieve joint targets (Busari, 2020). Transformational Leadership is able to transfer vision, strengthen creativity, develop employees' emotional associations in achieving goals (Jyoti and Dev, 2015). Leadership style in the form of Transformational Leadership is a leadership style that is effective and influential in change in organizations (Middleton, 2015). Likewise, Basu said that the power of Transformational Leadership is able to change employee mindsets in accelerating change in an organization. (Islam et al., 2021) The Transformational Leadership Leadership Style is often associated with a vision and establishing guidelines for restructuring the organization, developing staff competencies, improving relations with external parties by expanding networks and connectivity.

This leadership style is an effective type in optimizing digital innovation which is a characteristic of transformational leadership. Creating a vision and establishing guidelines and goal direction can basically trigger employee motivation. (Puni et al., 2018). According to Asbari et al., (2021) Transformational ideas in leadership basically include several variables: a) Ideal influence. Ideal influence can be demonstrated by a leader who is charismatic and always instilling pride, respect and trust so that employees will make their leaders role models in the organization b) Inspirational motivation. This variable can be represented by the existence of a simple emotional connection between leaders and employees, thereby increasing hope and optimism in achieving goals. c) Intellectual Stimulation, the leader is proactive and collectively together with employees in solving problems in an organization d) Attributes of an ideal leader A leader who is a role model or who is idealized is an agent of change in the organization e) Individual Perception, individual assignments given by leadership, where individuals feel motivated to develop competencies and complete work to a higher standard. Transformational Leadership has been studied by many previous researchers including (Rina, 2019), (Surono et al., 2016), (Purwatmini et al., 2019), (Yeni; Susilo, 2020), (Lilia et al., 2020) , (Eka & Wibowo, 2021), (Setiarlan & Ahmadun, 2021), (Astari, 2016), and (Eng Sun, Handi Aribowo, 2018)

2.2 *Work Productivity*

Work productivity can also be defined as ability, the mentality of a person who strives to improve the results to be achieved through enthusiasm and high work ethic in developing personal competence, work quality and efficiency or is a comparison between the results or targets to be obtained with overall resources. which are available. (Widyasari, Tri, 2021). Several scientific arguments related to work productivity have essentially provided a fundamental perspective in understanding the concept of work productivity. Work productivity is an indicator used to measure work results from the availability of resources in a work environment. Oktiani et al., (2019) and In principle, productivity can be achieved if there is a combination of work creativity and work knowledge, as is an indicator of work productivity explained by (Hamiddin & Taaha, 2021) and the Widyasari journal (Widyasari, Tri, 2021). Work Productivity has been previously researched by (Rachmawati et al., 2021), (Effect et al., 2020), (Faeni et al., 2021), (Simarmata, 2020), (Perdiyanti & Faeni, 2021), (Pasaribu & Anshori, 2021), (Darmawan Adi, 2020), (Gultom, 2021), (Rina, 2019), Surono et al., 2016).

2.3 Job Satisfaction

According to Edy Sutrisno (2019) Job Satisfaction is an employee's attitude on work related to work situations, cooperation between employees, rewards received at work, and matters involving physical and psychological factors According to Handoko (2020) job satisfaction is the opinion of employees Whether you like your work or not, those feelings can be seen from your behavior both employees towards work and all things experienced in the work environment. Job satisfaction has been studied by many previous researchers, including Arda, Mutia. (2017), Divine, Dede Kurnia. (2017). Kurniawan, Aris Hidayat and Prasilowati, S. L. (2019) and Ari, Oxy Rindiantika and Susilo Heru. (2018)

3. Method, Data, and Analysis

The research method used is literature study or Library Research with a qualitative approach. The aim is to analyze comparative theories regarding the differentiation between current ratio and profitability ratio on company share prices with the help of related references in the literature review. The literature used is literature from the results of research or reviews presented in scientific articles with national and international themes that are relevant to human resource management. All articles used are sourced from the electronic literacy data search engine Mendeley and Google Scholar (Balqis, 2021). The reason for conducting qualitative research is that the research has an exploratory nature. So it is then discussed more thoroughly with the help of libraries related to or the literature being reviewed. , because this section is the basis for formulating hypotheses that are used in comparison with the results or findings from previous research to reveal the truth of existing theories (Permatasari and Jaelani, 2021).

4. Result and Discussion

The Influence of Transformational Leadership On Work Productivity and Job Satisfaction According to Gibson, Style Transformational Leadership has an influence on work productivity and job satisfaction where inspirational leaders will motivate their employees by implementing several things, namely vision, inspirational communication, and intellectual stimulation. This was confirmed by Rofiudin who stated that the Transformational Leadership variable which includes providing motivation, leadership instructions, leadership attention, and work delegation has a significant effect on employee work productivity and job satisfaction (Surono et al., 2016). In connection with this, Ashad Arsyad in his research stated that transformational leadership can motivate employees to work better which aims to increase trust and confidence which directly affects work productivity. With the leadership's ability to understand their employees, employees will feel more comfortable and work more flexibly so they are able to get maximum results (Lilia et al., 2020). Transformational leadership essentially motivates employees to do better work. Providing motivation plays an important role in encouraging subordinates to be more productive Work productivity has been researched by (Rina, 2019), (Surono et al., 2016), (Purwatmini et al., 2019), (Yeni; Susilo, 2020), (Lilia et al., 2020), (Eka & Wibowo, 2021), (Setiarlan & Ahmadun, 2021), (Astari, 2016), and (Eng Sun, Handi Aribowo, 2018).

From the results and discussion above, the conceptual framework of this research is presented in Figure 1.

Figure 1. Conceptual framework of research

Transformational Leadership

Leaders with a transformational leadership style will easily achieve organizational targets or goals. Leaders can maximize employees by developing their employees' competencies. Attitudes of enthusiasm, initiative, loyalty and other employee competencies are values that are difficult to obtain if leaders are unable to become role models or agents of change in a work environment. (Siwi & Sumampouw, 2015).

5. Conclusion and Suggestion

The results show that open innovation has a significant impact on the growth and achievement of organizational goals. To implement open innovation in organizations, through courage and high enthusiasm, because it will affect how leaders and members work together. The leadership style that is built from a leader through open innovation will form a better performance character, it can be reflected in a role model of membership and leadership. as well as organizational leaders as direction setters for the progress of the organization and members as actors who run the wheels of the organization, so how things happen will affect how successful the organization achieves its goals. Problems in the organization will be reduced by innovation and problem-solving efforts.

Suggestion

Based on the results and discussion and conclusions in this article, the author suggests that future researchers conduct research with different variables so that there is a comparison of the research results.

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DETERMINANTS OF PERSONAL FINANCIAL MANAGEMENT BEHAVIOR AND PRACTICE IN BUSINESS ADMINISTRATION STUDENTS AT SAHID UNIVERSITY, SURAKARTA

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ABSTRACT

Problem management finance is known by the term management personal finance (personal financial management) as a form of management process Money For reach satisfaction economy or personal well-being. Failure in management finance will trigger emergency problems difficulty in future finances will impact failure in reaching well-being. Objective study This is to know the influence of financial knowledge, financial skills, and financial attitude on personal financial management behavior. Type study This is descriptive quantitative with a sample of as many as 70 respondents from student Administration Business Sahid University Surakarta. The data sources used are primary data. Research results show that variable financial knowledge in a way Partial influential towards the personal financial management behavior shown with calculated t value > t table that is 1.978 > 1.6682 and sig value < 0.05, namely 0.001 < 0.05. Financial skill variable in a way Partial influential towards the personal financial management behavior shown with calculated t value > t table namely 3.597 > 1.6682 and the sig value < 0.05, namely 0.02 < 0.05. Whereas variable financial attitude in a way Partial No influential towards the personal financial management behavior shown with calculated t value < t table namely 0.932 < 1.6682 and sig value > 0.05, namely 0.355 > 0.05. Test results in a way simultaneously show that variable financial knowledge, financial skills, and financial attitude are influential towards the personal financial management behavior shown with calculated F value > F table namely 4.725 > 2.74 with sig value < 0.05, namely 0.005 < 0.05. Newness to research This is shown in 1) Improvement scale investment in the millennial generation based on index literacy finance, 2) The role of industry finance through strengthening innovation finance For increase well-being of students, 3) Understanding of management finance in a way smart and safe in interacting digitally, and 4) Research with use respondents existing students go through eye studying knowledge finance like accounting, management finance, and Institutions and technology finance.

ARTICLE INFO

Keywords:
Financial Knowledge,
Financial Skills,
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Personal Financial Management Behavior

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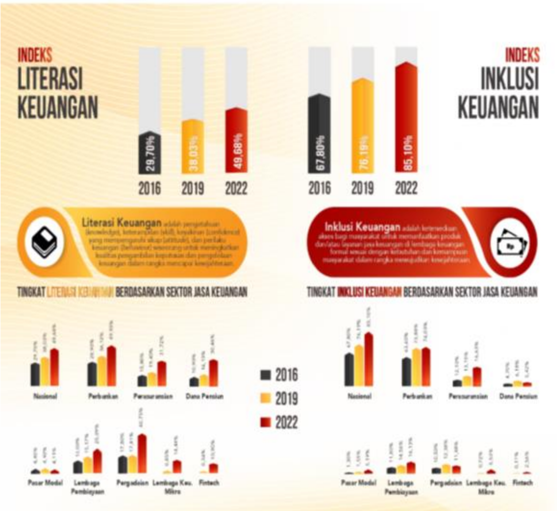
1. Introduction

Financial management behavior (behavior finance) is the ability of somebody to arrange planning, budgeting, auditing, managing, controlling, disbursing, and storing financial funds daily (Al Kholilah & Iramani, 2013). Behavior finance became a lot of issues discussed at the time Because related to behavior consumption public. Appearance draft Financial management behavior is impacted by a big desire somebody For fulfill needs in his life by following under level of income earned. The Financial Services Authority (OJK) noted that the level of knowledge of finance in Indonesian society still was at 28 %, while Malaysia was 66%, Singapore reached 98% and Thailand reached 73%. One of the factors reason low knowledge of finance is a condition of Indonesia's geography in general around 60% are in the regions rural. Survey results national 2022 show that there were 85.10% of inclusion finance people use products and services finances, however only 49.68% of people have literacy adequate knowledge, skills, beliefs, attitudes, and behavior in using product service finance.

Figure 1. National Survey of Literacy and Inclusion Finance 2022



Source: https://sikapiuangmu.ojk.go.id

Efforts to increase knowledge about finance can be made with the method do education finance. Education finance can done with methods that give understanding, especially to generations regarding the world of finance and its management, aside from education finances also aim to spur individuals To own plan finances in the future with a pattern and style the life lived (Mendari & Kewal, 2013). Education finance is very important from an early so can build positivity that can support the future.

Education finance has a impact positive on management finances , so increases the well-being of financial circle students (Sabri & Falahati, 2012). Education finance influential positive on behavior management and finances the public in matters recording transactions and correspondence with financial institutions (Haynes-Bordas et al., 2008). Term literacy finance, knowledge finance, and financial education are often used in a way alternate Goods as part of literature academic as well as in the media (Huston, 2010). Studies from survey finance, economics, and surveying literacy finances and capabilities funded finances show that most people don't know the basic skills, skills, and attitudes required to carry out tasks management finance personnel (Xu & Zia, 2012). Therefore The enhancement of literacy finance public through financial education becomes relevant policies in advanced-income countries (Collard et al., 2006). Increasing research conducted by academics and strategy policy is not only motivated by low-level knowledge public related basics finance personnel, however, but failure to manage finance personnel has to impact negatively on the individual and the whole economy of a country.

student at the moment This is in a state Where they face independence and start to make responsible decision answer (Elliehausen et al., 2007). Making a plan for finance or managing finance must done by someone for a more responsible answer in a way finance (Hilgert et al., 2003). Someone who becomes a student has known, but in fact, some students do not yet have and understand knowledge about management good and correct finances so they can not plan and control the use of the money you can get used For reach their objective. According to the Asian Institute of Finance, 2015 stated that generation millennials are trapped in the style of influential digital life to burden finance. (Yew et al., 2017) researched the connection between attitudes and behavior that focus on financial education and gender. They recommend Financial education must reinforced in schools and universities. However, research previously shows that more financial education tall Not always ensure behavior responsible finances answer (Lusardi & Mitchell, 2011). This matter shows literacy finance is not yet fully studied or understood. Important to understand How somebody develops the ability to make decisions and correct finances (Hung et al., 2009). Combining knowledge finances, attitudes and behavior in a model will produce an understanding comprehensive (Serido et al., 2013).

The development of the times tends to speed up development characteristic modernization, pattern thinking as well as behavior student No exception behavior management finance. The Consequence from matter that, students do become not realistic in making decisions to finance them. No A little from number of students are realistic in taking decision finance so that indicates exists phenomenon behavior of current consumerism Already become a cultural disease. Phenomenon behavior consumptive potential creates characteristics of individualist, materialistic, and hedonistic in society. Increasing amount needs, attitudes of consumerism as well and style high life result in some students Not being aware that they have to use the money without There is planning good finances as well as because they have no responsible answer to various behavior finance. The reason for the arrangement bad finances because of lack of knowledge about finance. Therefore Good financial management behavior needs Financial knowledge For capable manage finance and taking action decisions finance with Good.

Financial knowledge influences behavior management finance Where if Financial knowledge somebody Financial management behavior somebody will be too tall (Humaira & Sagoro, 2018) . Financial knowledge own influence to taking decision in capital investment . If Financial knowledge somebody tall so intake decision invest will be Good. In this matter, the so need exists for alignment and improvement ability in Financial knowledge (Aminatuzzahra & Nasir, 2014) . Someone who has Good financial knowledge Can use Money by following their need and will make producers make goods and services by following what is needed by consumers (Ida & Dwinta, 2010) .

Besides financial knowledge, another factor that can influence Financial management behavior is Financial attitude. Financial attitude is circumstances thoughts, opinions as well as evaluation of finance (Pankow, 2003) . Attitude somebody refers to how they finish problem finance individuals can be measured by a response to A statement or opinion (Marsh, 2006) . Financial attitude will help somebody determine good attitude and behavior in management finance, budgeting finance, or making decisions. Studies have proven the influence of literacy finance on behavior finance. Individuals with low literacy and low finances tend to have problems with debt (Lusardi, 2012). This matter means that a lack of understanding of literacy and proper finances will give rise to challenges in finance so they can fall into debt. (Van Rooij et al., 2011) show that individual who owns literacy finance have a low in a way significant possibility of participating in the stock market.

Literacy finance is a component important in making decisions for good finances, and lots of generations hope they have more Lots knowledge of finance (Lusardi et al., 2010). Literacy finance become A need for society, in particular students at the level of university so that they can own attitude in cash management before entering the world of work. Attitude positive This will help them practice management finance good personality as working adults (Ibrahim et al., 2009).

Newness to research This is shown in 1) Improvement scale investment in generations millennial based on index literacy finance, 2) The role of industry finance through strengthening innovation finance For increase well-being students, 3) Understanding management finance in a way smart and safe in interacting digitally, and 4) Research with use respondents existing students go through eye studying knowledge finance like accounting, management finance, and Institutions and technology finance. See background back above, goal study This for know influence Financial knowledge, financial skills and financial attitude to personal Financial management behavior and practices. Therefore the researcher means to do a study with title: "Determinants of Personal Financial Management Behavior and Practice in Business Administration Students at Sahid University, Surakarta".

2. Literature Review

2.1 *Personal Financial Management Behavior*

There is enhanced interest in research related to literacy finance carried out by academics, organizations international, and governments (Kharchenko, 2011). Most of the studies concentrate on planning finance students Because some studies show part big from they fail to plan expenditures and suddenly experience problem finance. Research results show some students have high debt, use card credit, and experience level high stress Because affected by the lack of Skills management management finance (Norvilitis et al., 2006). Students may not yet be Ready in a way to effectively manage finances which gives rise to problems like increasing levels of stress and a declining level of well-being (Roberts & Jones, 2001). However, in a way general researcher's opinion is that financial education is key For reducing the problem of finance, especially among students.

Financial behavior often called Financial management behavior pioneered by the existing behavior of somebody in the retrieval process decision (Ida & Dwinta, 2010) . Financial management behavior is the ability of somebody to arrange planning, budgeting, auditing, managing, controlling, searching, and storing financial funds every day (Al Kholilah & Iramani, 2013). Behavior management finance is a draft discipline that is important knowledge finance. Behavior management finance is behavior somebody in arranged finance they from corner look psychology and habits individual. Behavior management finances can also be interpreted as a retrieval process decision finance, harmonization of individual motives and goals company. Behavior management finance is related to effectiveness, and fund management, where the flow of funds must be directed by following plans that have been set (Humaira & Sagoro, 2018) . Every individual will have different financial behavior in management finance. Therefore every individual must realize not quite enough answers about his financial behavior so that finance they can managed well and they can spared from problem financial. Based on opinion on so can concluded that personal financial management behavior is science that explains about behavior of somebody in arranged finance from a corner look psychology and habits of individuals. Knowledge this also explains about taking irrational decision to their finance.

2.2 *Financial Knowledge*

Knowledge refers to what is known to individuals about problem finance personnel, which is measured by the level of knowledge they have about various draft finance personnel (Marsh, 2006). Financial knowledge is the mastery of somebody on various matters about the world of finance (Al Kholilah & Iramani, 2013) . Society wants it to make smart decisions about how to arrange expenditures and investments and finally obtain some level of riches. To handle personal finances effectively systematically and successfully so requires Financial knowledge and necessary develop Financial skills as well as Study For using financial tools.

According to (Huston, 2010), defining literacy finance has developed from just knowledge about problem finance to the ability to utilize literacy in taking decision finance daily. However, the terms literacy finance, knowledge, and financial education have been used in a way alternate in literature. Literacy finance is individual-centered and focuses on the inputs that shape the behavior of individuals (Lusardi, 2012).

(Huston, 2010) elaborates that literacy finance has two dimensions understanding and use. Knowledge finance includes understanding whereas application knowledge is used. Knowledge will related to taking decision finance which is literacy consisting of finances from dimensions of understanding and use. Literate individual financial own trust self and abilities For use knowledge the.

2.3 *Financial Skills*

Financial skills are A technique For making decisions in personal financial management such as preparing A budget, choosing investments, choosing plan insurance, and using credit. Financial tools are forms and charts used in making personal financial management decisions such as checks, card credit, and debit cards (Ida & Dwinta, 2010) . Financial skills are related to the ability of an individual to make decisions related to finance. Making decisions related to finance this need is based on existing Financial skills basis to get it to determine the right decision. (Dewi et al., 2020) stated that problems with finance personnel can be caused by a lack of Financial skills based on compiling a budget, and incompetence in understanding credit and instruments investment or product finance other.

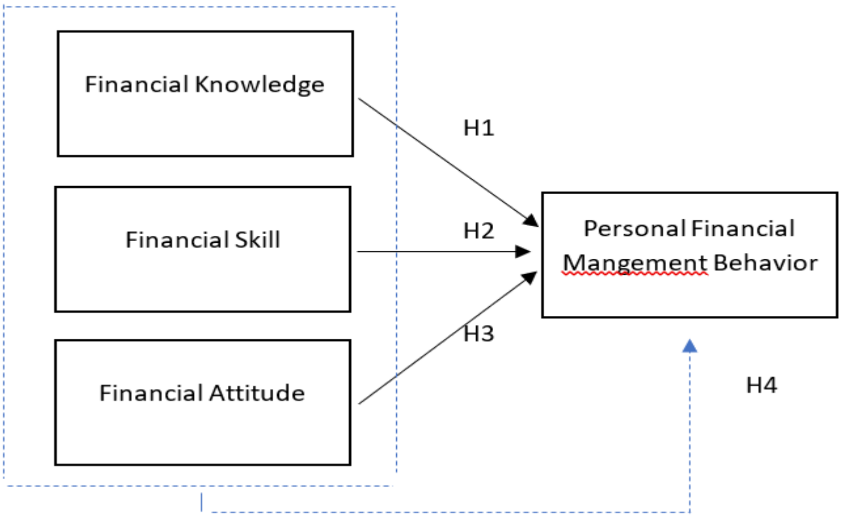
Studies about literacy finances, skills finance, and behavior finance related to behavior save as one of the forms of investment finance. The more literacy finances society, then will the more Good behavior is saved. According to (Chalimah et al., 2019), someone with good knowledge will prioritize the use of efficient financing and planning as well as managing Money in an way effective. Besides That with knowledge of good finances, someone will always understand the method to invest Money with wise and considerate profit and loss. People who know good finances will become smart and efficient consumers of source Power finances, yes manage finance with Good moment this, and can plan finance with right in the future. Literacy finance is realized in savings, investments, loans, and budgeting. This matter appears when individuals have the skills and abilities to use source available power to reach an objective.

2.4 *Financial Attitude*

Financial skills are A technique For making decisions in personal financial management such as preparing A budget, choosing investments, choosing plan insurance, and using credit. Financial tools are forms and charts used in making personal financial management decisions such as checks, card credit, and debit cards (Ida & Dwinta, 2010) . Financial skills are related to the ability of an individual to make decisions related to finance. Making decisions related to finance this need is based on existing Financial skills basis to get it to determine the right decision. (Dewi et al., 2020) stated that problems with finance personnel can be caused by a lack of Financial skills based on compiling a budget, and incompetence in understanding credit and instruments investment or product finance other.

Framework Conceptual Study

Figure 2 Framework Conceptual Study



Source: Researcher, 2024

Hypothesis Study

H1: Financial knowledge in general Partial influence on personal financial management behavior.
H2: Financial skills in general Partial influence on personal financial management behavior.
H3: Financial attitude overall Partial influence on personal financial management behavior.
H4: Financial knowledge, financial skills, and financial attitude together are simultaneously influences on personal financial management behavior.

3. Method, Data, and Analysis

Study For know influence Financial knowledge, financial skills and financial attitude towards personal financial management behavior and consistent practices with objective research, framework conceptual, method collection and analysis of data and statistics as explained as following:

Type Study

Type study This is a study designed quantitative For knowing influence variable independent that is Financial knowledge, financial skills, and financial attitude to variable dependent namely Personal Financial management behavior.

Population and Sample

Population in study This is a total of 70 students so the researcher chose a sample using the saturated sampling technique Because of amount the relatively small population. So the samples used in the research totaled 70 students.

Data Collection

Study This uses primary data with technique data collection used that is a questionnaire in form Google form link provided to respondents Administration Study Program students Business Sahid University Surakarta. The measurement scale used namely a numerical scale (Sugiyono, 2013). With a mark score maximum is 5 and a value minimum score is 1.

Data Analysis

For data analysis using SPSS Statistics calculations with technique analysis through :

1. Data Instrument Test
   a. Validity test
   b. Reliability Test
2. Hypothesis testing
   a. Partial Test (t-Test)
   b. Simultaneous Test (F Test)
3. Coefficient Test Determination

4. Result and Discussion

Before the questionnaire shared so need testing was carried out for the instrument study to see validity and reliability. Validity test results can seen in the table following:

Table 1. Validity Test Results

Variable	Statement Items	r count	r table	Information
Financial knowledge	X1.1	0.723	0.2352	Valid
	X1.2	0.841	0.2352	Valid
	X1.3	0.868	0.2352	Valid
Financial skills	X2.1	0.681	0.2352	Valid
	X2.1	0.307	0.2352	Valid
	X2.3	0.560	0.2352	Valid
Financial attitude	X3.1	0.723	0.2352	Valid
	X3.2	0.963	0.2352	Valid
	X3.3	0.488	0.2352	Valid
Personal *Financial management behavior*	Y1.1	0.267	0.2352	Valid
	Y1.2	0.257	0.2352	Valid
	Y1.3	0.588	0.2352	Valid

Source: processed data SPSS 26

Based on the data above that statement item is declared valid because r count > r table. Whereas reliability test results from the instrument study can seen in the table following:

Table 2. Reliability Test Results

Reliability Statistics	
Cronbach's Alpha	N of Items
,718	12

Source: processed data SPSS 26

Based on the data above the question item stated reliable Because the obtained Cronbach Alpha value is 0.718 > 0.60, p This indicated that the study This considered reliable.

Hypothesis Testing

1. Partial Test (t-Test)

Coefficients [a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	2,219	,749		2,962	,004
	X1	,158	,161	.136	1,978	,001
	X2	,452	.126	,409	3,597	,020
	X3	-.137	,147	-.130	,932	,355

a. Dependent Variable: Y

Source: Data processed SPSS 26

Based on the table shows the calculated t value of the Financial knowledge variable (X1) > t table namely 1.978 > 1.6682 and sig value < 0.05, namely 0.001 < 0.05 so can concluded that variable Financial knowledge is influential on personal financial management behavior. On variables Financial skills (X2) are obtained calculated t value > t table namely 3.597 > 1.6682 and sig value < 0.05, namely 0.02 < 0.05 so can conclude that variable Financial skills are influential on personal financial management behavior. The financial attitude variable (X3) is obtained by calculating t value < t table namely 0.932 < 1.6682 and sig value > 0.05, namely 0.355 > 0.05 so can concluded that the variable Financial attitude does not influence personal financial management behavior.

2. Simultaneous Test (F-Test)

Table 4. Simultaneous Test Results

ANOVA [a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6,045	3	2,015	4,725	.005 [b]
	Residual	27,723	65	,427		
	Total	33,768	68			

a. Dependent Variable: Y

b. Predictors: (Constant), X3, X2, X1

Source: Data processed SPSS 26

Based on the table obtained calculated F value > F table namely 4.725 > 2.74 with sig value < 0.05, namely 0.005 < 0.05 so can concluded that the variables are Financial knowledge, Financial skills, and Financial attitude in a way simultaneously influential on personal financial management behavior.

3. Coefficient Test Determination

Table 5. Coefficient Test Results Determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.423 [a]	,579	,541	,653

a. Predictors: (Constant), X3, X2, X1

Source: Data processed SPSS 26

Based on the table of obtained results Adjusted R Square value of 0.541 is possible to conclude that *Financial knowledge* and *Financial skills* are influential on personal *financial management behavior* amounting to 54.1% and the remaining 45.9% are influenced by other variables that are not researched in research This.

Influence *Financial knowledge* Regarding Personal *Financial management behavior*

Based on hypothesis test results First can conclude that *Financial knowledge* influences personal variables and *Financial management behavior*. These results show that If students understand *Financial knowledge* so will be capable of implementing personal *financial management behavior*. *Financial* knowledge has become a strong capital in helping students overcome problems and financial situations that occurred at that time manage finances and time to make financial decisions. (Sanderson, 2015) defines literacy finance as the ability of somebody to use knowledge and skills to make decisions for proper finances For management source Power effective finance. (Diacon, 2004) concludes with the importance of literacy finance through knowledge finance and elections as the right strategy for taking decision-related risks. Meanwhile, (Howlett et al., 2008) observed that literate individuals with knowledge of finance will be capable manage finance in a way efficient.

Research result This is in line with the study (Humaira & Sagoro, 2018) with results study *Financial knowledge* influential and positive on *Financial management behavior* because *Financial knowledge* is the ability to understand, analyze, and manage finances to make A decision correct finances so No happen errors and cause problem finance. Knowledge finance has a strong influence on attitudes and behavior finance Good objective nor subjective. Awareness will literacy finance becomes very important Because can minimize the possibility happen errors in making decisions.

Influence *Financial skills* Regarding Personal *Financial management behavior*

Based on hypothesis test results second can concluded that *Financial skills* influence personal variables of *Financial management behavior*. These results show that students with More *financial* skills will demonstrate good personal *financial management* behavior in managing money. Student already knows the importance of making investments in the form of savings, deposits, etc product finance other with allocates Money accepted pocket For that goal already clear, and allocation of emergency funds For unnecessary needs is expected. Condition this is what is expected can practiced by students in planning finance personnel. Save is part of management finance personal and necessary Skills literacy high finances. (Lusardi et al., 2010) shows how important the public need save For have an emergency fund and a retirement fund. Increasing awareness public about various instruments of finance and its importance instrument finance will increase behavior investment. The ability to invest with true and obtain high profits is one of the strategies in management finance personnel Because need an understanding level of literacy in finance.

Besides That application, Good financial *skills* can be shown with the ability to compile budget basics and manage finance personnel in a way appropriate. Someone who has Good financial *skills* will make the right decision in managing his finances. Research results This is in line with the study (Dewi et al., 2020) which states that *Financial skills are* influential and positive to *Financial management behavior* somebody. Therefore Generation Z needs it increase their *Financial skills* so they Can better arrange their finances, even when they decide to invest.

Influence *Financial attitude* Regarding Personal *Financial management behavior*

Based on hypothesis test results third can be concluded that the variable *Financial attitude* has No influence on personal variables *Financial management behavior*. Students do not yet apply discipline finance through recording income and expenditure about need daily. This matter indicated that planning finance personal students face the threat recession economy with Not yet own habit make recording money received and money spent. Student No can utilize money received and not know the money finished For needs What just.

That matter shows that students are capable of understanding draft importance management finance However management *Financial attitude* or attitude finance Not yet capable of applied with Good because trend dynamics social in society and style life so that influential with attitude high consumerism among students who have an impact on impulse buying. Condition This reflects a low level of control over students in spending money you have. One of them is Not yet differentiating between needs and desires in deciding on finances fueled by increasingly the rise of online digital shopping platforms that can with easily accessed every moment. The impulse buying trend encourages students to buy something without thinking about the impact or perceived consequences.

Attitude finance is related to behavioral finance somebody. Attitude finance directs somebody to arrange various behaviors in his finances so that will be capable do controlling to level of consumption while balancing expenses and income. Planning finance by recording income and expenditure will be known to use Money wisely and efficiently Because one can manage finances with OK, so can prepare for the threat of recession with the maximum possible.

Influence *Financial knowledge*, *financial skills,* and *financial attitude* Regarding Personal *Financial management behavior*

Based on hypothesis test results fourth can be concluded that variables of *Financial knowledge*, *financial skills,* and *financial attitude* influence personal variables of *Financial management behavior*. These results show that students who have Good financial *knowledge*, *financial skills,* and *financial attitude* will have good thoughts on How to respond to management finance in an way efficient. With management capital and good finances, every student will control their desire level less consumption important in allocating the funds For interests in the future. The more a Good understanding of management finance so will the wiser somebody is in using and organizing behavior his finances. Individuals will own behavior management good finances if they know of finances and attitudes good finances. The key to success in management finance personnel is to develop knowledge and management attitude in taking finances, so all decisions taken own good impact for the future.

5. Conclusion and Suggestion

Study This objective is to know the influence of Financial knowledge, financial skills, and financial attitude on personal financial management behavior. Research results in a way Partially show that Financial knowledge and Financial skills are influential on personal financial management behavior whereas Financial attitude does not influence personal financial management behavior. Test results in a way simultaneously show that variable financial knowledge, financial skills, and financial attitude are influential on personal financial management behavior. Understanding methods used in managing finances, is will important knowledge base in compiling budgets, and behavior in managing finances is very important and applied to students from the beginning because matter can help individuals determine the attitude decision to be taken when students are faced with a choice between need or desire. Students need to get training related to How to manage a Good financial attitude Because Financial attitude influences Financial management behavior, students need to add literacy science related to behavior management finance Because the generation who have intellectuals in the field of high finances will reflect behavior good finances.

Limitations study This is only done on the scope student study program Administration Business, pickup three entered variables For researching personal financial management behavior, while other variables such as gender, financial self-efficiency, self-control, etc variables do not research. Some suggestions for study furthermore can determine new ones have influence behavior management finance, for reduce opportunity bias occurs with discussion deep through approach study qualitative, and input size more samples big.

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TRANSFORMATIONAL LEADERSHIP ON TOP: STUDY OF LEADERSHIP PATTERNS OF RECTOR OF USAHID SURAKARTA

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ABSTRACT

The choice of leadership style is an important factor that influences employee attitudes, perceptions, and behavior along with increasing trust in leaders, namely motivation, job satisfaction, and the ability to reduce the number of conflicts that commonly occur in the workplace or organization. Transformational leadership is a leadership style or leadership model designed to improve human resources, and its relationship with the influence of a leader on subordinates can be measured using certain indicators. This study aims to explain leadership problems and solutions at Sahid University Surakarta. This research is a field research. Data analysis is carried out using the triangulation method by sorting, grouping, and drawing conclusions. The results showed that transformational leadership indicators are measured through 4 (four indicators) as part of the change agent and act as a catalyst, which gives the role of changing the system for the better.

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1. Introduction

A leader is an individual who has the authority to regulate his work to condition stable work so that common goals can be achieved immediately. The leader has the authority to organize, direct, and guide subordinates (Khan et al., 2020). A leader also has the duties of a meeting leader. A leader organizes and makes decisions on meetings held so as to reach mutual consensus (Lumpkin & Achen, 2019). Every member of the organization has differences, traits, characters, and mindsets so the role of the leader in controlling differences into unity is very large (McGinity et al., 2022). Unity and organizational unity can be realized because the decision-making authority lies with one person, namely the leader (Thangeda et al., 2008). Despite different opinions, it is the leader who ultimately decides a policy or regulation that is best for his organization (Park et al., 2021).

The organization consists of each division, and each division consists of various individuals. Every individual in the organization has duties and authority so leaders have the right to delegate or assign their duties to all members of the organization so that all existing can work together, hand in hand to realize organizational goals (Tolentino, 2021). In addition to dealing with duties in general, leaders also have main functions in the organization, namely: regulator, protector, maintainer, reformer, and supervisor (Maffei et al., 2022). The existence of a leader in the organization serves as a regulator to bring order and discipline work (Aslan, 2022). The arrangement made by the leader to subordinates is a rule that must be obeyed (Cabiles, 2022). Leaders must provide a sense of security and comfort to subordinates in carrying out every applicable regulation (Zamora & Zamora, 2022). Not enough as a protector, a leader must be able to maintain a positive work culture (Anaelka, 2018).

An educational institution is an organization in the form of a legal institution recognized by the government legally in carrying out education to educate the nation's life (Beatriz Pont, Deborah Nusche, 2010). The existence of educational institutions has functions and positions, including: a place to teach science; as a place to explore and hone skills; a place to form a social person; as a superior generation printer; and a place to transfer culture (Day & Sammons, 2014). Initial observations conducted at Sahid University Surakarta show that USAHID has tremendous potential. Besides being located in the strategic city of Solo, having a beautiful campus area, highly competent study programs and much needed by the market, a complete library, qualifications of lecturers who have high competence, infrastructure and laboratories that are up to date, the application of information technology in various fields, alumni with good job positions in all corners of the country and human resources that have been recognized both at the regional and national levels with impressive achievements in their respective fields, as well as extensive networking especially with the business world. This shows the creation of organizational culture as expected from a leadership perspective, considering the success of leaders in creating organizational culture is influenced by the type of leadership that is run.

A leader has an important task in managing his organization, both internally and externally (Anwar, 2018). An important task of a leader is as a counselor and instructor. A leader as a parent in the organization has the task of a counselor. The counselor in question is a place to receive subordinates' complaints about work so that a leader can help find a way out of all the obstacles faced by his father (Harmi et al., 2022). As an instructor, the leader has a great role in influencing his followers to achieve goals and objectives effectively and efficiently (Sangadji et al., 2021). The leadership of a head in an educational institution determines the direction and goals of education in a school institution (Juharni et al., 2022). Therefore, school institutions will experience growth and progress if led by professional leaders, and vice versa. Schools will be left behind and can even be closed if a leader cannot maintain the existence or existence of the school institution in the community. Transformational leadership is able to describe organizational culture as a unique and inherent characteristic of an institution or educational unit. Based on the description above, this study aims to determine the leadership management of the Rector at Sahid University Surakarta.

2. Literature Review

A positive work culture is characterized by situations and conditions that are conducive to work (Watthanabut, 2019). Leaders as reformers must always make changes so that the organization continues to grow and develop in a better direction. The leader is the protector of the supervisory class to ensure that work can be controlled so that it can easily realize the goals of the common organization (Şirin et al., 2018). Without continuous supervision can cause problems and divisions in achieving goals (Lai et al., 2020). Leadership style is an organized action as a form of effort to lead existing stakeholders (Greatbatch & Tate, 2018). Leadership style is the way that leaders interact with their subordinates so that they can influence behavior patterns in achieving common goals (Birand & Birand, 2021). Leadership style is a pattern of actions that are carried out and then used as a reference for subordinates in achieving goals (Khalifa et al., 2016). Leadership styles that can be encountered include first, participatory leadership style. Leaders who use participatory or democratic leadership styles will define themselves as part of the group. So in the process of planning, organizing, implementing, and assessing a policy involving existing stakeholders (Moradi Korejan & Shahbazi, 2016). SecondAuthoritarian leadership style, which requires subordinates to follow all orders of a leader, carry out all work in one command with the implementation of a reward system for subordinates who successfully complete tasks well and punishment for subordinates who cannot complete work well (Botha & Fuller, 2021). Third is, the situational leadership style. A leader who uses this leadership style will see the readiness of his members to do the job. A leader enforces flexibility in dealing with subordinates, giving subordinates the opportunity to convey and develop their potential (Meng & Qu, 2022).

The term transformation comes from the word "to transform" which means to transform or transform something into another different form, for example transforming a vision into reality, or turning something potential into actual. Transformational leaders are actually agents of change because they are closely related to the transformation that occurs in an organization. Its main function is to act as a catalyst for change, not as a controller of change (Crick et al., 2021).

3. Method, Data, and Analysis

This research uses a literature review and qualitative methods. This research perspective is an inductive form that focuses on defining individuals and interpreting the complexity of a problem. The author reviews various literature on the transformational concept of a leader. The research was conducted at Sahid University Surakarta. Data sources are obtained from the interview process, observation and documentation. Article writing goes through the stages of organizing a literature review by classifying scientific sources according to the themes and topics discussed, then analyzing them using analytical content to understand what is the object of research.

4. Result and Discussion

Leadership theory is generally divided into 2 (two), namely: transactional leadership theory and transformational leadership theory. Transactional leadership theory explains the relationship between superiors and subordinates who exchange needs. Transactional leadership is a leadership style that involves reward as a reward for the success of subordinates' achievements and punishment as a reward that must be done by subordinates if goals are not achieved according to mutual agreement (Hulu et al., 2020). The leader directs the work to subordinates clearly so that subordinates have an interest in the work to be completed (Ahmad & Abazeed, 2018). Being in one command at the leader makes the work done more efficient in terms of time, consistent, and has the right goals (Sellami et al., 2019).

Transactional leadership creates a great wall between subordinates and superiors, subordinates are more passive and cannot develop potential and communicate freely so as to create a rigid work environment and fixated on the leader (Jovanovic & Ciric, 2016). Transactional and transformational leadership have a difference, the core of the theory is that transformational leadership gives its followers a sense of trust, admiration, loyalty, and respect for the leader, and they are motivated to do more than was initially expected of them (Bhana & Bayat, 2020). The difference between transformational leadership and transactional leadership lies in the position between leaders and subordinates. In transformational leadership, the positions of the leader and subordinates are very close. For subordinate leaders, it becomes an important element that must be imbued with motivation so that they want to move together to realize what is the goal. In transactional leadership, emotions between leaders and subordinates are very minimal because there is a direction of work by one command by the leader by applying a reward and punishment system in achieving certain work and goals.

Transformational leadership theory states that a leader has a strong influence on followers or only so that it can have an impact on change in the organization. Transformational leadership makes an organization have high goals and vigorous productivity in making changes (Klar et al., 2020). Educational institutions become the trust of the community to educate, through teaching and management so that their children gain knowledge and experience (Listiningrum et al., 2020). The great function of educational institutions in creating human civilization is a challenge in itself so educational institutions still hold the existence and trust of the community. The progress of the country can be seen from the quality of human resources (HR) because with quality human resources the nation will be managed correctly and well. Educational institutions as structured institutions ranging from the system to the curriculum become a place to prepare superior generations from various fields (Masry-Herzallah & Stavissky, 2021).

Graduates or outputs produced are expected to meet the needs of the world of work and society so as to create individuals who are always advancing according to the changes and challenges of the times. Sahid University Surakarta is an educational unit at the level of higher education which is located at Jl. Adi Sucipto No.154, Jajar, Laweyan District, Surakarta City, Central Java 57144. This school was established based on the Decree of the establishment of Sahid University of Surakarta (USAHID) No: 044/KPP-YSJ/Kpts/VIII/2001 dated August 30, 2001. The running of the teaching and learning process and the education system at Sahid University Surakarta cannot be separated from the role of a leader. Transformational leadership style is a determining factor that affects employee attitudes, perceptions, and behavior where there is an increase in 3 (three) trust in leaders, namely: motivation, job satisfaction, and ability to reduce the number of conflicts that often occur in an organization (Ballo, 2020).

Leadership in an educational institution of Sahid University Surakarta can be evaluated based on accompanying factors. The implementation of transformational leadership models in educational organizations/institutions needs to pay attention to several things as follows: first, referring to religious values that exist in organizations/agencies or even a country. In this case, through its vision, "To become a science and technology developer, producing excellent, characterful and entrepreneurial graduates who are competitive at the National and International levels", USAHID carries out a learning process that has implemented the Merdeka Belajar Curriculum Merdeka, research and community service activities that are increasingly felt by its stakeholders. Second, it is adjusted to the values contained in the organization/agency system. USAHID is inseparable from the exemplary value of its Founder, Prof. Dr. H. Sukamdani Sahid Gitosardjono. His philosophy of life is engaged, honest, disciplined, hard work, and charity sholeh become the values that animate in the maintenance of USAHID Surakarta. Based on these values, it is agreed that the values developed and must be implemented in various activities of implementing the tridharma of higher education, namely the value of SAHID (Sregep, Andhap Asor, Handarbeni, Science, Darma). This value foundation is needed to build the realization of USAHID competing at the international level.

Third, explore the culture that exists in the organization. The growth in student participation rates that continue to increase from year to year shows how high public interest and trust in USAHID is, where USAHID Surakarta tries to continue to respond to that trust by offering quality programs but at a cost that is affordable to the wider community. This is proof of concern for melu handarbeni (feeling ownership and feeling responsible) for community efforts in improving the quality of human resources. Fourth, because the education system is a subsystem, it must pay attention to the larger system above it such as the state system. As a form of concern for national development goals, especially in educating the nation, USAHID Surakarta continues to develop and reform to respond to the needs of stakeholders (students, parents, professional communities and graduate user communities) and prepare the next generation to realize Advanced Indonesia. The real steps that have been taken include the arrangement and implementation of the KKNI-based curriculum by combining the application of the independent curriculum and leading to the needs of the Industry 5.0 community in all study programs. The education process is standardized through quality assurance activities by the University's Internal Quality Assurance Center (PPMI) as a form of internal university responsibility in terms of the quality of graduates to stakeholders. In addition, external quality assurance is also carried out through the National Accreditation Board for Higher Education (BAN-PT) and several Independent Accreditation Institutions (LAM) such as LAM PT Kes and LAM INFOKOM. As a result, almost all study programs obtained a B / Very Good rating.

Leaders change and motivate their followers by: first, making them more aware of the importance of task outcomes; second, persuade them to prioritize the interests of their team or organization over personal interests, and third, activate their higher needs (Causarano, 2022). In contrast, transactional leadership involves a process of exchange that may result in follower compliance with the leader's requests but is unlikely to generate enthusiasm and commitment to task goals.

5. Conclusion and Suggestion

Transformational leadership is a leadership concept that best describes the characteristics of leaders in order to become more democratic and socially just. In short, transformational leadership is about giving the mental strength and confidence to the members of the organization to work hard towards a common goal, to move towards new and larger goals that the organization has never achieved before, as well as putting aside personal interests. Transformational leadership in USAHID is measured through 4 (four indicators), namely: first, referring to religious values that exist in organizations / agencies or even a country; second, adjusted to the values contained in the organization/agency system; third, explore the culture that exists in the organization; Fourth, because the education system is a subsystem, it must pay attention to the larger system above it such as the state system.

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JURIDICAL ANALYSIS OF DOCTORS' BUSINESS PRACTICES AS SKIN CARE INFLUENCERS ON SOCIAL MEDIA

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ABSTRACT

During the industrial revolution era, many doctors have embraced the opportunity to venture into skin care business practices, taking on roles as influencers. However, it becomes apparent that this influencer skin care business brings about both advantages and disadvantages. Despite doctors being expected to prioritize the quality of healthcare services, they often end up prioritizing profit alone. The objective of this research is to comprehend the regulation of skin care business practices carried out by doctors on social media, as well as the ethical and legal dimensions of these practices. The research employs a normative juridical approach with secondary data collection through literature review. The findings of this study are subsequently analyzed qualitatively. It is evident from the research that doctors essentially have the right to engage in skin care business practices. However, they are prohibited from acting as influencers if they prominently display their professional title or indicate their status as a doctor when the content they present is profit-driven for themselves and their company, and aims to influence the public to purchase skin care products. This may result in breaches of medical ethics and trigger conflicts of interest between personal gain and patient welfare. Although not explicitly prohibited by law, being an influencer in the skin care industry as a doctor can pose risks regarding ethical concerns and medical advertising regulations. In summary, doctors should refrain from excessive promotion on social media and must carefully select the content they wish to convey.

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1. Introduction

Currently, the beauty industry is experiencing rapid growth, marked by the increasing number of beauty clinics and beauty treatment facilities. This drives every business in the beauty industry to compete fiercely in winning the hearts of each customer to maintain their loyalty to using their products or services. Innovation, creativity, the use of modern technology, and excellent service are key factors in winning the current competitive competition. In a situation where there are many consumers (buyers) and service providers (sellers), these factors become the main attraction for beauty businesses to succeed.

The use of social media has increased significantly worldwide. Social media is not only used for communication and information sharing but also serves as an effective marketing platform. One emerging trend is that medical professionals, particularly doctors, are acting as influencers in the health sector, including skincare. They leverage their popularity and credibility to influence consumer decisions about health products and services.

As time progresses and self-awareness about health increases, health cosmetic products come in various types, including both local and international products available online. The awareness of maintaining skin health and appearance in developing countries is influenced by celebrities on social media. The increasing consumer demand for these products drives entrepreneurs in the health cosmetic product industry, including skincare, to compete in their businesses.

Technological advancements have been a driving factor in progress across various sectors of life. One area poised for significant development is social media as an advertising platform. In today's modern life, social media has become indispensable for communication, sharing information, and self-expression. This makes social media an enticing space for advertising, promising broad reach. The large number of social media users is one of the factors contributing to the popularity of social media as an advertising platform. On the other hand, the proliferation of social media platforms also brings its own challenges in its role as an advertising medium for cosmetic products. Influencer marketing now plays a larger role in digital advertising. Currently, the social media platform Instagram is widely used by influencers because it is more beneficial for businesses looking to endorse products.

Doctor influencers are a new concept in the era of the Industrial Revolution. They can reach a large number of customers and build relationships with them through social interactions. Doctor influencers utilize social media platforms for educational, financial, or political purposes. First, health influencers play a unique role in health communication and education, including disseminating health messages, evoking emotional resonance, and facilitating behavior change. This culture allows health influencers to create business models to profit from direct advertising revenue and revenue from various social media platforms.

Doctors hold a unique and influential role in society due to their knowledge and expertise in health care. When doctors begin to act as influencers on social media, they blend their professional authority with digital marketing strategies. This creates a new dynamic where medical information and health product recommendations are conveyed through unconventional platforms. While there are potential benefits to having doctors as influencers, such as the dissemination of accurate and educational health information, there are also concerns about conflicts of interest and professional ethics. Doctors promoting specific products may face a dilemma between their professional duty to provide objective and independent advice and commercial interests that may not always align with patient well-being.

In this era of the industrial revolution, many doctors are seizing the opportunity to engage in skin care business practices as influencers. Various beauty therapies are being promoted to the public, such as body detoxification using specific tools and ingredients, plastic surgery to correct eyelids and eyebrows, shaping cheeks, chin, and nose, face lift, neck lift, tattoo removal, tummy tuck, as well as breast augmentation or reduction. However, it turns out that this influencer skin care business ultimately raises both pros and cons. Where a doctor should prioritize the quality of healthcare services, they end up prioritizing profit alone, resulting in patients not receiving optimal results. This highlights the increasing need for consumer protection to ensure that business owners and practitioners do not only focus on profit orientation. Ultimately, this actually leads to doctors' actions being considered as ethical violations.

As reported by CNN Indonesia on March 5, 2024, the Indonesian Medical Association has issued a ban on doctors promoting their products on social media platforms, in accordance with the ethical decree for doctors stated in Decision Letter No. 029/PB/K.MKEK/04/2021. Although advertising internationally is still possible, it is not allowed in Indonesia. Doctors are not allowed to advertise, especially if the advertisement involves claims of healing, beauty, and fitness. However, doctors in Indonesia are still permitted to advertise related to community services or to promote healthy lifestyle behavior changes. Doctors who are active on social media are also required to maintain the confidentiality of patient health information and to separate their personal accounts from those used for public purposes.

In contrast to Indonesia, in South Korea, the business practices conducted by doctors as influencers have been legalized by local government regulations. This is because of the high interest among the public in skin care, following recommendations from beauty specialist doctors. Furthermore, supported by a study conducted by M. Joshi, et.al, it is shown that doctors are entitled to provide good information and access to various licensed dermatological products. This proves that the choice of being a doctor and also an influencer for skin care and cosmetic products is allowed in Georgia. Later, a prior study conducted by Wirassanan Tuengtin revealed that Thai millennials trust doctor influencers as much as professional experts. This is because they are liked by Thai consumers, leading to active engagement and interaction with doctor influencers on social media. This indicates that in Thailand, there is no issue regarding who the influencers are promoting their products, whether they are doctors, celebrities, or other professions, as this is a business development for the welfare of the Thai society. In contrast to Georgia and Thailand, in Saudi Arabia, the community is not fully aware of skin care, appearance, dermatological surgery practices, and makeup, so there are still few doctor influencers found there, hence there are no restrictions on skin care business practices carried out by doctors on social media.

The business practices of doctors as influencers must also be viewed within the context of applicable laws. Various regulations govern the advertising and promotion of health products, along with professional codes of ethics that doctors must adhere to. This research is essential to assess whether these practices comply with existing laws and medical ethical standards.

Based on the phenomenon above, it is essential to conduct research on the business practices carried out by doctors as skin care influencers on social media. This is done to prevent legal issues in the future for both doctors and stakeholders, including professional organizations and the Ministry of Health.

The aim of this research is to understand the regulation of skin care business practices carried out by doctors on social media and to examine how these practices align with ethics and law.

2. Literature Review

So far there has been no research that has taken the title Doctors' Business Practices as Skin Care Influencers on Social Media. Most research only focuses on people who are also influencers, but no one has researched whether the influencer is someone who is a doctor.

3. Method, Data, and Analysis

The research method used is a normative juridical approach, which is a legal research conducted by examining only library or secondary materials. The research design used is Prescriptive Design. Data collection in this research is conducted through the collection of secondary or literature data. The legal materials used include the Republic of Indonesia Law No. 17 of 2023 on Health, Republic of Indonesia Law No. 7 of 2014 on Trade, Republic of Indonesia Law No. 20 of 2008 on Micro, Small, and Medium Enterprises, as well as the Indonesian Medical Code of Ethics, and Decision Letter No. 029/PB/K.MKEK/04/2021 on the Ethical Fatwa of Doctors in Social Media Activities. The research findings are then analyzed qualitatively to address the issue of how doctors' business practices as skin care influencers on social media are conducted.

4. Result and Discussion

4.1. Regulation of Skin Care Business Practices by Doctors on Social Media

Article 273 (1) letter f of the Republic of Indonesia Law No. 17 of 2023 on Health states that individuals have the opportunity to develop themselves through competence, knowledge, and career development in their respective professions. Referring to this article, doctors have the right to engage in skin care business practices as it is part of their effort to develop their competencies and careers. However, if we refer to Article 279 which states that Medical Personnel and Health Workers are morally responsible to devote themselves according to their field of expertise, behave and act in accordance with professional ethics, prioritize the interests of patients and the public above personal or group interests, it can be interpreted that skin care business practices conducted by doctors on social media are a form of professional ethics violation. Doctors should devote themselves to serving the public, prioritizing patient and public interests instead of seeking profit for personal gain.

Article 65 (2) of the Republic of Indonesia Law No. 7 of 2014 on Trade states that every business actor is prohibited from trading goods and/or services using an electronic system that does not comply with data and/or information. This indicates that the Trade Law emphasizes consumer protection, including providing clear and accurate information about the products or services offered. As influencers, doctors must ensure that the promotions they make are not misleading or risky for consumers. This law also regulates that advertisements must not be misleading or direct consumers to take detrimental actions. Doctors as influencers must ensure that their promotions comply with these provisions. Furthermore, this law requires that the information provided to consumers must be honest and not misleading. Doctors as influencers must provide clear and accurate information about the products or services they promote on social media.

Article 3 of the Republic of Indonesia Law No. 20 of 2008 on Micro, Small, and Medium Enterprises states that Micro, Small, and Medium Enterprises aim to grow and develop their businesses in order to build the national economy based on fair economic democracy. Upon closer examination, this law provides specific regulations for micro, small, and medium enterprises, including skin care products. In this context, doctors who run skin care businesses can be considered as small or medium enterprises, depending on the scale and turnover of their business. In the practice of business as a skin care influencer, doctors can leverage their status as entrepreneurs to access support and facilities provided by the government. Doctors as skin care influencers on social media can utilize access to funding and promotion provided to Micro, Small, and Medium Enterprises in accordance with the provisions of this law. Doctors as influencers can use their expertise and knowledge in the field of skin care to develop innovative products or services. However, doctors who run skin care businesses on social media need to ensure that their business practices comply with the supervision and control regulations established in this law.

Based on the Indonesian Medical Code of Ethics in Article 3, it is stated that in performing their medical duties, a doctor should not be influenced by anything that compromises professional freedom and independence, meaning that skin care promotion on social media should not be excessive and compromise professional independence. Doctors have an obligation to provide clear and accurate information on social media to patients. As skin care influencers, doctors must ensure that their promotions provide accurate information about the benefits, risks, and side effects of the products they promote. Doctors must conduct their business practices while adhering to medical ethics, including avoiding practices that harm patients or provide dishonest information about skin care products. The Medical Code of Ethics encourages doctors to protect the interests and welfare of patients. Doctors as influencers must ensure that their promotions do not mislead or pose risks to consumers. Based on this, it can be interpreted that doctors may be influencers as long as the content on social media is within reasonable limits and not solely for business profit. Additionally, doctors are not allowed to use their professional titles or indicate their status as a doctor when the content they present contains profit for themselves and their company.

Decision Letter No. 029/PB/K.MKEK/04/2021 on the Ethical Fatwa of Doctors in Social Media Activities in clause number 3 states that the use of social media for promotional and preventive health efforts has high ethical value and should be appreciated as long as it conforms to scientific truth, general ethics, professional ethics, and applicable regulations. Then, in clause number 5, it is stated that doctors must refrain from excessive self-promotion and practices, and advertising products and services in accordance with the Decision Letter of the Medical Ethics Honor Council No. 022/PB/K.MKEK/07/2020 on the Ethical Fatwa of Doctors Advertising and Multi-Level Marketing Sales. Based on these two clauses, it can be interpreted that the ethical fatwa of doctors emphasizes the importance of maintaining a professional relationship between doctors and patients, including in activities on social media. Doctors who become skin care influencers must ensure that their promotions do not ignore or harm the health interests of patients. Doctors as skin care influencers on social media must adhere to the ethical principles set forth in this Decision Letter. Doctors must be careful not to violate these principles in promoting skin care products on social media, ensuring that the information provided is honest, accurate, and does not harm patients or the public. Additionally, they must be able to filter the content they want to convey, meaning that doctors must separate accounts for advertising and accounts for health education purposes.

4.2. Skin Care Business Practices by Doctors: Ethical and Legal Perspectives

Based on Article 3 of the Indonesian Medical Code of Ethics, it is stated that in performing their medical duties, a doctor should not be influenced by anything that compromises professional freedom and independence. This article explains that the practice of medicine is not intended to gain personal profit but is rather based on humanitarian values and prioritizes patient interests. It also prohibits doctors from seeking public attention with the intention of making their practice more well-known or increasing their income, such as using advertisements or allowing others to announce their name and/or treatment results in newspapers or other mass media. Furthermore, Article 4 states that every doctor must refrain from self-praise, meaning that a doctor should be aware that their professional knowledge and skills are bestowed by God and praising oneself is inappropriate. Doctors are not allowed to include other information, especially advertisements unrelated to the type of medical service provided, or conduct interviews with the press or write articles in magazines/newspapers to introduce and promote their treatment methods because laypeople reading them cannot judge their accuracy. When this is associated with the business practices conducted by a Doctor as a Skin Care influencer, it is clear that the Doctor violates the Indonesian Medical Code of Ethics.

Doctors belong to the category of professional services, and therefore are considered as business actors under consumer protection. The medical profession is not a trade seeking profit. Professional service fees are based on humanitarian assistance, and patients express their gratitude by providing remuneration as an honor for that nobility.

Article 28C (1) of the 1945 Constitution states that every person has the right to self-improvement through fulfilling their basic needs, obtaining education, and benefiting from science and technology, arts and culture, to improve their quality of life and the welfare of humanity. Then Article 28F mentions that Every person has the right to communicate and obtain information to develop themselves and their social environment, as well as the right to seek, obtain, possess, store, process, and convey information using all available channels. From this, it can be perceived that a Doctor who is also an Influencer is their personal freedom, which in principle cannot be enforced by others. However, this activity does have its limitations.

So far, there are no specific regulations governing the business practices of medical or healthcare professionals, as their orientation is towards professional service and not profit. Skin care business practices in general are regulated by various laws, depending on the country and jurisdiction where the practice is located. However, some common principles are often applied in reviewing skin care business practices if they are conducted by doctors:

a. Practice Licensing
   Doctors engaging in skin care businesses must have the necessary licenses to practice medicine in the country or region where they operate. Practicing medicine without a license can result in serious legal sanctions.
b. Medical Ethics Standards
   Doctors are expected to adhere to strict medical ethics standards in their skin care business practices. This includes avoiding conflicts of interest, providing honest information to patients, and maintaining patient confidentiality.
c. Safe Product and Procedure Use
   Doctors must ensure that the products and procedures used in their skin care business practices are safe and legal. They must comply with regulations related to the use of cosmetics, medical equipment, and aesthetic procedures.
d. Medical Supervision and Accountability
   Doctors are responsible for all actions taken in their skin care business practices. They must provide adequate supervision to staff working under them and ensure that patients

receive appropriate care according to medical standards.

e. Consumer Protection
Doctors are required to provide clear and accurate information to consumers about the products and services offered, including benefits, risks, and costs involved. They must also comply with regulations related to medical advertising.

f. Compliance with Business Regulations
Skin care business practices conducted by doctors must comply with all applicable business regulations, such as business licensing, taxation, and contract provisions.

g. Complaint and Dispute Handling
Doctors must have clear procedures for handling complaints and disputes from patients regarding the services or products they provide. This may involve internal resolution or through relevant medical or legal institutions.

Based on the above description, it can be concluded that the business practices conducted by doctors are allowed but should not involve actions that could compromise professional freedom and independence or engage in unlawful competition. Skin care business practices by doctors must comply with various legal and medical ethics regulations to ensure the safety, health, and satisfaction of patients. Compliance with these regulations is important to maintain professional reputation and avoid legal sanctions. In principle, doctors may engage in any business activities permitted by the laws and regulations, but they should not appear excessive and instead result in the loss of professional freedom and independence. Additionally, it is advisable for doctors not to engage in businesses that are not suitable or contrary to the medical profession, or bring their dedication or profession into disrespect, separate goods and services produced from their medical practice and expertise so they are not confused by the public as medical services or recognized by the medical profession, and not to promote their name, expertise, and private practice services as a skin care influencer on social media.

Although not legally considered a violation, being a skin care influencer as a doctor can pose risks to ethical issues, medical advertising regulations, and professional credibility, so it is important for doctors who want to act as influencers to ensure that their promotions comply with medical ethics standards and applicable legal regulations.

5. Conclusion and Suggestion

Basically, doctors have the right to engage in skin care business practices, but they are not allowed to become influencers if they display their professional title or status as a doctor when the content they present contains profit motives for themselves and their companies, and the content is intended to influence the public to purchase skin care products. This could lead to a violation of medical ethics and trigger conflicts of interest between personal gain and patient welfare. Although not legally considered a violation, being a skin care influencer as a doctor can pose risks to ethical issues and medical advertising regulations. Doctor who become skin care influencers can affect the professional credibility of a doctor if the promotions they conduct are not in line with correct medical knowledge. Doctors must be careful not to provide incorrect or inaccurate information to their followers. Doctors acting as influencers must ensure that their promotions do not mislead or pose risks to consumers. They must also provide clear information about the benefits, risks, and costs associated with the products or services they promote. Doctors need to comply with strict medical advertising regulations in promoting skin care products on social media to avoid misleading or inaccurate claims. Doctors' skin care business practices as social media influencers must comply with all applicable legal regulations to maintain professional integrity and avoid legal issues. If done properly, it can be ensured that the business practices of doctors as skin care influencers on social media are still within the bounds of legal and medical ethics. Additionally, they should be able to separate the content they want to present, so Doctors must separate which account to use for advertising and which one to use for health education purposes.

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APPLICATION OF SUSTAINABLE BUSINESS MODELS: CASE OF DANONE-AQUA

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ABSTRACT

Since 1999 the government has encouraged business actors to be able to consider what impact will occur in the decision-making taken when running a business in the surrounding environment. The Sustainable Business Model comes as a solution that encourages companies to always pay attention to the surrounding environment. Sustainable business models have become an increasingly important topic in today's global business. Climate change, natural resource depletion, and other environmental problems require strong and innovative actions from the business world.

In this case, we conduct research on sustainable business models to be able to understand the concepts, practices, benefits, and challenges involved in making Danone-AQUA the object of our research. The research method used in this study is a qualitative descriptive method, which describes phenomena related to the Sustainable Business Model at Danone-AQUA. Based on the results of research that has been conducted, it can be seen that there are several positive impacts from the implementation of the Sustainable Business Model including protection of water resources, reduction of carbon footprint, and successful development of a circular economy. However, the Company cannot avoid potential negative impacts, among others, namely waste from maintenance of work equipment, mobilization activities of tools and materials, and exploitation of spring resources that cause a decrease in the number of groundwater resources

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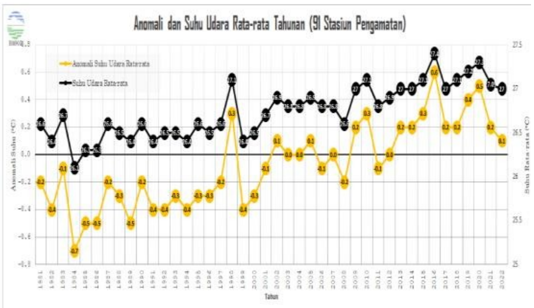
1. Introduction

Since 1999 the government has issued Government Regulation (PP) Number 27 of 1999 regarding the large and important impacts for decision-making on a planned business or activity on the environment which is necessary for the decision-making process regarding the implementation of that business. On Thursday, January 20, 2022, President Joko Widodo explained the Indonesian government's policy for implementing a green economy in a question-and-answer session at the virtual World Economic Forum meeting at the Bogor Presidential Palace, West Java. The government is issuing green sukuk, which is an innovative financing scheme to finance an environmentally friendly development agenda. The issuance of government bonds in the environmental, social, and governance (ESG) category aims to expand the investment base that is environmentally and socially responsible.

Figure 1. Annual air temperature anomalies



The government is also developing a carbon economic value mechanism as an incentive for the private sector to achieve emission reductions. Apart from that, it also implements budget tagging for the climate budget in the APBN and implements a carbon tax to deal with climate change. Figure 1: explains the increase in temperature in Indonesia based on BMKG (Meteorology, Climatology and Geophysics Agency)

The comparison of air temperature in a particular year, relative to the average of the normal period (in this case the period 1991-2020). Based on data from 91 BMKG observation stations, the normal air temperature for the 1991-2020 period in Indonesia is 26.8°C and the average air temperature in 2022 will be 27.0°C.

2016 was the hottest year with an anomaly value of 0.6°C throughout the observation period from 1981 to 2022. 2022 itself was ranked 13th as the hottest year with an anomaly value of 0.2°C, while 2020 and 2019 were ranked second and third with anomaly values of 0.5°C and 0.4°C. For comparison, information on global average temperatures released by the World Meteorological Organization (WMO) in its latest report at the beginning of December 2020 also placed 2016 as the hottest year (ranked first) (www.bmkg.go.id).

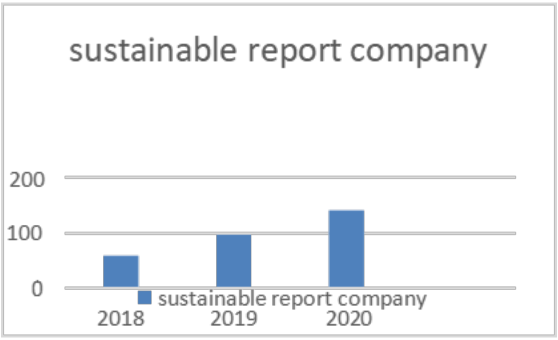
This is supported by the large number of business actors who implement green innovation in their companies to reduce environmental damage. There are several examples of large foreign companies in Indonesia and local companies that have implemented green innovation in their companies.

Table 1. Explains companies that implement Go Green based on ginee.

COMPANIES
1. Unilever 2. Panasonic 3. The Body Shop 4. Apple 5. PT Indocement Tunggal Prakarsa 6. Starbucks 7. Nike 8. PT Sinar Sosro 9. Ikea

Apart from that, there are research results from the Ministry of Cooperatives and SMEs in collaboration with the Development Program Agency in 2021, that there are 3,000 MSME players and 95% of them showed interest in and support for environmentally friendly business practices. There has been an increase in companies that have implemented sustainability concepts to protect the environment from 2018-2020.

Figure 2. Explains company sustainability reports based on ESG for 2018-2020 in Indonesia.

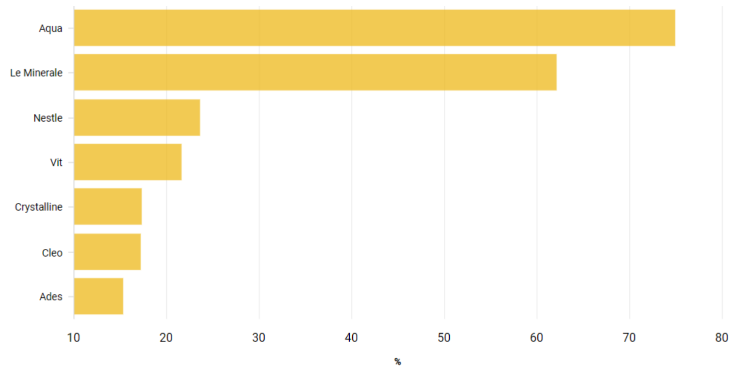


The data contained in the graph shows a high increase in the company. In 2018, 58 companies implemented the sustainability concept. Then, there was an increase in 2019 to 94 companies implementing the sustainability concept. This number continues to increase, until by 2020 there will be 140 companies implementing the sustainability concept.

Danone-AQUA is a pioneer of Bottled Drinking Water (AMDK) and Beverages in Indonesia which was founded in 1973. Realizing the vision and commitment to manage operations in a socially and ecologically responsible manner and environment. Danone-AQUA developed an innovation in the form of DANONE-AQUA Lestari which includes several things, such as protecting water resources, reducing C02, optimizing packaging and waste collection, as well as sustainable product packaging and distribution carried out in partnership with stakeholders and employees.

Danone-AQUA is part of the DANONE business group, one of the largest producers of food and beverage products in the world. In Indonesia itself, PT DANONE's business units cover three main categories, namely drinks (AMDK, non-carbonated soft drinks and tea drinks), Nutrition for Early Life (Nutricia and Sarihusada), and medical nutrition. Danone-AQUA is the first FMCG company in Indonesia to be B-Corp certified, which is the highest standard for social and environmental performance, transparency, and accountability. (Danone-AQUA co id, 2018).

Figures 3. Explain the comparative report on sales of bottled mineral water



From survey data in the databox conducted by Cindy Mutia Annur, there are various brands of bottled mineral water marketed in supermarkets. According to the results of a survey also known as JakPat, Danone-AQUA is a popular mineral water brand in Indonesia. The Danone-AQUA drink brand is preferred by 74.9% of respondents. Minerale is ranked as the second most preferred mineral water brand in Indonesia with a percentage of 62.1%. Furthermore, Nestlé and Vit were ranked third and fourth respectively. These two products have percentages of 23.6% and 21.6% respectively. Then, crystalline and cleo have a percentage of 17.3 to 17.2% respectively. Meanwhile, Ades is in last position with 15.3%.

No	Nama	Nilai / %
1	Aqua	74,9
2	Le Minerale	62,1
3	Nestle	23,6
4	Vit	21,6
5	Crystalline	17,3
6	Cleo	17,2
7	Ades	15,3

From the data, tempo.co stated that a non-profit environmental organization in Bali, in its new report about the condition of river water in Bali due to pollution from company packaging waste. These findings come from an analysis of 227,842 pieces of company waste, including bags, plastic bottles, hard plastic, disposable cups, cans and glass, which were collected by Sungai Watch volunteers from Bali river waters between October 2020 and December 2021. Danone Danone-AQUA waste consists of 27,486 items or 12% of the company's total waste." Of Danone Danone-AQUA's total waste, the majority is single-use plastic cups (14,147 items, accounting for a quarter of total plastic cup waste) and the remainder is bottled drinking water (12,352 items, a third of all plastic drinking water bottles).

From data from Republika.id, it is stated that the Danone-AQUA factory was hit by a flood in the Sukabumi area, due to flash floods that overflowed the Citarik-Cipeuncit river. Therefore, the Danone-AQUA Golden Mississippi mineral water factory in Cicurug District, Sukabumi, West Java, is temporarily closed. According to Danone Indonesia's Corporate Communications Director, this suspension was carried out to maintain security and employee safety. The company continues to implement safety protocols and coordinate with the authorities. Employees are safe. To ensure Danone-AQUA product quality and supply awake, the company takes security measures. Currently, the focus is on helping communities around factory facilities that have suffered losses due to flash floods. World population growth accelerates economic development, requires greater demand for resources needed for economic and industrial activities, and produces environmental impacts (Bocken et al., 2014)

Therefore, according to Wahidin, sustainable business models have become an increasingly important topic in global business today. Climate change, natural resource depletion and other environmental problems require strong and innovative action from the business world. In this introduction, we conduct a literature review on sustainable business models to understand the concepts, practices, benefits, and challenges involved. Apart from that, more serious efforts are needed to build and increase public awareness of the environment, so that damage and environmental quality do not continue to occur (Wahyudin, 2017).

Sustainable business models in the world have potential, especially the potential of Industry 4.0 (I4.0). Thus, it is remarkable to achieve sustainable industrial value creation across social, economic, and environmental dimensions by improving resource efficiency (Sharma et al., 2020). However, social sustainability contributes to the development of human capital, social, and environmental sustainability, which refers to the consumption of regenerated resources from living and inanimate objects (Hubbard, 2009; Norman et al., 2004).

Companies not only have to be responsible for their actions that hurt society, communities, and the environment. However, companies must also have a positive impact on the surrounding community. A company will not last long if it is isolated and limited to the surrounding community (Safira Nabilah, et al., 2023).

Then statement of the problem in this research is How do sustainable business models apply to products for the environment and society at Danone-DANONE-AQUA? Then our research purposes was conducted to describe the implementation of sustainable business models at Danone-DANONE-AQUA.

2. Literature Review

2.1. Sustainable Business Models

A sustainable business model can be defined as a business model that creates, delivers and captures value for all its stakeholders without depleting the natural, economic and social capital on which it relies. (Hart and Mark B. Milstein, 2003). In the evolution of management theory, business models came to be seen as a strategic source of competitive advantage that differentiates one company from another (McGrath, 2010).

Sustainable business models (SBM) refer to the economic, environmental, and social aspects of sustainability in defining organizational goals; using a triple bottom line approach (people, profit, planet) in measuring performance; considering the needs of all stakeholders rather than prioritizing shareholder expectations; treating stakeholders; treats 'nature' as a stakeholder and promotes environmental management and includes systems of systems, as well as enterprise level perspectives (Stubbs & Cocklin, 2008).

2.2. Triple Bottom Line of Business

The Triple Bottom Line of Business theory states that the basic pillars of business sustainability are the universe or environment (planet), society (people), and company profits (profit) (Elkington, 2004). The Triple Bottom Line is a concept popularized by John Elkington (1997) in his book entitled "Cannibals with Fork, the Triple Bottom Line of Twentieth Century Business" (Yanti and Rasmini, 2015). Elkington stated that apart from pursuing profits, companies must pay attention to and be involved in fulfilling the welfare of society (people) and actively contribute to preserving the environment (planet).

2.3. Corporate Social Responsibility (CSR)

Wibisono explained that Corporate Social Responsibility (CSR) is an ongoing commitment by the business world to act ethically and contribute to the economic development of local communities or wider society, along with improving the standard of living of workers and their families. (Wibisono (2007:7)).

The novelty pf this paper is that the object of this research, the Aqua Company was not likely to be link to The Sustainable Model. The object of the research used to be the product and the company. The view that the company can be viewed as an entity that has a role in a Sustainable Model is quite new and more relevant in today's research.

3. Method, Data, and Analysis

This research uses a type of descriptive research with a qualitative approach, namely data collected in the form of words, images and not numbers due to the application of qualitative methods (Sugiyono, 2009). Qualitative research has a descriptive nature and tends to use an inductive approach to analysis, so that processes and meanings based on the subject's perspective are more emphasized in this qualitative research (Fadil, 2020).

4. Result and Discussion

4.1. Application of Sustainable Business Models to the triple bottom line aspect

Danone-AQUA is intensifying its efforts in ongoing initiatives to address increasingly complex business challenges arising from the decline in quality and availability of natural resources, population growth and stakeholder expectations. This step is reflected in Danone-AQUA Lestar's updated focus and goals for 2020. In this update, Danone-AQUA Lestar focuses on four main pillars: protecting water resources, optimizing packaging, and packaging waste, distributing products sustainably, and reducing carbon footprint. (www.Danone-AQUA.co.id). Danone-AQUA implements innovation that thinks about the triple bottom line which consists of three points. These three points are a concept that involves three important factors, namely economic prosperity, environmental quality and social justice. In economic prosperity, cost efficiency can be achieved by saving material usage and reducing costs as low as possible (Wibisono, 2007).

1) Profit

DANONE-AQUA always strives to carry out the latest innovations in the development of its product packaging. At the start of production, namely in 1974, Danone-AQUA produced 6 million litres of products a year. The first product was an Danone-AQUA glass bottle with a capacity of 950 ml, which was sold for Rp. 75. From 1977 to 1984, Pt Danone-AQUA carried out various innovations by developing Danone-AQUA products in 330ml PET packaging. This development makes Danone-AQUA products higher quality and safer. Apart from that, PT Danone-AQUA implements an in-line production system, where water processing and DANONE-AQUA packaging production are carried out simultaneously.

The result of this in-line system is that newly made Danone-AQUA bottles can be immediately filled with clean water at the end of the production process so that the production process becomes more hygienic. However, in early 1997 PT. Danone-AQUA experienced a monetary crisis, causing growth to decline below 30%. Fortunately, this didn't last long.

Danone-AQUA was able to survive the monetary crisis and managed to recover in 1998, with the unification of Danone-AQUA and the Danone group on September 4, 1998, which had an impact on improving product quality and establishing Danone-AQUA as the largest bottled mineral water (AMDK) producer in Indonesia. Danone-AQUA was able to generate a net profit of IDR 19 billion or an increase of 143% from the previous year and this increase continues to increase until now.

2) People

Danone-AQUA has the ambition to educate 100 million consumers and 5 million school-age children. This is done by collaborating with media, educational institutions, NGOs, retail, and service providers. This program is carried out through digital platforms, leading to a waste management education campaign that will encourage increased awareness and behaviour change. Several programs have been carried out by Danone-AQUA from the beginning of 2017 to 2022, including:

In 2017:

a) Recycling education in schools.
b) Recycling education in the community.

In 2018:

a) *Green office*.
b) Educational campaign regarding plastic waste and the circular economy.

In 2019:

a) *Launching educational material on my responsibility for waste for elementary school students.*
b) *Collaboration with retailers in campaigning for a circular economy in Bali.*
c) *C*ollaboration with retailers for consumer education through drop boxes.

In 2020:

a) Te*ach waste management to young children with the educational fairy tale series My Waste is My Responsibility.*
b) *La*unching a collection of children's clothing from used plastic bottles.

In 2023:

a) Clea*n up the pandan tenganan pegringsingan war ceremony.*
b) *#plastic wise campaign and management.*

3) Planet

Danone-AQUA continues to innovate by conducting experiments to be able to make changes for the better. So far Danone-AQUA has produced three innovations that have been implemented, including:

1. Energy Efficiency

   Danone-AQUA The energy efficiency initiatives implemented have succeeded in reducing energy consumption by 2.13 kWh/bottle.
2. Recycled Materials

   To reduce the amount of plastic waste on earth, Danone-AQUA utilizes recycled materials to be used as cardboard packaging materials. This can reduce the amount of cardboard waste produced by factories.
3. Used Cooking Oil

   Danone-AQUA has used cooking oil as a substitute for diesel, thereby reducing diesel usage by an average of 3 tons per month. The reduction in diesel use is equivalent to reducing carbon by 116 tons of CO_2 per year.

Reducing the use of Water Utilization/Water Ratio must also be implemented to create a good environment. According to the United Nations Educational, Scientific and Cultural Organization (UNESCO): Water utilization includes all forms of water use by humans for various needs, including drinking water, sanitation, agricultural irrigation, energy production, industry, and so on. Sustainable and efficient use of water is important to maintain adequate water availability for human life and the ecosystem.

Therefore, Danone-AQUA continues to innovate to reduce the use of Water Utilization/Water Ratio, a ratio of water used to produce 1 liter of product. Danone-AQUA itself has a target to reduce the water ratio to 1.16 to maintain the water ecosystem.

The Danone-AQUA itself innovates in product packaging, there are several product packaging innovations that Danone-AQUA has developed, including in 2019 Danone-AQUA created a packaging called Danone-AQUA Life, this packaging is 1.1l in size and does not use labels so it can reduce plastic usage, and in this packaging can be easily recycled.

In the following year (2020) the Danone-AQUA innovated again by creating a new product packaging called Danone-AQUA Returnable Glass Bottle with a middle to upper market share. This packaging is one of the latest breakthrough innovations from the Danone-AQUA which uses glass bottles, using a reuse business model. This packaging can be withdrawn to be decontaminated to remain hygienic, then it can be refilled by the DANONE-AQUA factory. By using this business model, carbon emissions produced by making glass bottles can be reduced. Apart from that, Danone-AQUA can also reduce single-use materials.

4.2. Implementation of Sustainable Business Models

In terms of sustainable business models, there are several that have been implemented by the company Danone-AQUA, including:

4.3. Circular Economy

The circular economy is an economic system or model, which aims to generate economic growth by maintaining the value of products, materials and resources in the economy for as long as possible. Thus, this can minimize social and environmental damage caused by a linear economic approach (Ellen MacArthur, 2015).

From the data report obtained by the Danone-AQUA that has implemented a circular economy, there are several applications that have been carried out by Danone-AQUA among them:

1. Protection of water resources

   Danone-AQUA helps protect all groundwater resources by returning water to ecosystems, using water responsibly, and increasing community access to safe drinking water. The company, Danone-AQUA also maintains the quantity and quality of water in river areas by analyzing hydrogeological surveys, conservation programs, and establishing water user forums to ensure stakeholder participation in river watershed management.

   This company strives to support safe agricultural practices by using water efficiently and maintaining water quality from chemical waste. Danone-AQUA itself has a waste processing channel called (IPAL) or wastewater treatment installation, with the aim that every drop of water discharged by the company becomes waste that is safe for the environment.

2. CO2 reduction

   In carrying out its production process, Danone-AQUA applies principles to reduce excessive energy use. To date, Danone-AQUA A has attempted to reduce electricity consumption per 1,000 litres of the product by restructuring processes, replacing equipment and supporting changes in individual behaviour to reduce greenhouse gas emissions. With this principle, Danone-AQUA supports the development of environmentally friendly alternative energy. Examples include Used Cooking Oil (UCO), biogas and solar panels.

3. Waste reduction

   The Danone-AQUA company is committed to reducing plastic waste entering the ocean through a comprehensive approach by creating a circular business model, where currently 70% of Danone-AQUA's business comes from the production of drinking water in reusable gallon bottles.

   Apart from that, the realization of Danone-AQUA's commitment is carried out through three important steps, starting from developing a plastic waste collection ecosystem, educating consumers to take responsibility for the waste produced and innovation in the packaging used. Danone-AQUA is committed to working together with partners and consumers to join in carrying out the #bijakberplastic movement so that we can overcome and reduce the plastic waste problem in Indonesia. This can be done by optimizing waste collection responsibly so that it can lead to recyclable packaging.

   Several stages can be carried out in optimizing the #bijakberplastic movement, namely by collecting packaging waste from the environment that has been produced by Danone-AQUA, providing education so that people can care more about the environment, and carrying out innovation to be able to build an ecosystem by looking for partners who can redesign products so that It is hoped that it can increase the proportion of packaging recycling from the initial 11% to 50% by 2025.

4.4. Sustainability

According to the Brundtland Commission (1987), sustainability is defined as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

From Danone-AQUA company report data, in line with the company's dual commitment, Danone-AQUA strives to create a sustainable living environment by always prioritizing harmony between economic success and social progress through various sustainable and integrated environmental protection from upstream, middle and downstream areas. Several results have been carried out by Danone-AQUA:

- From the 2018 report data, Danone-AQUA has planted trees around 2,677,204 million.
- Indirect reduction in CO2 emissions, from the results in the PT Danone-AQUA data report, it succeeded in reducing by 12,585 tons CO2 eq.
- Utilization of water sources.

Figure 4. Explains the use of groundwater at the DANONE-AQUA company.

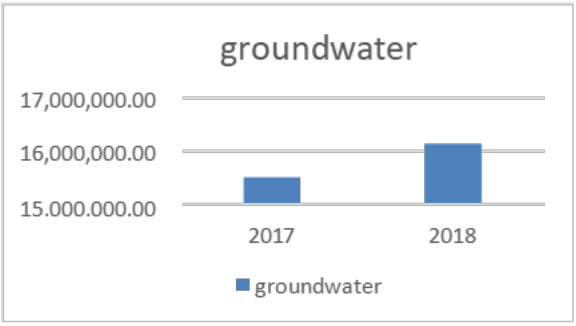
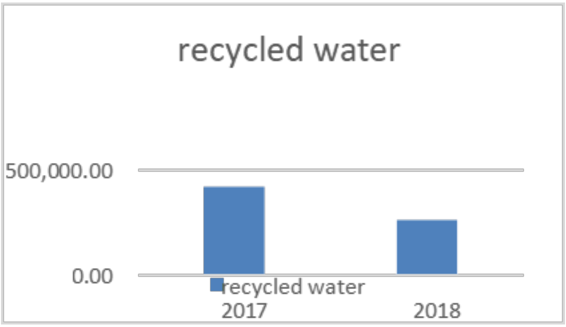


Figure 5. Explains the use of recycled water at the DANONE-AQUA company.



Total water uses in 2018 was 16,403,206.85 m3, or an increase of 3% from the previous year. This increase was caused by the opening of new wells to increase production. Accompanied by an increase in groundwater use in 2018, there was a decrease in the use of recycled water in the same year. It can be seen in Figure 2.1 that the use of recycled water in 2017 was 420,345.00, decreasing to 260,785.00 in 2018.

4.5. Stakeholder Engagement

Stakeholder engagement is defined as the practice that organizations strive to involve stakeholders in a positive way in organizational activities (Greenwood, 2007 in Kinanthi, 2017). Danone-AQUA implements a strategy in the form of data transparency towards stakeholders, namely by publishing a Sustainability Report as a series of communication strategies.

4.6. Core Value

Core value is something that acts as a company's internal compass that provides clear direction for the company and is the key in determining decisions and policies within the company (Sherman, 2005).

Danone-AQUA has a vision of "One Planet One Health", where Danone-AQUA strives to maintain human health and the health of the environment (planet). Likewise, DANONE-AQUA's mission is to build a healthier future from a healthy lifestyle, a healthy earth and a healthy ecosystem. The values applied by Danone-AQUA as a reminder of its goals, namely:

1. Humanism, Companies are required to be responsible and respect each other.
2. Openness, Curiosity, agility, and dialogue.
3. Proximity, There is accessibility, authenticity, and empathy.
4. Enthusiasm, Courage, enthusiasm, and desire for challenges.

The Danone- AQUA itself has been responsible for its production activities by implementing sustainable and go green concepts, both by protecting water resources around the production site, recycling waste, creating environmentally friendly product innovations that reduce carbon emissions, and energy efficiency.

The Danone-AQUA itself is responsible for social and good management, such as creating educational programs that can benefit society, providing employee salary compensation fairly and regardless of gender differences, and creating a welcoming atmosphere for female employees.

4.7. Performance Management

Based on the opinion of Baird (1986), performance management is a work process of a group of people who strive to achieve previously set goals, where this work process will take place continuously and sustainably.

Danone-AQUA has a strategy called one person, one voice, one share, to build innovative governance and human resources. With this strategy, employees are invited to participate in shaping the future of Danone-AQUA and achieving its goal in 2030, namely "One Planet One Health."

Apart from that, Danone-AQUA also has a program to develop employee potential, by providing hours of leadership training for employees and improving employee skills, through providing local and overseas training as well as work assessments.

The Impact of Implementing Green Entrepreneurship and Sustainable Business Models

According to report data published by Danone- AQUA in 2020, it is known that there are several positive impacts of sustainable business models, including, namely:

1. There is protection of water resources by planting more than 2.5 million trees, building more than 1,300 absorption wells, and creating more than 57,000 bio pores.
2. There is a reduction in the carbon footprint of 2,399 tons of CO2 and an energy efficiency of 22,920 Giga Joules (GJ).
3. Successfully developed a circular economy by collecting 12,000 tons of used plastic bottles every year, the collected bottles can be re-produced into packaging bottles. Danone-AQUA is the only bottled drinking water company where 70% of its business is circular.

The potential negative impacts include, namely:

1. Operation of work equipment, for example, generators which require maintenance such as changing oil and oil which produces B3 waste.
2. Mobilization of tools and materials causes an increase in dust particles, exhaust gas levels (changes in CO, NO, SO2, NH, H2S content), and noise.
3. The exploitation of springs causes a decrease in the quantity of groundwater resources around the activity location.

The results of this research show that the Danone-AQUA has implemented a sustainable business model with sustainable innovations, both in terms of product packaging innovation, efficient energy sources, and providing education to the public with programs created by the company and Danone-DANONE-AQUA has also been successful. implementing the concept of sustainability, by empowering water resources, and reducing

CO_2 emissions, this implementation has a positive impact on the environment and society.

5. Conclusion and Suggestion

Based on the results of the analysis and discussion, it can be concluded that the results of the research show that the Danone-AQUA company has implemented a sustainable business model with sustainable innovations, both in terms of product packaging innovation, efficient energy sources, and providing education to the public with programs created by the company.

The company has implemented the concept of sustainability, by empowering water resources and reducing CO_2 emissions. By implementing sustainable business models, companies can have a positive impact on the environment and society.

Implications

By implementing sustainable business models at Danone- AQUA, it is hoped that it can be more energy efficient, reduce waste, and reduce CO_2 emissions so that it can maintain environmental sustainability in society. Apart from that, the existence of a sustainable business model applied to PT Danone-AQUA has resulted in the creation of empowerment of water resources and a good environmental ecosystem so that it also has a positive impact on society and the company.

Limitations

This research has been attempted and carried out by procedures; however, it still has limitations, namely:

1. The research only describes the implementation of sustainable business models at Danone-AQUA.
2. Limited data and information collection. Do not conduct direct interviews in research.

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THE INFLUENCE OF TRUST AND ELECTRONIC WORD OF MOUTH ON PURCHASING DECISIONS ON SHOPEE AT MAHAPENA ADVENTURE STORE

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ABSTRACT

Finding out how electronic word-of-mouth and trust affect Shopee purchases at Mahapena Adventure Store is the goal of this study. Based on the facts that researchers have observed in the Mahapena Adventure Store online shop which provides services that do not match what consumers want. The degree of Electronic Word of Mouth reviews may be affected by this. As a result, this will affect how skeptical consumers are of adopting electronic word-of-mouth to make purchases. Few prior studies have examined trust and electronic word-of-mouth factors together. An further distinguishing feature of this study is that, in contrast to other studies, it makes use of the Mahapena Adventure Store as a research object. Specifically, the impact of electronic word-of-mouth and trust on Shopee at the Mahapena Adventure Store is the main emphasis of this study's analysis of marketing methods on purchase choices. Causality approaches and a quantitative approach are used in this study. The dependent variable, purchase choices (Y), is examined in this study together with the effects of the independent factors, trust (X1) and electronic word of mouth (X2). Users of Shopee's Mahapena Adventure Store make up the research population. In this study, a sample of sixty respondents was selected using the Simple Random Sampling method. Multiple linear regression tests are used in this study's data analysis approach, which makes use of the SPSS V25 analytic tool. According to the research's findings, trust and electronic word-of-mouth have a role in what customers decide to buy on Shopee at the Mahapena Adventure Store. At the Mahapena Adventure Store on Shopee, customers' choices to buy are influenced significantly by both electronic word-of-mouth and trust. This study concludes that, in order to prevent a decline in consumer purchasing decisions, Mahapena Adventure Store needs to be more mindful of consumer trust factors in the products sold on Shopee and, in the case of electronic word-of-mouth, more cautious and watchful of consumers when they purchase products on Shopee.

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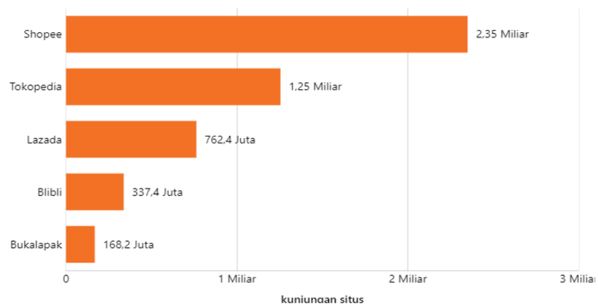
1. Introduction

The present globalization period is seeing a very quick growth in the commercial sector. The political, economic, social, and cultural landscapes are continually changing in the modern period of fast expanding globalization, and this has an impact on rivals' corporate management strategies. One way the corporation aims to accomplish its objectives is via marketing initiatives (Fadila et al., 2021). In other words, to survive in increasingly tight and growing business competition, companies do marketing(Priansa, 2017).

The development of birth and the internet has resulted in significant changes and influences on all sectors, including the business sector. Business people now have to have their own internet network. The internet is the main component that supports all daily activities. Shopee is an online shopping application that is visited and used by many people in 2024. With the large number of marketplaces in Indonesia, according to data(Ahdiat, 2023)These applications are Shopee, Lazada, Tokopedia, Blibli and Bukalapak.

Figure 1. Five Marketplaces in Indonesia



Source: datboks.katadata.co.id

Strong support from the community and various effective marketing strategies have helped Shopee maintain its position as a leader in the online commerce industry in Indonesia. With this service, Shopee also develops and provides various services such as free shipping, live chat feature, freedom to choose a variety of models, colors, materials and sizes. Shopee is one of the companies using mobile apps to prioritize the marketplace sector in order to capitalize on e-commerce business potential (Prayoga, 2016). Marketplaces must have various innovations and creativity in the products they sell so that consumers are interested and make decisions to buy these products(Mathrani & Ibrahim, 2022)

Marketplaces are required to consider what is the basis for consumer purchasing decisions. Consumer purchasing decisions are an important factor in consumers' own considerations. Purchasing decisions are a problem-solving approach to people's activities in purchasing goods or services to satisfy their wants and needs, including recognizing needs and desires, searching for information, evaluating decision alternatives and purchasing behavior. According to(Kotler and Keller, 2019) Decision makers are those who actively participate in the acquisition and use of certain commodities. This serves as another incentive for consumers to decide to buy the essential goods. Making purchase choices involves customers identifying a need, learning more about a certain brand or product, and weighing the pros and disadvantages of each option before deciding which one to buy (Kotler & Armstrong, 2017).

With purchasing decisions made by the company, it will get maximum profits(Hafidh Fauzi, 2021). Consumer behavior will look at the behavior of each individual, household or organization regarding how they process before deciding to make a purchase, as well as their actions after obtaining and consuming a product, service or idea.(Rafqi Ilhamalimy & Mahaputra, 2021). Customers may choose to spend their time or not, or they can choose to make no purchase at all, which puts them in control of the decision (Permata Sari, 2021). When someone makes a decision, there must be several alternative choices. From this statement, it can be said that consumers play an important role in a business(Narotama Sunardi et al., 2022). The satisfying of wants and desires is the first consideration for consumers when making a purchase (Chandra et al., 2023).

In relationships that can influence purchasing decisions is trust. Trust is a very important basis for carrying out online transaction or purchasing activities. A transaction will occur if both parties trust each other so that the entire buying and selling process becomes easier and more efficient if there is no foundation of trust between the seller. and buyers, no transactions will occur in the world of e-commerce(Ilham, 2017). According to(Ferriyal & Rofiq, 2016), states that trust is a person's confidence in another person in a transaction based on the belief that that person fulfills all his obligations fairly as expected.

A collection of remarks made and used by current, former, or prospective customers about a business or product that are made accessible to individuals or organizations online is known as electronic word of mouth, or eWOM (Ismagilova et al., 2017). The information or messages contained in Electronic Word of Mouth can be used as a reference for consumer evaluation of trust or purchasing decisions.(Litvin et al., 2018) defines Electronic Word of Mouth as any unofficial communication about the positive aspects of particular services that is aimed at customers and made possible by internet-based technologies.

Based on the facts that researchers have observed in the Mahapena Adventure Store online shop which provides services that do not match what consumers want, namely that several consumers complained because consumers found their orders did not match what consumers had ordered. This can have an impact on the Electronic Word of Mouth review level. So this will influence the level of consumer distrust in using Electronic Word of Mouth in their purchasing decisions. The different levels of Electronic Word of Mouth reviews given to the Mahapena Adventure Store online store result in positive or negative statements being made by consumers. If consumers are satisfied with their consumption experience and order, they will voluntarily make a statement (review) about the product or service.(Goyette et al., 2010).

The research conducted by(Yulindasari & Fikriyah, 2022)entitled "The Influence of e-WoM (Electronic Word of Mouth) on Purchasing Decisions for Halal Cosmetics at Shopee" states that e-WoM has a significant positive effect on purchasing decisions. This is supported by research results(Sualang et al., 2023)with the title "The Influence of Electronic Word of Mouth, Price and Quality on Purchasing Decisions at PT. Mandala Finance Tbk, Ratahan Branch". The results of this research show that simultaneously eWOM, price and product quality have a significant influence on purchasing decisions. There are differences between previous research and researchers conducted by(Sualang et al., 2023)namely focusing on Electronic Word of Mouth on purchasing decisions and having different research objects. Through Electronic Word of Mouth messages, consumers obtain reliable information in their purchasing decisions. By focusing on factors that can influence purchasing decisions, companies are required to pay more attention to Electronic Word of Mouth. By having a positive Electronic Word of Mouth, consumers will continue to buy the product in the first place when purchasing and towards the product and keep consumers comfortable in select the desired product(Dantas et al., 2022)

In previous research, only a few studies combined trust and electronic word of mouth variables in one study. Another thing that differentiates this research is that it uses the Mahapena Adventure Store as the research object, whereas previous research used similar shops as the research object. The question posed by this study is whether customer shopping choices at Shopee at the Mahapena Adventure Store are partially and simultaneously influenced by electronic word-of-mouth and trust. The aim of this research is to test and analyze the influence of trust and electronic word of mouth partially and simultaneously on consumer purchasing decisions at Shopee at the Mahapena Adventure Store.

2. Literature Review

2.1. Trust

(Priansa, 2017) said that all the information that customers possess and all the judgments they make about products, their qualities, and advantages add up to trust. In this research, trust uses appropriate indicators(Kotler and Keller, 2019)consists of Ability, Benevolence, Integrity and Willingness to depend. According to research conducted by(Hendra & Amin, 2019) Purchasing choices are significantly and favorably impacted by trust. Consequently, this study demonstrates that:

H1: Trust influences purchasing decisions

2.2. Electronic Word Of Mouth

(Prastyo, 2020), The almost ubiquitous usage of social media in people's lives and the corporate world is evidence of the advancement of information and technology. Someone can interact with other consumers, conduct product reviews and various experiences, all of which can be done via social media. This form of communication is known as Electronic Word of Mouth. This research uses Electronic Word Of Mouth indicators according to(Wulandari, 2017)consisting of Intensity, Opinion Valence, Content. Sourced from research by(Fadila et al., 2021) demonstrates how good electronic word-of-mouth influences consumers' choices to buy. Consequently, this study demonstrates that:

H2: Electronic Word of Mouth influences purchasing decisions

2.3. Buying Decision

Any activity that is directly related to the pursuit of goods and services, as well as the choices made both before and after these pursuits, is referred to as consumer behavior. State (Assauri, 2017)Habits also influence purchasing decisions made by consumers. This research uses purchasing decision indicators according to(Kotler & Armstrong, 2017) including product stability, purchasing patterns, recommending items to others, and recurring business. Thus, this study establishes:

H3: Trust and Electronic Word of Mouth influence purchasing decisions

3. Method, Data, and Analysis

An analytical method was used in this study. This Study uses causality techniques. Research using a causality approach seeks to explain cause and effect relationships and test the influence of the independent variable trust (X1) and electronic word of mouth (X2) on the dependent variable purchasing decisions (Y). This research was conducted on Shopee at the Mahapena Adventure Store. Researchers chose this location as a research location because: The majority of people are currently active users of Shopee and Mahapena Adventure Store also sells its products on Shopee. Based on calculations made using the Roscoe Formula, a sample of sixty individuals was employed in this study.

Simple Random Sampling is the sampling method used in this study. In this research, a questionnaire instrument was used using a Google form which was distributed in the form of a questionnaire link to Shopee customer respondents using Likert scale measurements. Validity and reliability tests were performed using SPSS v25 after data collection. When the computed r value is trustworthy and larger than the table r, the findings are legitimate. When 60 persons make up the sample, the Cronbach alpha value is larger than 0.60. The R2 coefficient of determination test, multiple linear regression tests, and hypothesis testing (t and F tests) are the last steps in the data analysis procedure used in this study.

4. Result and Discussion

4.1. Multiple Linear Regression Analysis

Multiple linear analysis is the analysis technique used in this research, and its goal is to obtain a comprehensive picture of the dependent variable purchasing decisions made on Shopee at Mahapena Adventure Store as well as the independent variables namelytrust (X1) and electronic word of mouth. The data calculations are produced using the SPSS for Windows version 25 program. In the following manner.

The following table displays the multiple linear regression analysis's findings:

Table 1. Multiple Linear Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	6.803	2.533	
	Kepercayaan	.587	.093	.605
	Electronic Word of Mouth	.311	.106	.282

a. Dependent Variable: Keputusan Pembelian

Source: Output SPSS, 2024

Sourced from the calculation results in table 1, the regression equation is structured as follows:

Y = a + b1 X1 + b2 X2 + e

Y = 6.803 + 0.587 X1 + 0.311 X2 + e

It means :

a = 6.803 : if trust (X1), and electronic word of mouth (X2) is assumed to have no influence at all (=0), so the purchasing decision (Y) is 6.803.

b1 = 0.587: this means that if trust (X1) increases by 1 (one) unit and electronic word of mouth (X2) remains the same, then the purchasing decision (Y) increases by 0.587 units

b2 = 0.311, meaning if electronic word of mouth (X2) increases by 1 (one) unit, and trust (X1) remains the same, then the purchasing decision (Y) increases by 0.311 units

4.2. Coefficient of Determination Test

The degree to which the independent variable affects the dependent variable is determined by the coefficient of determination. As shown in table 2, the value of the coefficient of determination is calculated using Adjusted (R^2):

Table 2. Coefficient of determination test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.794[a]	.630	.617	3.34577

a. Predictors: (Constant), Electronic Word of Mouth, Kepercayaan

b. Dependent Variable: Keputusan Pembelian

Source: Output SPSS, 2024

Sourced fromTable 2 shows that Adjusted (R^2) is 0.617. This shows the magnitude of its influencetrust, and eWoM on consumer purchasing decisions by 61.7%, meaning that there are still other variables that influence consumer purchasing decisions by 38.3%, but these variables are not examined in this research, because the number of independent variables has been adjusted. If the coefficient of determination (R^2) is greater (closer to 1), then the influence of the independent variable on the dependent variable is greater. Adjusted (R^2) is 0.617, then the magnitude of the influencetrust, and eWoM on purchasing decisions has a big influence.

4.3. Hypothesis Testing

Multiple linear analysis is the analysis technique used in this research, and its goal is to obtain a comprehensive picture of the dependent variable purchasing decisions made on Shopee at Mahapena Adventure

a. T Test (Partial/Individual Influence Test)

Taken fromThe following values were obtained by the t test that was performed:

Table 3.T Test

Coefficients[a]

Model		t	Sig.
1	(Constant)	2.686	.009
	Kepercayaan	6.325	.000
	Electronic Word of Mouth	2.949	.005

a. Dependent Variable: Keputusan Pembelian

Source: Output SPSS, 2024

Sourced from calculations in table 3 show that:

1) VariabletrustThe significance value obtained is 0.000, which is smaller than 0.05, so it means that H0 is rejected and H1 is accepted. Thus it is proven thattrust(X1) partially or individually has a significant effect on consumer purchasing decisions (Y).
2) Variableelectronic word of mouth obtaining a significant value of 0.005 is smaller than 0.05, meaning that H0 is rejected and H2 is accepted. Thus it is provenelectronic word of mouth (X2) partially and individually has a significant effect on consumer purchasing decisions (Y).

b. F Test (Simultaneous Influence Test)

Derived fromThe following values were determined by the F test that was performed:

Table 4. F Test

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1087.181	2	543.591	48.560	.000[b]
	Residual	638.069	57	11.194		
	Total	1725.250	59			

a. Dependent Variable: Keputusan Pembelian

b. Predictors: (Constant), Electronic Word of Mouth, Kepercayaan

Source: Output SPSS, 2024

From the calculations in table 4 it is known that the sig value. equal to 0.000 is smaller than 0.05 which means H0 is rejected and H3 is accepted. So it is proven that trust (X1), andelectronic word of mouth (X2) has a significant effect on consumer purchasing decisions (Y).

4.4. Discussion

It is recognized that these two factors significantly impact customer purchase choices based on the findings of experiments conducted by researchers. We shall provide the following explanation for each variable:

a. The influence of the trust variable partially has a significant effect on consumer purchasing decisions at Shopee at the Mahapena Adventure Store

Consumer purchase choices (Y) are significantly influenced, but not entirely, by the trust variable (X1). Due to the fact that the trust variable's significant value of 0.000, or less than 0.05, as shown by the statistical test findings in Table 5, H0 is rejected and H1 is approved. It has been shown, therefore, that trust (X1) both individually and partly influences customer purchase choices (Y). This study supports research conducted by Amin & Hendra (2020) which states that trust has a significant influence on consumer purchasing decisions.

In addition, the results of this study support the theory advanced by Priansa (2017: 116), according to which trust is defined as the total of customer knowledge and judgments about products, features, and advantages. The Mahapena Adventure Store makes an attempt to pay close attention to and maintain customer trust, since unhappy customers may be less likely to make purchases of its products, according to study findings and expert thought.

b. The influence of the electronic word of mouth variable partially has a significant effect on consumer purchasing decisions at Shopee at the Mahapena Adventure Store

The electronic word of mouth variable (X2) partially has a significant effect on consumer purchasing decisions (Y). It can be seen from table 5's statistical test findings that H0 is rejected and H1 is approved since the electronic word-of-mouth variable has a significance value of 0.005, which is less than 0.05. Therefore, it has been shown that both individually and partly, electronic word of mouth (X2) significantly influences customer purchase choices (Y). This study supports study conducted by Fadila et al. (2021) He claims consumer purchasing decisions are significantly influenced by eWoM.

Apart from that, this research is also in accordance with the theory put forward by Prastyo (2020), one proof of the development of technology and information is the almost comprehensive use of social media in people's lives and the business world. Someone can interact with other consumers, conduct product reviews and various experiences, all of which can be done via social media. This form of communication is known as eWoM. In order to improve purchasing decisions, the Mahapena Adventure Store makes an effort to provide Electronic Word of Mouth, which contains positive elements like product excellence, product information, and not demeaning other product brands. This conclusion is based on research findings and expert theories.

c. **The influence of the trust variable and electronic word of mouth simultaneously have a significant influence on consumer purchasing decisions on Shopee at the Mahapena Adventure Store**

Due to the fact that the probability of 0.000 is less than 0.05, table 6's significant values for trust (X1) and eWoM (X2) are 0.000, rejecting Ho and accepting H3. This means that trust (X1) and electronic word of mouth (X2) simultaneously influence consumer purchasing decisions.

Activities immediately related to obtaining and selecting goods and services, as well as the decision-making process that goes before and after these activities, are derived from consumer behavior. Assauri (2015:139) asserts that customer purchase choices are also influenced by habits. Mahapena Adventure Store must immediately evaluate all online sales activities, and pay attention to consumer trust and maintain electronic word of mouth so that it can still be accepted by the wider community, especially Shopee users, so that product purchasing decisions at Mahapena Adventure Store continue to increase without the slightest problem in terms of trust or in the eWoM factor.

5. Conclusion and Suggestion

Drawing from the findings of the investigation and the data analysis that has been done, it is possible to deduce that:

a. Trust partially has a significant effect on consumer purchasing decisions on Shopee at the Mahapena Adventure Store.
b. Electronic word of mouth partially has a significant influence on consumer purchasing decisions on Shopee at the Mahapena Adventure Store.
c. Trust and electronic word of mouth simultaneously have a significant influence on consumer purchasing decisions on Shopee at the Mahapena Adventure Store.

Based on the conclusions and implications of the research, In light of the research's findings, the Mahapena Adventure Store should keep up its current improvements and pay closer attention to electronic word of mouth and trust by fostering customer confidence in the goods it sells and by disseminating up-to-date product information to enhance the likelihood that customers will buy these goods. This study can serve as a basis for future researchers to conduct similar follow-up research by including other variables that have not yet been discussed, as it has demonstrated that there are other variables that influence consumer purchasing decisions but were not covered in this initial investigation. has been brought up. characteristics pertaining to product quality, location, and customer purchasing interest in order to get more accurate findings.

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MEDIA INFLUENCERS AND BRAND IMAGE AFFECT CONSUMER BUYING INTEREST IN TIKTOK LIVE SHOP? RAFFI NAGITA STUDIES TIKTOK APPLICATION USERS IN SUBANG

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ABSTRACT

The phenomenon of this research is the success of Raffi Nagita's Tiktok account, which has more than 13 million followers on the TikTok application and 70 million more followers on the Instagram application and won the GMV award in 2021 with an income of IDR 1.5 billion from a period of 24 hours transaction doing live on their TikTok. Raffi Nagita, a celebrity and influencer with a good image in society. The focus of this research on Tiktok Live Shop Raffi Nagita consumers in Subang Regency. This study analyzes how influencer Raffi Nagita and Brand Image influence Customer Buying Intention at Raffi Nagita's Tiktok Live Shop in Subang Regency. This research is empirical in the form of quantitative with a descriptive verification methodThe population used in this research are consumers who follow Raffi Nagita's Tiktok account live in subang city The sampling technique is the probability sampling technique with the stratified random sampling method. Primary data was collected using a questionnaire from 100 respondents, Raffi Nagita's followers, and TikTok Live Shop consumers. The results of this study indicate that Raffi Nagita's influencer and brand image influence customer buying intention with scores 62.4%, It can be interpreted that the equation in this research can influence customer buying intention by 62.4%, while 37.5% is another factor that was not examined in this research. Suggestions for future researchers are expected to add variables, develop research, and use different research methods so that the research results are more varied.

ARTICLE INFO

Keywords:
Influencer Social Media, Brand Image, Purchase Decision, Tiktok Live

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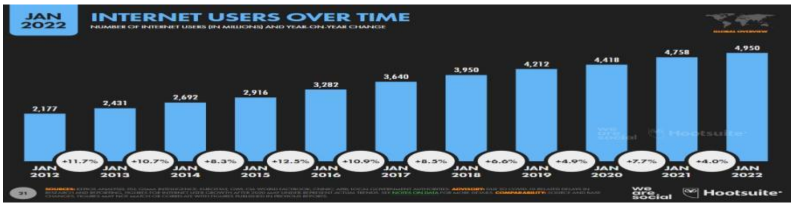
1. Introduction

The positive side of the COVID-19 pandemic is that Indonesia SMEs are forced to digitize. One form of digitization that has now become a necessity for business actors is the social media in marketing. Social media influencers can be defined easily. The development of the Internet is increasing rapidly in meeting the demands of its users, which include online media, transportation, and online purchase transactions (A Gani, 2020). This development opens up many opportunities for business people to use digitalization in their journey and business development.

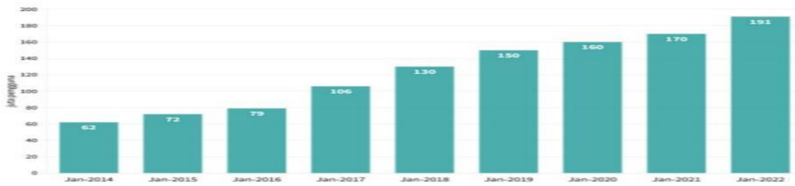
Figure 1. Indonesia Internet User



Source: *https://www.receh.in/2022/02/jumlah-pengguna-internet-diindonesia.html*

Figure 1 shows that internet users in Indonesia are increasing every year, this proves that the more comprehensive internet users also provide wider digital market opportunities as well.

Figure 2. Indonesia Media Sosial user (2015 - 2022)

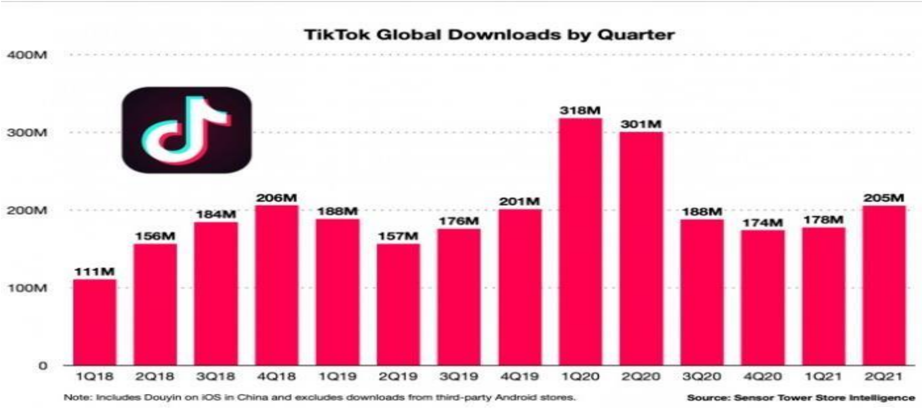


Source: *https://dataindonesia.id*

Along with the increase in internet users in Indonesia, linearly also increases social media users in Indonesia each year. Digital natives are a group of people who are familiar with the Internet, and are people usually who are currently under 24 years of age. Digital natives are the net generation, namely the generation born over 1980 where they are very dependent and influenced by technology such as computers, video games, digital music players, video cameras, cell phones, digital toys, and technologies such as the Internet (Hill, 2010: 22). This provides a huge opportunity to be able to do marketing on social media, one of which is through TikTok live.

Social media influencers are those who have the power of followers and influence in cyberspace, one example is on social media platforms Endorsment are very effective in promoting customer-brand engagement; research found by obtained Path analysis show that Brand image and endorser credibility plays a vital role in determining customer brand engagement and brand equity, influencers credibility affects brand equity only in the case of mega-influencers (Saoma & Khan, 2023) This is supported by other studies which found the results confirm the importance of brand trust in predicting purchase decisions. Most important, the findings show that informativeness, perceived relevance, and interactivity positively influence purchasing decisions. However, it was shown that the effect of entertainment on purchasing decisions was insignificant. The results also confirm that brand trust mediates the relationship between only two features of social media marketing (interactivity and informativeness) and consumer purchase decisions (Borges-Tiago, 2023). However, marketers must be careful in selecting influencers that fit the image and consumer segment according to the product being promoted; this is in line with a study showing that the credibility of social media influencers has very significant impact in generating parasocial relationships with audiences, which leads to positive perceptions of quality and brand image which ultimately results in purchase intentions. J.R.Hanaysha, 2022). This is because the influencer will become the image of the company he represents.

Figure 3. Indonesia Tiktok Users



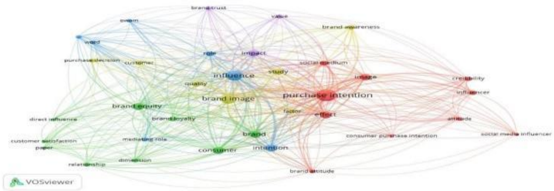
According to Lalwani's 2016 research on offline purchases, many consumers still choose to make purchases offline because when buying offline, the items purchased can be selected and experienced directly and can be made face-to-face with the seller. Research from Galliano and Moreno in 2012 is in line with Lalwani's statement which said that there are still many consumers who want to choose purchases offline rather than online. From this research, it can be understood the things that hinder consumers from shopping online.

With the presence of TikTok Live, which can display audio-visual interactively, it can help provide a more comprehensive picture of the products offered so that it can give more confidence to customers even though they cannot see and hold the products offered directly, customers can see colors more clearly, the size and shape of the product directly through interactive videos and can directly interact with the seller even through the chat feature. Generation Z (Gen Z) has emerged as destination marketers' most significant and most challenging consumer group. This study investigates the effects of social media marketing activities on Gen Z travel behavior (Liu Juan et al., 2023). word of mouth and social media constructs significantly influence the purchase intention of tourists to visit sites in Jordan (Kanwar & Huang, 2022)

Rafinagita is one of the most influential influencers in Indonesia, according to Ikhtiasari (2020). Reporting from intelligent belanja.grid.id, the brand image that Raffi Nagita successfully built included the Indonesian Television Awards, Selebrita Awards 2019, SCTV Awards, Panasonic Gobel Awards 2019, and Infotainment Awards. Based on databooks. Metadata. Co.id, Raffi Nagita currently has a rate card as an influencer who has a good brand image among the public to introduce a company's product brand, reaching a pair of IDR 100 million in one post on social media.

Meanwhile, on Raffi Nagita's Instagram account, based on Popbela.com sources, with followers reaching 26 million, the account's income can reach IDR 757 million. For this reason, the brand image built by this couple is strong enough to influence consumers to use the advertised and sold products. Rafinagita is considered to have a good image as a product representative who works together. Brand image, commonly referred to as brand image, is a picture of the overall perception of a brand and a form of information from the consumer's experience of the brand. Brand image plays a vital role in building good consumer perceptions so that potential customers have a positive image of the brands offered (Malek et al., 2023).

Figure 4. *Vos of Viewers Influencer, Brand Image and Customers Buying Intention*



More research is needed on purchase intention related to social media marketing. Therefore, based on the above phenomenon, we want to see how the description above depicts and influences social media influencers and brand image and its influence on consumer interest. Buy from Rafinagita's live tiktok followers on the Mama Gigi shop account; previous research conducted by Gesit Ikrar Negarawan with a study entitled "The Influence of Brand Image on Purchase Interest Moderated by Extrovert Personality Types" shows that brand image cannot be a predictor of buying interest in students. The same conclusion was shown by researchers Nita Rosita and Tahmat (2021) in the study "The Influence of Brand Image and Product Quality on Consumer Purchase Interest in Thematic Tong Tji Products at Borma Dago and Borma Cikutra Supermarkets," showing that brand image has no positive effect on purchase intention. This is shown from the partial test results by obtaining a t-count value of 1,494 < t-table value of 1,984. The novelty of the research that we offer in this study is that this research was conducted in areas where digital literacy could not be said to be good and even, and with an average level the average education is not too high, 2022 The average learning age for the people of West Java is 7 years (West Java Provincial Government 2022).

2. Literature Review

2.1. Influencer

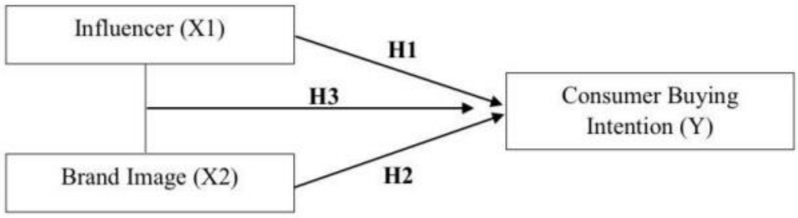
An influencer is someone who is considered an opinion leader in the digital world because influencers have a good reputation according to the content they create on social media (Kim, 2019). Influencers are individuals whose words can influence other people. Influencers don't have to be celebrities but ordinary people. Can be said to be an influencer when that person has many followers and his words can influence others (Sugiharto, 2018). Influencers have unique attributes in marketing a product and also services; influencers have factors in the dimensions used in evaluating the characteristics of influencers, according to Rossiter and Percy (2015), namely Attractiveness, Credibility, Visibility, and Power. Furthermore, it can be further developed into information levels, status levels, role levels, and encouragement levels as indicators of influencers (Kim, 2019).

2.2. Brand Image

Brand image is the customer's perception of a brand as a reflection of the association attachment that exists in the thought of consumers to the core of the brand (Kotler & Kelle, 2016). A brand image is a form of brand identity for a particular product offered to consumers, which can differentiate products from competitors' products (Sutiyono & Brata, 2020). The dimensions that influence the formation of a brand image are Affective image, Reputation, and Function Image (Mahsa et al., 2011). Furthermore, it is explained that the indicators of brand image are the level of brand uniqueness, the level of strength of brand associations, and the level of excellence of brand associations (Kotler & Keller, 2016).

2.3. Buying Decision

Consumer buying interest is consumer behavior in having the desire to buy and choosing certain products based on experience in selecting consumers and then using the desired product (Kotler & Keller, 2016). Consumer buying interest is an interest that creates a desire in consumers, which is recorded in the minds of consumers, then making it an extreme desire using motivation (Fitriah, 2018). The dimension of consumer buying intention can be carried out through the AIDA model in which AIDA tries to describe the stages of stimulation that consumers might go through for a particular desire. The concept of AIDA is the stages in interest buying consumers: Attention, Interest, desire, and action (Kotler and Keller (2012; 503)). It was further developed into indicators consisting of transactional interest, reference interest, preferential request, and explorative interest (Kotler in Abzari et al. (2014).



H1. Influencers influence consumer buying intention

H2. Brand Image influences consumer buying intention

H3. Influencer and brand image together influence consumer buying intention

3. Method, Data, and Analysis

This is was empirical research in quantitative form using a descriptive verification method to answer the hypothesis, using primary data obtained by distributing questionnaires to 100 Subang residents who have made purchases and watched the Rafinagita live shop tiktok account (mama Gigi shop) as well as secondary data collected obtained from a literature study, in determining the sample size, which is between 30 – 500 respondents taking into account the sampling criteria and research questions (Dr. Sudaryono 2019 p. 185). 100 respondents were selected using the criteria of Subang residents who participated in Rafinagita's TikTok and joined the live tiktok mama Gigi shop. Furthermore, the primary data obtained from 100 respondents were processed using the SPSS 25 tool by conducting classical assumption and regression tests, and hypothesis testing to answer research questions. The interval scale 1-7 is used as a measurement in the questionnaire.

4. Result and Discussion

Of the 100 respondents obtained, 30% were aged 22-27 years, respondents aged 16 - 21 years, 15% of respondents aged 28 - 33 years, 13% of respondents aged 34 - 39 years, 8% of respondents aged > 39 years and 5% of respondents aged 10 - 15th, Based on occupation, it can be seen that 32% or 32 respondents came from students, 20% or 20 respondents came from private employees, 17% or 17 respondents came from entrepreneurs, 16% or 16 respondents came from housewives, 10% or 10 the respondents came from students and 5% or five of the respondents came from civil servants, from the distribution of the respondents above it can be concluded that various ages and occupations have used TikTok.

Hasil Uji Validitas *Influencer* Raffi Nagita (X_1)

No	r Hitung	r Tabel 5%	Keterangan
1	0,777	0.1966	Valid
2	0,778	0.1966	Valid
3	0,645	0.1966	Valid
4	0,714	0.1966	Valid
5	0,615	0.1966	Valid
6	0,566	0.1966	Valid
7	0,614	0.1966	Valid
8	0,580	0.1966	Valid

Sumber: Data SPSS diolah, 2023

From the results of the validity test, the eight indicators in the social media influencer variable acquired an R-value score R value above the R table score of 0.1966, so all of them are said to be valid for all of 8 indicators on influencers rafi nagita variable.

Hasil Uji Validitas *Brand Image* (X_2)

No	r Hitung	r Tabel 5%	Keterangan
1	0,691	0.1966	Valid
2	0,628	0.1966	Valid
3	0,709	0.1966	Valid
4	0,694	0.1966	Valid
5	0,711	0.1966	Valid
6	0,693	0.1966	Valid

Sumber: Data SPSS diolah, 2023

From the results of the validity test, the six indicators in the social media influencer variable acquired an R-value score R value above the R table of 0.1966, so all of them are said to be valid for all of 6 indicators on brand images variable.

Hasil Uji Validitas *Consumer Buying Intention* (Y)

No	r Hitung	r Tabel 5%	Keterangan
1	0,667	0.1966	Valid
2	0,648	0.1966	Valid
3	0,703	0.1966	Valid
4	0,528	0.1966	Valid
5	0,697	0.1966	Valid
6	0,637	0.1966	Valid
7	0,738	0.1966	Valid
8	0,666	0.1966	Valid

Sumber: Data SPSS diolah, 2023

From the results of the validity test, the eight indicators buying decision variable acquired an R-value score above the R table of 0.1966, so all of them are said to be valid for all of 8 indicators on consumers buying intrention.

Hasil Uji Reliabilitas *Influencer* Raffi Nagita (X_1) *Brand Image* (X_2) dan *Customer Buying Intention* (Y)

Variabel	Cronbach's Alpha	Keterangan
Influencer Raffi Nagita (X_1)	0,815	Reliabel
Brand Image (X_2)	0,777	Reliabel
Customer Buying Intention (Y)	0,811	Reliabel

Sumber: Data Diolah 2023

From reliability test shows that all variables are reliable as seen all variable cronbach's alpha scores > 070.

Uji Regresi Berganda

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6,116	3,224		1,897	,061
	INFLUENCER	,180	,074	,184	2,436	,017
	BRAND IMAGE	,898	,101	,673	8,891	,000

a. Dependent Variable: CONSUMER BUYING INTENTION

From the results of the regression test above, the regression Y = 6.116 + 0.180X1 + 0.898X2 + e.

Uji Parsial (T)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6,116	3,224		1,897	,061
	INFLUENCER	,180	,074	,184	2,436	,017
	BRAND IMAGE	,898	,101	,673	8,891	,000

a. Dependent Variable: CONSUMER BUYING INTENTION

Sumber: Data SPSS diolah, 2023

The result of partial testing Influencer Raffi Nagita hypothesis show that t count > t table, namely 2.436 > 1.984 with a significance level of 0.01 < 0.05, which means the hypothesis is accepted, and the result of T test for Brand Image hypothesis show that t count > t table, namely 8.891 > 1.984 with a significance level of 0.01 <0.05, which means the hypothesis is accepted, From the results of the partial test it can be concluded that hypothesis 1 and hypothesis 2 are accepted.

Uji Simultan (F)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2756,977	2	1378,488	83,110	,000[b]
	Residual	1608,863	97	16,586		
	Total	4365,840	99			

a. Dependent Variable: CONSUMER BUYING INTENTION

b. Predictors: (Constant), BRAND IMAGE, INFLUENCER

Sumber: Data SPSS diolah, 2023

The results of the ANOVA or F test values obtained by F count were 83.110, which was bigger than the F table, which was 3.090, with a significance level of 0.000 lower than α of 0.05. So, it can be concluded that the Raffi Nagita influencer variables and Brand Image simultaneously influence purchasing decisions, Hypothesis 3 accepted.

Uji Koefisien Determinasi

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,795[a]	,631	,624	4,07262

a. Predictors: (Constant), BRAND IMAGE, INFLUENCER

Sumber: Data SPSS diolah, 2023

The R Square value (coefficient of determination) is 0.631. However, because two independent variables were used in this study, the Adjusted R Square value was 0.624. It can be concluded that 62.4% of the variation of Consumer Buying Intention is influenced by two variables, Influencer Raffi Nagita and Brand Image, It can be interpreted that the influencer variable Raffi Nagita and the brand image variable influence consumer purchase intentions by 62.4% and 37.6% are influenced by other factors.

5. Conclusion and Suggestion

In the social media variable, Rafinagita's influencers were rated well with a score range of 4,644 or 82.9%, with the influencer status indicator getting the highest score of 622/88.8% and the level of encouragement indicator getting the lowest score of 546/78%. Whereas the brand image variable is included in the excellent category with a total score of 3,523 with a maximum score of 4,200 or 83.8% where the excellence level indicator gets the highest score 607 with a maximum score of 700 or 86.7% and the brand association strength indicator gets the lowest score 571 or 81.5%, so on for the consumer buying intention variable, it is included in the excellent category with a total score of 4,604 out of a maximum total score of 5,600 or 82.2% with reference indicators having the highest score with a score of 602 with a maximum score of 700 or 86% and exploratory interest getting the lowest score with a score of 557 or 79.50%.

Partial testing (T-test) in this study was successful in proving that partial Influencer Raffi Nagita has a significant effect on Consumer Buying Intention at TikTok Live Shop Raffi Nagita; the results of the t count evidence this> t table, namely 2.436 > 1.984 with a significance level of 0.01 > 0.05 which means the hypothesis is accepted. Partially, Brand Image has a significant effect on Customer Buying Intention on Tiktok Live Shop Raffi Nagita; this is evidenced by the t count > t table, namely 8.891 > 1.984 with a significance level of 0.01 <0.05, which means the hypothesis is accepted. In addition, the simultaneous test (F test) showed the results of the ANOVA or F-test values obtained by an F count of 83.110 greater than the F table, which was 3.090, with a significant level of 0.000 lower than α of 0.05. So, it can be concluded that the Raffi Nagita influencer variable and Brand Image simultaneously influence Customer Buying Intention. If seen from the test results of the coefficient of determination, it is known that the Adjusted R Square value is 0.624. So it can be concluded that 62.4% of the variables from Customer Buying Intention are influenced by Influencer Raffi Nagita and 116 Brand Images. The remaining 37.6% is explained by other variables not in this study.

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WINGKO O'S BRAND STRENGTHENING AND MARKETING STRATEGY

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ABSTRACT

Semarang is a place of acculturation and assimilation, including in culinary, with wingko as one of the culinary specialties that continues to grow. However, interest in traditional culinary is declining, so conservation is needed to maintain the existence of wingko. Historical research reveals that wingko has existed since 1946 and triggered the emergence of wingko producers in Semarang. To preserve wingko among millennials, efforts such as culinary events, product innovation, research, and consumption promotion are carried out. Data were collected through observation, interviews, and documentation, and analyzed using a systematic method. The results showed that the marketing strategy and brand strengthening of wingko "O" were effective in improving brand image and reaching a wider market.

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1. Introduction

Semarang's distinctiveness emerged with the development of the city. The people of Semarang, a coastal community, have characteristics that are acculturative and accommodating to other cultures that enter their environment (Rochmawati, et al., 2013: 5). Therefore, the people of Semarang can easily accept new things, whether from the forms of buildings, habits, and food that has a characteristic. The emergence of many competitors, one of which makes wingko increasingly developed and in demand by the people of Semarang and tourists. However, as time goes by, people's food tastes begin to change, especially in this era when people's tastes are more inclined to more modern food. This issue can lead to the decline of typical traditional foods among the community.

Every society always has a cultural identity that can distinguish one from another. Cultural identity can be in the form of tangible cultural heritage and intangible cultural heritage (Maziyah and Indrahti, 2019: 1). One of them is wingko "O", which is a visitation of MSMEs in the context of the 2019 Food SME Award selection by Novianto Dedy, or familiarly called Dedy, whose existence is currently facing very tight, even extraordinarily tight product competition.

Not only focusing on the very attractive taste, the durability of wingko products that only last up to 5 days is also able to stimulate purchases from its customers. In relation to the items in product marketing, product packaging is also very important. Packaging is the force that turns customers' eyes to the product, while flavor is the force that will bring customers back to the product. These two forces are interrelated and should be a basic requirement for a business.

Some of the existing competition causes wingko production to be unstable and tend to decline. In addition, consumer preferences for original wingko narrow the market. To avoid the negative impact of the emergence of a new wingko industry or other more modern food industries, it is necessary to conduct research on the development strategy of the wingko industry as a superior product. Based on this background, various strategies are needed to develop the wingko industry so that it can continue to exist, create jobs for the surrounding community, and increase income.

2. Literature Review

2.1. Consumen Appeal

According to Pratama (2021), attractiveness is everything that has uniqueness, beauty, convenience and value in the form of diversity of natural and man-made wealth that is attractive and has value to be visited and seen by tourists. So that attractiveness becomes one of the reasons for the main factors that are important in sales development. For example, Wingko "O" has a very unique characteristic of attractiveness in the name used.

2.2. Travelers

According to Permatasari et al. (2020), the factors that attract tourists to do culinary tourism are price, service quality, accessibility. This supports the development of a marketing strategy for wingko culinary products.

2.3. Traditional Culinary

Putra et al (in Syarifuddin, 2018) state that culinary tourism is an activity carried out by tourists to find unique and impressive food and drinks. In other words, culinary tourism is not merely a desire to try delicious food, but more importantly the uniqueness and memories caused after enjoying the food. The traditional food of Semarang City is used as a tourist destination for the combination of Javanese, Chinese and Arabic cultures. Formed from the process of cultural development that has been running for years. The process of development from year to year makes traditional food have a variety of flavors and uniqueness. Some of these foods show diversity ranging from the spices used, raw materials, processing, texture and appearance of foods that reflect the culture of the city of Semarang.

3. Method, Data, and Analysis

The research method used in this research is qualitative research with a descriptive approach. This method is an approach that aims to understand, describe, and explain in depth a phenomenon or event. The research focuses on the product development potential of Wingko O as a brand strengthening and broad marketing and brand image enhancement. Data was collected through document analysis related to the purpose of this research. The data source relied on is secondary data obtained from various journals or scientific articles relevant to the research theme. In addition, this research also analyzed the content of applications, websites, and social media related to Wingko Babat in Semarang City.

4. Result and Discussion

The city of Semarang is famous for its diverse culinary delights, one of which is Wingko Babat. Wingko Babat is a type of cake made from grated coconut, sugar, white glutinous rice flour, and coconut milk. However, behind the name it turns out that there is something unique about the history of Wingko Babat, Wingko Babat originated in East Java from Chinese descendants who lived in the Babat area, Lamongan Regency. Since the early 1900s, Loe Soe Siang became the first generation of Wingko Babat founders who had two children, namely Loe Lan Ing and Loe Lan Hwa. In 1944, Loe Lan Hwa along with her husband, The Ek Jhong, and their two children moved to Semarang City due to the tense atmosphere caused by World War II, which also affected the Babat area. After arriving in Semarang City, Loe Lan Hwa realized that Wingko Babat culinary was not yet famous, so she saw an opportunity to start a business selling Wingko Babat there. In 1946, they started making and selling Wingko Babat in Semarang City.

Wingko Babat has long been a crowd favorite. Its growing popularity inspired Mrs. Dedy Novianto, wife of the owner of Wingko "O", to open her own culinary business. In 2018, the idea to produce Wingko Babat was born. The location of Mr. Dedy's house in Pekunden, which is the center of Semarang's Wingko Babat industry, was the main driving factor. Despite not having a special recipe, they ventured to learn by themselves through the YouTube platform. Experiments often failed, but their persistence paid off. After several attempts, they finally created Wingko Babat with the flavor they wanted.

However, the increasing popularity of western food and the shift in people's tastes have the potential to shift the existence of wingko babat as part of Semarang's culinary culture. The onslaught of modern culture through western cuisine can erode the existence of wingko babat and other ancestral cultural heritage. Culture according to Koentjoroningrat is a reflection of values, beliefs, views, ideas that generally have a community, so it can be interpreted as the identity of society (Septemuryantoro, 2020: 3).

With the culinary condition of Semarang faced with such challenges, efforts are needed to maintain and preserve wingko babat as part of Semarang's culinary identity. With SWOT analysis, we can identify the possibility of various factors that can influence the efforts of business actors in determining future plans.

Table 1. SWOT Analysis

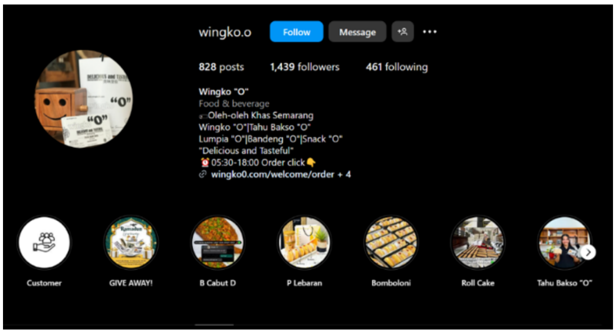
Strength	1. Distinctive taste and recognized by many consumers 2. Variety of flavors offered, including traditional flavors that remain popular 3. The product has been recognized by the public for a long time, thus giving more trust
Weakness	1. Customer identification that has not been maximized 2. Limited product marketing 3. Lack of strong relationships with consumers so that loyalty is not optimal
Opportunities	1. Utilization of information technology to expand distribution channels through e-commerce and social media 2. Opportunity to reach new consumers through tourism 3. Innovation in flavor variations and more attractive packaging
Threats	1. Emergence of wingko producers with more competitive prices 2. Changes in consumer tastes

So from this analysis, we can find out development efforts, the first of which is to show some uniqueness in Wingko "O" which can be an added value for enthusiasts.

1. A unique and memorable name. "O" has the meaning of connecting with each other in the hope that the business continues to develop and innovate without breaking.
2. Neat, nice, and elegant packaging. Packaging is one of the important elements in a product, because someone first sees the product from the packaging or appearance.
3. Uniqueness in shape, because usually most Wingko Babat are round, but Wingko "O" has a unique shape, which is a box.
4. Savory and delicious taste with a variety of flavors and other products with "O" branding including Lumpia O, Tofu Bakso O, and Bandeng Presto O.

Wingko "O" Semarang, as one of Semarang's culinary specialties, strives to maintain its existence through innovative marketing strategies. Wingko "O" Semarang implements several marketing strategies to expand market reach and improve brand image including social media (Instagram) with the tagline "delicious and tasteful". This strategy allows Wingko "O" to connect with a wide audience and build a contemporary brand image.

Figure 1. Social media account (instagram) of Wingko "O"



Wingko "O" is also present to market their products through websites and applications. Their official website, wingko0.com, serves as a complete information portal for consumers. The website not only displays Wingko "O" product and menu information, but also provides store location details and online ordering services. There are various menus with featured product information presented on the wingko0.com website.

Table 2. Wingko "O" featured product information

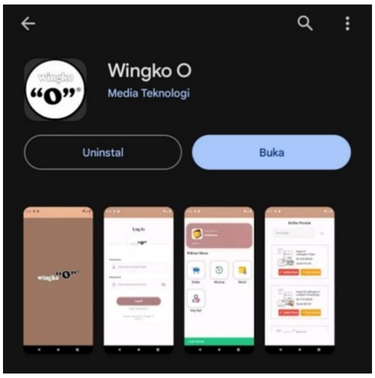
No	Name of Featured Product	Description	Price
1.	Wingko "O" Original Flavor	Wingko babat from Semarang has a sweet and savory taste, chewy texture, and perfect doneness.	Rp20.000,00
2.	Wingko "O" Chocolate Flavor	A variant of wingko babat that has a combination of sweet and savory chocolate flavors and a chewy texture, and has a perfect level of maturity.	Rp25.000,00
3.	Lumpia "O" Frozen	Semarang spring rolls are delicious, savory, without MSG and preservatives, and have a main flavor with a blend of sweetness, bamboo shoot aroma, and other filling ingredients.	Rp60.000,00
4.	Tahu Bakso "O"	Tofu meatballs are made from quality ingredients and real meat without	Rp45.000,00

		preservatives. This tofu meatball comes with detailed product information and good storage methods.	
5.	Bandeng "O" Presto Vacum	Presto milkfish or Semarang's signature soft bone can last 24 hours at room temperature without refrigeration, which is suitable for daily side dishes.	Rp120.000,00

Source: official website wingko0.com

Different from competitors, Wingko "O" also utilizes applications to market its products. This innovative step shows Wingko "O"'s commitment to adapting to technological developments and reaching digital-savvy consumers.

Figure 2. Wingko "O" application



The marketing strategy applied by Wingko "O" Semarang is considered effective in increasing brand awareness so that it is better known by the wider community, reaching new consumers, websites and online ordering services that make it easier for consumers to get Wingko "O" products, and with maintained product quality that plays a role in preserving the traditional taste of Wingko O.

However, in facing the challenges of the times and increasingly fierce competition, innovation is an important key to maintaining the existence and developing traditional products. To face the challenges and take advantage of opportunities in the future, wingko production in Semarang needs to apply some novelty.

1. Product innovation by developing more modern and unique flavors, such as fruit, chocolate, or matcha flavors, to attract young consumers as well as using more environmentally friendly and attractive packaging, which can increase product appeal and meet the demands of consumers who are more concerned about the environment.
2. Continue and increase the use of vacuum packaging technology to extend product shelf life and maintain quality.
3. Utilize e-commerce platforms and social media to market products more widely and collaborate with influencers and food bloggers to introduce products to a wider audience.
4. Product diversification by developing derivative products from wingko, such as wingko-based snacks or drinks inspired by the taste of wingko.
5. Strengthening brand and image by certifying and labeling wingko products to increase consumer confidence.

By implementing these innovations, wingko production in Semarang can not only maintain its existence, but also grow and compete in an increasingly competitive market. Innovation and adaptation to change will be the key to success in the future.

5. Conclusion and Suggestion

The challenges faced by the Wingko industry include intense competition, consumer preferences that tend towards original variants, and threats from the emergence of new, more modern food industries. To overcome these challenges and ensure the viability of the Wingko industry, in-depth research into development strategies is required. A SWOT analysis highlights some of the strengths and weaknesses of the Wingko industry, along with the opportunities and threats faced. The uniqueness of the taste, variety of products, and public trust are strengths that can be utilized. However, there are still weaknesses such as lack of consumer identification and limited marketing. To develop the Wingko industry, several strategies are recommended, including utilizing information technology for distribution expansion, innovating on flavor and packaging variations, and capitalizing on tourism opportunities. In addition, it is necessary to maintain Wingko's existence as part of Semarang's culinary identity with innovative marketing strategies, such as through social media and apps.

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THE INFLUENCE OF OPERATIONAL EFFICIENCY, COMPANY SIZE, AND LEVERAGE ON FINANCIAL PERFORMANCE

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ABSTRACT

In recent years, banking companies have begun to try to recover. This happened due to the recovery of conditions after the Covid-19 pandemic that occurred. Customer or customer trust is important in the financial performance of banking companies, so it is important to optimize indicators that are deemed capable of optimizing company profits. There are three indicators that are predicted to influence a company's financial performance, namely operational efficiency, company size and leverage. This research aims to determine the influence of operational efficiency, company size and leverage on financial performance in banking companies listed on the Indonesian Stock Exchange for the 2020-2023 period. The novelty of the research in this research is the use of operational efficiency variables to suspect that have a significant effect on company performance. New evidence or new knowledge about the influence of company operational efficiency, especially on banking in Indonesia, is novel in this research because this variable has not been used by previous researchers. Updated financial report data from 2020 to 2023 which has never been used by researchers before. The data analysis method used in this research is multiple regression where time series data from 2020 to 2023 is used and sourced from the Indonesian stock exchange. Based on the research results, operational efficiency influences banking financial performance while company size and leverage have no effect on company performance.

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Keywords:
Bank, Company, Efficiency, Leverage, Size

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1. Introduction

In recent years, the situation has improved much due to the Covid-19 pandemic. This can be seen from the world economic recovery process. However, several series of important events in the world also had an impact on the macro economy, resulting in inflation in several countries in the world. Conditions like this are a challenge for a number of companies due to the surge in inflation which has an impact on global economic growth. Prolonged impacts such as potential recession and slowing economic growth have occurred in addition to a decline in people's purchasing power that has never recovered. Therefore, many companies are currently competing to encourage people to use their products and services, one of which is from the banking industry sector. Public trust is key in banking operations. Banks also need to pay attention to operational aspects that are running well through performance evaluations, especially on ongoing financial performance. Evaluation of banking financial performance can be reflected in various indicators, one of which is the profitability ratio which is able to provide an accurate picture of the real financial condition and financial health of banks (Adisti and Mauliani, 2023).

A banking industry that has high profitability is the most important achievement. This is because the condition of a company's performance in general can be seen from the situation or conditions of profits generated by banks. The higher banking profits resulting from its ability to provide profitability will be in line with the banking system's ability to survive in economic conditions that are assumed to be competitive (Narwal and Jindal, 2015).

The company's operational efficiency is shown in the indicator value of Operational Costs to Operational Income, which is a ratio that describes banking efficiency in carrying out its activities. Operational costs are the bank's operational costs while operational income is the bank's operating income. The smaller the value of Operational Costs to Operational Income means the more efficient the banking is in operating (Rahmat and Ruhiyat, 2021).

Company size is synonymous with determining how big and small the company is. A company's total assets that are higher or larger indicate that the company's asset ownership is large so it is classified as a large company. However, on the contrary, the low total assets owned by the company indicate that the company's total assets are small so it is classified as a small company. The size of the total assets owned by the company reflects the company's assets so that it becomes attractive for investors to invest in the company. One of the sources of banking income is the amount of credit distributed to the public. One of the main focuses of banking company management is optimizing credit service activities so that this is a strategic step that must be taken in order to strengthen the size of the company. The main objective of credit management is so that banks can maximize their financial health and performance by increasing the quantity and quality of credit (Nurany et al., 2013).

Leverage is a description of the relationship between a company's debt and its equity and assets. In general, or ideally, equity has a higher value than debt. Leverage can also be interpreted as whether or not a company is able to settle its long-term debt obligations. The purpose of calculating leverage in banking is to see how big the ratio is, which shows the company's ability to manage its finances during the liquidity period. A banking company that has good responsibility will of course have a good leverage ratio too. In fact, a debt ratio at a certain level is also able to provide company benefits, especially in managing short-term and long-term opportunities (Nurhadiyati and Suryadi, 2024).

The use of existing variables from several journals is a research gap in this research which was created when several existing variables in different previous studies were combined and made into variables in one study. There are several indicators commonly used to measure the financial performance of banking institutions, namely company size and leverage. Both are projected to be able to have an influence on banking financial performance as reflected in their profitability ratios. Company performance in this study is shown in the ROA (Return on Assets) ratio. New evidence or new knowledge about the influence of company operational efficiency, especially on banking in Indonesia, is something new in this research because this variable has not been used by previous researchers. Updated financial report data from 2020 to 2023 which has never been used by researchers before. Therefore, this research aims to determine the influence of operational efficiency, company size and leverage on financial performance in banking companies listed on the Indonesian Stock Exchange for the 2020-2023 period.

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2. Literature Review

The company's financial performance can be projected against several indicators, one of which is the profitability ratio. A reflection of a company's ability to earn profits at a certain time is called profitability. Of course, every company has its own profit target to achieve, including banking companies. One of the raisos used in the financial performance of banking companies is the return on assets (ROA) ratio (Kusmana and Sumilir, 2019). This ratio describes the ability of bank management to obtain overall profits. Apart from that, this ratio is also able to show the ability of banking management to regulate and manage its assets to gain profits. The greater the ROA, the better the banking performance (Prasetyo and Darmayanti, 2015).

The operational efficiency of a banking company can be seen from how large the ratio of operating expenses to operating income is. One of the important financial indicators in measuring efficiency can be seen from the value of operating expenses to operating income. This is closely related to how much costs the company sacrifices to gain profits. The more efficient a banking company is in reducing costs, the greater the profits generated. (Satrio, 2022). Banks that are efficient in reducing their operational costs can reduce losses due to inaccuracy in managing their business, so that profits will increase (Soares & Yunanto, 2018: 43).

The influence of company size on banking financial performance has been the subject of extensive research in the fields of accounting and finance. Various studies have been conducted to determine how company size affects banking financial performance. Research conducted by Iskandar and Zulhilmi (2021) found that companies that are larger have a stronger incentive to present a high level of profile compared to smaller companies. This is because the large size of the company indicates the company's very rapid development. Research conducted by Ibhagui and Olokoyo (2018) found that leverage has a significant positive influence on company financial performance. Leverage has a greater impact on larger companies. The hypothesis of this research is as follows:

H1: Operational Efficiency has a negative effect on Company Financial Performance

H2: Company size has a positive effect on company financial performance

H3: Leverage has a negative effect on the Company's Financial Performance

A company's operational efficiency can be shown from the ratio between operational costs and operating income. The lower the level of operational efficiency ratio, the better the performance of the bank's management, so that operational costs become more efficient. Therefore, Operational Efficiency has a negative and significant influence on Financial Performance in Banking Companies (Soares & Yunanto, 2018).

H1: Operational Efficiency has a negative effect on Company Financial Performance

Company size is closely related to company asset ownership. The size of the assets owned by the company will be in line with the company's ability to obtain funding sources. Large company assets also indicate that the company is able to make products in high quantities so that the opportunity to create profits is also higher (Maharani and Ekadjaja, 2023). Therefore, company size has a positive impact on the company's financial performance.

H2: Company size has a positive effect on company financial performance

Leverage is an important indicator of a company's financial performance. Companies that ignore this indicator by using debt that is too high for the company's operational activities may have a negative impact on the company (Nazir et al., 2021). A neglected proportion of leverage will cause a decrease in the company's profitability because the debt used results in a fixed interest expense (Yilmar, 2021). Too high debt will reduce cash flow. Therefore, leverage has a negative effect on the company's financial performance

H3: Leverage has a negative effect on the Company's Financial Performance

3. Method, Data, and Analysis

This research is quantitative descriptive. This research uses secondary data originating from relevant sources, namely the Indonesian Stock Exchange. The data used is time series data starting from 2020 to 2023. The banking companies selected in this research are the top 10 banking companies based on several indicators such as asset ownership and profits in the 2020-2023 period. The variables used in this research consist of the dependent variable, namely the company's financial performance which is reflected in the return on assets (ROA) value, while the independent variable consists of three variables, namely operational efficiency which can be seen from the ratio of operating expenses to operating income, company size and leverage. Company performance is symbolized by the ROA (Return on Assets) value which is found from the value of net income divided by the company's total assets. A company's operational efficiency can be shown from the ratio between operational costs and operating income. Company size is found by calculating the natural logarithm of the company's total assets. The leverage ratio is obtained by dividing total liabilities by total assets owned by the company. Multiple regression analysis is used in this research as a data analysis method. Mathematically, multiple regression can be seen in the following calculation (Gujarati, 2003).

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where:

Y = ROA

X_1 = operating expenses to operating income

X_2 = company size

X_3 = leverage

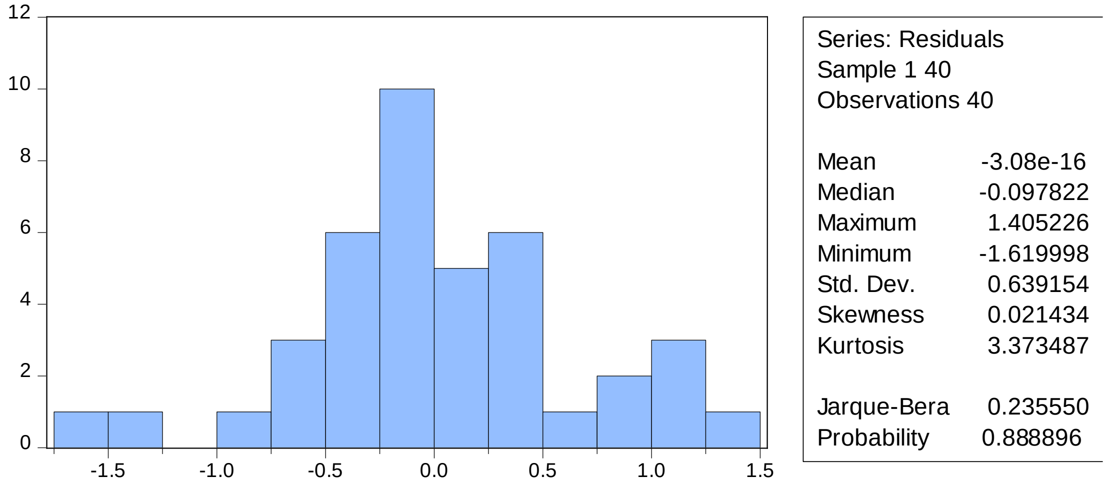
α = constanta

$\beta_{1,2,3}$ = Regression coefficient
e = Error

4. Result and Discussion

Before the data goes through a multiple regression test, the researcher first carries out a normality test and a classical assumption test. The normality test is important before regression because it ensures that the data used in statistical analysis such as regression meets the necessary assumptions. Multiple linear regression requires the assumption that the data used has a normal distribution. If the data is not normal, then linear regression cannot be used and may produce inaccurate results. The normality test helps determine whether the data used in regression meets the assumptions of normality, thereby allowing a more accurate and reliable analysis (Gujarati, 2003). Based on the results of the normality test analysis, it can be seen in the following image.

Figure 1. Normality Test



Source: Secondary Data Analysis (2024)

A regression equation is said to have a normal distribution if the Jarque-Bera probability value is greater than alpha. If the Jarque-Bera probability value is smaller than alpha, it can be said that the data used is not normally distributed. Based on Figure 1, it can be seen that the Jarque-Bera probability value of 0.8889 or 88.89% is greater than alpha 5%, so that Ho fails to be rejected, so the residual regression data used is normally distributed. Based on the results of the analysis, it is known that the heteroscedasticity and multicollinearity tests can be seen in the following table.

Table 1. Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	0.612596	Prob. F(4,6)	0.1119
Obs*R-squared	2.590453	Prob. Chi-Square(4)	0.2159
Scaled explained SS	2.490104	Prob. Chi-Square(4)	0.3199

Source: Secondary Data Analysis (2024)

Based on table 2, it shows that the heteroscedasticity test produces an Obs*R-squared probability value of 0.219. This shows that the Obs*R-squared probability value is greater than alpha 5%, so that Ho fails to be rejected, so the data used is not heteroscedastic. Based on the results of the multicollinearity test, it can be seen in the following table.

Table 2. Multicollinearity Results

Variable	Colinearity Statistics	
	Tolerance	VIF
Operational Efficiency	0,359	1,277
Company Size	0,264	1,006
Leverage	0,348	1,282

Source: Secondary Data Analysis (2024)

According to the results in table 2, the results of calculating the Tolerance value, there are no independent variables that have a Tolerance value of less than 0.10 with the tolerance value of each variable having a value of more than 0.10. Meanwhile, the results of calculating the Variance Inflation Factor (VIF) value also show the same thing, namely the absence of a VIF value from independent variables that have a VIF value of more than 10. Referring to the results of calculating the Tolerance and VIF values, it can be concluded that there is no multicollinearity between the independent variables in the model. regression. Based on the results of the autocorrelation test, it can be seen in the following table.

Table 3. Breusch-Godfrey Serial Correlation LM Test:

F-statistic	10.30400	Prob. F(2,34)	0.0003
Obs*R-squared	15.09523	Prob. Chi-Square(2)	0.0005

Source: Secondary Data Analysis (2024)

The LM test results show in the table 3 that the p value of Obs*R-squared = 0.0005 is statistically significant (less than 0.05), so H0 is rejected while H1 is accepted, meaning that autocorrelation occurs. The results of multiple regression analysis can be seen in the table below.

Table 4. Results of Multiple Regression Analysis

No.	Factor	*Expected Sign*	Regression Coefficients	*Std.Error*	*Probability t*
1	Operational Efficiency (X_1)	-	-3,010***	0,590	0,000
2	Company Size (X_2)	+	0,081	0,059	0,181
3	Leverage (X_3)	+	0,078	0,514	0,880
	Konstanta Regresi		1,794	1,510	0,242
	R^2		0,5494		
	Adjusted R^2		0,5118		
	S.E.*of regression*		0,0665		
	F_{hit}		14,632**		
	Probability F		0,0002		

Source: Secondary Data Analysis (2024)

In table 4 it can be seen that the Adjusted R2 value is 0.5118. This means that 51.18 percent of the variation in the dependent variable (financial performance of banking companies) can be explained by the independent variables (operational efficiency, company size and leverage). Meanwhile, the remaining 48.82 percent is explained by other variables outside the model.

Based on table 4, it can be seen that the partial test indicates that there is only one variable that influences banking financial performance, namely operational efficiency. This can be seen in the operational efficiency variable probability of 0.000. The meaning of this figure states that the probability is less than the alpha value of 5% so that the operational efficiency variable has a significant influence on the dependent variable, namely the financial performance of banking companies. From the resulting regression equation, it can be seen that if operational efficiency is increased by 1 unit, the financial performance of banking companies will actually decrease by 3.01 units. This indicates that the influence shown is negative or the opposite. The results of this research are proven to be in accordance with existing expectations or hypotheses that there is a negative relationship between operational efficiency and the company's financial performance. This is in line with research by Kansil et al (2017) which states that a negative influence occurs on the relationship between operating expenses and operating income on financial performance. In fact, this phenomenon is in accordance with the theory which states that banks will receive increasing profits if they are able to reduce operational costs in managing their business (SE. Internal BI, 2006).

Banking's cost efficiency will reduce the effects of losses that occur due to bank inefficiency in managing business. That way the profits obtained will increase. The ratio shown in operating expenses to operating income indicates how capable the banking company is in managing the use of its production factors as a whole. Apart from that, according to Haryati and Widyarti (2016), smaller banking operational costs will indicate good banking financial performance. With various banking efforts to produce low operating expenses to operating income, profits will automatically increase so that the management of banking company operational costs becomes more effective. According to Evina and Pian (2022) that ultimately banking companies will compete to increase profitability by making their operational activities more efficient.

Banking institutions must also know that increasing the value of operating expenses to operating income will actually reduce ROA so that banking companies must be able to reduce the operational costs used. The large operational costs can be triggered by the existence of a number of reserves for impairment losses to cover the loss of productive assets. This makes banking companies have to find concrete steps to reduce operational costs and increase operational income so that the hope is that ROA will continue to increase throughout the year. Meanwhile, based on table 4, it can also be seen that the other two variables, namely company size and leverage, have a probability above the alpha value of 5% so that they do not have a partial influence on the company's financial performance. This indicates that the research allegations or hypotheses do not match the existing results. These results are in line with research conducted by Suryandani (2018) which states that company size has no effect on the company's financial performance. This shows a lack of solvency between assets and debts which raises concerns for investors. The high risk in the company is considered to increase the potential for bankruptcy. Apart from that, Jumantari et al (2022) also stated that leverage has no effect on the company's financial performance. The company will be in bad shape if it uses too much debt and the burden the company bears on the debt provider will be greater because more of the company's assets are generated from debt. Thus, it can be concluded that the size of leverage has no effect on the ups and downs of the company's financial performance.

5. Conclusion and Suggestion

Based on the research results, it can be seen that from a partial test there is only one variable that influences banking financial performance, namely operational efficiency as seen in the ratio of operating expenses to operating income. Meanwhile, the other two variables, namely company size and leverage, have a probability above an alpha value of 5% so that they do not have a partial influence on the company's financial performance. Based on the results of this research, banking companies must be able to formulate strategies on how to reduce company operational costs so that they are more effective and efficient but can still generate high operational income. Under these conditions, banking companies will get profits or profits that increase every year.

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THE ROLE OF COMMUNITY PARTICIPATION, MANAGER COMPETENCE AND INTERNAL CONTROL SYSTEM IN REALIZING THE ACCOUNTABILITY OF VILLAGE FUND MANAGEMENT

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ABSTRACT

Introduction/Main Objectives: The aim of this research was to ascertain the contribution of specific factors towards achieving Accountability in Village Fund Management. **Background Problems:** The implementation of village governance must adhere to the principle of accountability. This requires that every action and result of village governance activities must be accountable to the village community. **Novelty:** Community participation is included in this study to test the extent to which the role of the community can influence the implementation of accountability for the financial management of village funds by village officials or governments. Research Methods Using a quantitative methodology, the study focused on associations to explore the relationship between different variables. Primary data collection involved the distribution of questionnaires to village officials tasked with reporting on village fund management. **Finding/Results:** Community participation can increase trust in the village government. Competent village government officials can reduce budget fraud. A robust internal control system increases the transparency of village government financial reports and shapes internal decision-making processes. **Conclusion:** This article scrutinizes the interplay of several factors affecting Village Fund Management Accountability with the objective of enhancing the accountability of reports, particularly within Kepil Sub-district, Wonosobo Regency. For future research, it is recommended to include additional variables such as governance and integrity, as well as other relevant indicators. In addition, the use of alternative methods, such as direct interviews with respondents, can provide more comprehensive and objective data to give a more accurate picture of conditions on the ground.

ARTICLE INFO

Keywords:
Participation, Manager Competence, Internal Control System, Village Fund Management Accountability

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1. Introduction

Each village possesses the autonomy to administer its own governance, a concept known as decentralization. Decentralization entails a governance framework wherein power and authority are not centralized but distributed across various levels, from the central government to local administrations, and further down to village administrations. Law No. 3 of 2024, the second amendment to Law No. 6 of 2014, states that village governance must be carried out as an effort to improve the competence and performance of village governments, the principle of accountability is necessary so that all actions and results of village government activities can be explained to the village community (Law No. 3 of 2024 on the Second Amendment of Law No. 6 of 2014 on Villages, 2024).

Research (Alfala et al., 2024) on accountability for the management of village funds found that village governments that have implemented accountability for the management of village funds enable the community to feel the direct impact of the village government's performance, such as development that can be directly felt. Moeheriono (2018) elucidates that competence encompasses knowledge, skills, aptitudes, and personal principles derived from experience and education to execute tasks and duties effectively, efficiently, and professionally. Competence is defined as an individual's behaviour or attitude when in performing tasks according to their authority with optimal results. As villages are required to prepare financial reports as a form of accountability for the management of village finances, and which are of considerable value, the competence variable is the main focus of the research, the variables Human Resource Competence (HR), Use of Information Technology (UIT), Government Internal Control System (GIC), internal control system (SPIP) and use of SISKEUDES influence the village fund management accountability variable (Hayyuani & Hidayat, 2024). The accountability of village fund management is significantly influenced by community involvement, the role of village officials and the competence of village officials. Recommended that village governments can increase their knowledge of village fund management by attending trainings on village fund management so that they better understand what is needed to achieve accountability in village fund management.   For the village community to increase their involvement in the management of village funds and to increase their control over the village government so that there is no misappropriation of funds as has happened in the past (Chalista Rambu Olivia, 2023)

The Government Agency Performance Accountability System, hereinafter referred to as SAKIP, is a systematic set of various activities, tools and procedures designed to identify and measure, collect data, classify, summarise and report on the performance of government agencies in the context of accountability and performance improvement of government agencies (Regulation of the Minister of Finance of the Republic of Indonesia No. 239 /PMK.09/2016 on the Evaluation of the Implementation of the Performance Accountability System of Government Agencies within the Ministry of Finance, 2016).

Against this backdrop, researchers are inclined to empirically scrutinize the correlation between community participation, managerial competence, and internal control systems vis-à-vis the accountability of village fund management. Kepil Sub-district, characterized by a subpar absorption rate of village funds compared to other sub-districts within Wonosobo Regency, is selected as the focal point of the investigation owing to its inability to optimize the village fund budget, thereby impeding the attainment of accountability in village fund management and heightening the susceptibility to fraudulent activities or misappropriation. The objective of this study is to discern the impact of community participation, managerial competence, and internal control systems on the accountability of village fund management.

2. Literature Review

2.1. Stewardship Theory

Stewardship theory posits that the management of a company bears the responsibility to the proprietors for overseeing the assets entrusted to them. The company proprietors serve as principals, representing the community, while management functions as stewards, notably the village government in this context. The interrelation between the two is epitomized by the notion of accountability in village fund management, where the village government is obligated to furnish and disclose information required by proprietors as information users, aiding decision-making processes (Arfiansyah, 2020).

2.2. Accountability in Village Fund Management

Accountability stands as a pivotal governance principle that plays a crucial role in fostering public confidence in a suite of activities or programs conceived and executed by the government for societal welfare. The accountability concept encompasses responsibility, presentation, reporting, and disclosure of all agent activities to the principal (Aziiz and Prastiti, 2019).

2.3. Community Participation

Community participation denotes the involvement of the populace in the formulation of government policies and budgets as a means of overseeing management in organizational governance (Dewi and Gayatri, 2019).

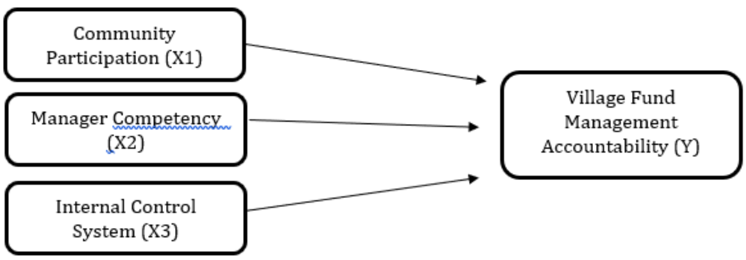
2.4. Managerial Competence

Competence signifies individuals' capacity to fulfill job requirements within an organization, thus achieving desired outcomes (Boyatzis, 1982 as cited in Khusniyatun, 2016).

2.5. Internal Control Systems

Internal control constitutes a system or procedure inherent in an organization to uphold activity processes in line with established policies, aimed at accomplishing organizational objectives (Martini et al., 2019).

Figure 1. Research Model



3. Method, Data, and Analysis

This research encompassed all village administrations across the Kepil sub-district. Employing a quantitative methodology with associative techniques, the study utilized a questionnaire to gather data from 80 village officials responsible for overseeing village fund finances, with data from 55 respondents being processed. The study population comprised all village officials from 20 villages within the Kepil Sub-district, Wonosobo Regency. Data analysis is used to test the relationship between several factors such as community participation, management competence and internal control system as independent variables, which are used to measure the level of accountability of village fund management as the dependent variable. Data analysis was conducted using multiple linear regression analysis, and the data were processed using SPSS version 25 software. The analytical framework employed to examine the association between the independent and dependent variables in this study is a multiple regression analysis model. The regression equation can be delineated as follows:

$$Y = \alpha + \beta\_1 X\_1 + \beta\_2 X\_2 + \beta\_3 X\_3 + e \quad (1)$$

4. Result and Discussion

4.1 Validity Assessment

In this research, researchers used interview and observation methods. From the results in the field it can be explained that each informant has the skills to become a creative leader. This explanation is intended to lead an event, activity in a context for children aged 5-10 years. From several informants' explanations, it can be seen that at first the informants felt nervous, anxious and confused because they were not used to hosting events with children as the subject. However, with the knowledge they mastered during their studies, the informants were able to provide instructions that the children could understand.

4.2 Reliability Evaluation

Reliability evaluation in this reseach is using Cronbarch's alpha. Table 1 shows that all variables exceed a score of 0.70, the findings indicate that the measurement instrument utilized has fulfilled the reliability test criteria, rendering it dependable as a valid measuring tool.

Table 1. Reliability Test Result

Table 1. Reliability Test Results

VARIABLES	Cronbach Alpha	sign	α limit	Description
Community Participation (X1)	,896	>	0,70	Reliable
Manager Competence (X2)	,896	>	0,70	Reliable
Internal Control System (X4)	,940	>	0,70	Reliable
Village Fund Management Accountability (Y)	,982	>	0,70	Reliable

Source: Primary data processed.

4.3 Model Suitability Evaluation / Goodness of Fit (F-Statistical Test)

Table 2. F- Test

Table 2. F test

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4213,519	4	1053,380	43,107	,000[b]
	Residuals	1221,827	50	24,437		
	Total	5435,345	54			

a. Dependent Variable: Village Fund Management Accountability

b. Predictors: (Constant), Internal Control System, Village Fund Management Competence, Community Participation

Source: Primary data processed.

Table 2 shows the results of the statistical test with an F-test value of 43.107, with a significance level (alpha) of 5 per cent (0.05) and a degree of freedom of 4, so that the F-table value is 2.56. The statistical test results show that the F-test results are greater than the F-table with a value of 43.107 > 2.56. This indicates that Ho is rejected and Ha is accepted, which means that simultaneously all the independent variables, namely community participation, management competence and internal control systems together have a significant effect on the management of village funds.

4.4 Multiple Regression Analysis

Table 3. Multiple Regression Analysis

Table. 5. Multiple Regression Analysis

Coefficients[a]

Model		Unstandardised Coefficients B	Unstandardised Coefficients Std. Error	Standardised Coefficients Beta	T	Sig.
1	(Constant)	-4.969	4.558		-1.090	.281
	Community Participation (X1)	.728	.289	.357	2.517	.015
	Manager Competence (X2)	.741	.348	.285	2.129	.038
	Internal Control System (X4)	.520	.179	.308	2.905	.005

a. Dependent Variable: tap

Source: Primary data processed.

Table 3 shows that the t-value partially exceeds the t-critical value at a significance level of less than 0.05, indicating that the independent variable individually has a significant effect on the dependent variable. To determine the t-test value, a significance level of α = 0.05 is used and then divided by two to obtain a t-test value of α/2, with degrees of freedom (n-k). In this scenario, α/2 = 0.025, with 50 degrees of freedom, gives a t-table value of 2.00856. With reference to the table, the regression equation is determined as follows:

$$Y = -4,969 + 0,728pm + 0,741kp + 0,520pi + 4,943 \quad (2)$$

Multiple linear regression analysis was used in this research to examine the possible influence of factors such as community participation, management competence and internal control systems on the level of accountability in village fund management. Factors such as community participation, management commitment and internal control systems are criticised as independent variables, while accountability in village fund management is a dependent variable or a variable that is influenced by predetermined independent variables. Using the multiple linear regression equation obtained, it can be explained that the constant coefficient of -4.969 is negative, indicating that when the independent variables, namely community participation, manager competence and internal control system, are zero, there is -4,969 percent decrease in the level of accountability of village fund management. The regression coefficient for a given variable shows the pattern that describes its relationship with the dependent variable. The regression coefficient for community participation is 0.728, the regression coefficient for management competence is 0.741, and the regression coefficient for internal control system is 0.520. These values indicate a positive direction, which means that as the variables of community participation, management competence and internal control system increase, there is a tendency for the variable of accountability of village fund management to increase.

Table 3 shows the results of the SPSS analysis of the multiple regression analysis, which includes several analysis results :

1. The regression coefficient for the community participation variable of 0.728 gives a t-count value of 2.517 which exceeds the t-table value of 2.00856 at the 0.015 level of significance. This confirms the acceptance of the first hypothesis which states that increasing community participation will increase the accountability of village fund management.
2. The regression coefficient for the manager competency variable is 0.741 with a t-count value of 2.129, which exceeds the t-table value of 2.00856 at the 0.038 significance level, leading to the acceptance of the second hypothesis which states that a high level of competence of village government officials or management will increase the accountability of village fund management.

3. The regression coefficient for the internal control system variable of 0.520 gives a calculated t-value of 2.905, which exceeds the t-table value of 2.00856 at the 0.005 level of significance, strengthening the acceptance of the third hypothesis that a better internal control system will increase the accountability of village fund management.

4.5 Coefficient of Determination (R2)

Table 4. Result of the Coefficient of Determination

Table 6 Test Results of the Coefficient of Determination

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.880[a]	0,775	0,757	4,943

a. Predictors: (Constant), Internal Control System (X4), Community Participation (X2), Village Fund Management Competence (X1),

b. Dependent Variable: Accountability of Village Fund Managers (Y)

Source: Primary data processed .

Table 6 reveals that the coefficient of determination, reflecting the Adjusted R-Square value of 0.757, suggests that approximately 75.7% of the variability in the accountability variable of village fund management is accounted for by the variables of manager competence, community participation, organizational commitment, and internal control system. The remaining 24.3% variability may be attributable to other factors not incorporated into the model.

5. Conclusion and Suggestion

This study was conducted to assess the possible influence of community participation, management competence and internal control system on the level of accountability of village fund management. This study used a questionnaire to collect data from 80 village officials responsible for overseeing village fund finances, with data from 55 respondents processed. The study population consisted of all village officials from 20 villages in Kepil Sub-district, Wonosobo Regency. The results of the analysis show that community participation, management competence and internal control system have a positive and significant effect on the accountability of village fund management, so the hypothesis for these variables is accepted. It is expected that village officials, the Village Consultative Body (BPD) and the community will use the results of this study as a source of information to increase the level of community participation, management competence and the internal control system. This is expected to help improve the implementation of assigned tasks and create a better level of accountability for the management of village funds. Suggestions for improvement include encouraging village government officials in Kepil sub-district to enhance their knowledge and actively involve the village community in fund management. For future research, it is advisable to incorporate additional variables such as governance and integrity, along with other relevant indicators. Moreover, employing alternative methods like direct interviews with respondents can yield more comprehensive and objective data, thereby offering a more accurate reflection of real-world conditions.

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INFLUENCE OF SOCIAL MEDIA MARKETING AND ELECTRONIC WORD OF MOUTH ON NETFLIX PURCHASING DECISION

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ABSTRACT

Today's business competition requires marketers to always innovate in implementing Social Media Marketing using ideas, goods, or services. In line with the rapid development of information technology, the exchange of information between consumers no longer occurs face to face but can also be done via the internet, resulting in the development of E-WOM. This research method is an explanatory survey method. Social media marketing influences Y by 17.2%. and Electronic word of Mouth influenced Y by 56.9%. In this research, there is a positive impact on the company. No matter how small the influence of social media marketing and electronic word of mouth will have a positive impact on the company.

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Keywords:
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1. Introduction

In today's digital era, watching films is very easy to find in everyday life and can be enjoyed by anyone. The presence of films which have now been digitized means that films can now be played via computer/laptop devices, even via smartphone or tablet, the presence of film streaming websites is now increasingly mushrooming. The concept behind this site is that anyone who wants to enjoy films can simply access them via a computer screen and internet connection, without the need to register and it's free without paying anything. In more detail, this concept is generally someone who 'hides' behind a computer screen to download, whether videos, music, films or other digital files, across geographical boundaries anonymously.

Summarized from various sources, Netflix Inc. is a live-streaming and paid video company founded in 1997 by US entrepreneurs Reed Hastings and Marc Randolph. In 1999, Netflix began offering online subscription services via its website. Customers select movie and series titles from Netflix's Web site, which are then sent to customers on DVD. Although customers typically rented for a fixed monthly fee as many films per month as desired, the number of DVDs provided by Netflix at that time was limited.

Initially, Netflix rented DVDs to customers that could be ordered through the website. However, this business model faces quite troublesome obstacles. One of them is because sending

DVDs by post takes up to 4 working days. As a result, many customers do not want to rent DVDs on a recurring basis. Customers tend to rent the latest DVDs rather than old DVDs. For a company to make a profit, the profit margin per DVD must reach 15-20 percent.

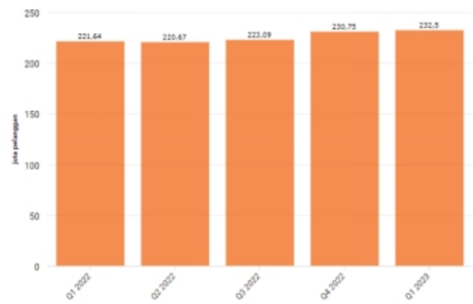
Overcoming this problem, Netflix modified its business model. Netflix applies a rental or subscription system for a longer period, for example, one year. That way, customers must pay all rental fees for a year at the start of the rental period. As a result, customers will be “locked” to the Netflix platform. Netflix also opens a queue system, where users can select the film title, they want to watch next. That way, the process of sending and returning DVDs can be accelerated. Customers are also increasingly encouraged to immediately return their old DVDs so they can receive new DVDs.

In 2000, Netflix provided a film rental program entitled "All-You-Can-Watch" for a monthly subscription fee. This package allows users to receive up to 4 DVDs at once. The company also waived late fees, shipping fees, and per-movie fees. Until now, Netflix still exists in the world of films with a more modern business model. Netflix's business model today began in 2007. At that time, the company provided live streaming services using a stable internet connection. Users are required to have an internet connection of at least 1 mbps to enjoy movie streaming services, and 3 mbps to use high quality movie streaming services.

In 2008, Netflix provided unlimited access to subscribers of its movie streaming packages. Netflix's approach to starting its streaming video service was a gradual process. Launched in January 2007, the company did not roll out its service to all its users at once, but rather gradually increased the service offering, finalizing it for all customers by June 2007. Netflix uses DRM encryption to protect its content, NetFlix DRM is one of the safest anti-piracy solutions for video premium. In August 2008, Netflix experienced a major database crash and was unable to deliver DVDs for three days. This condition became the stimulus that caused Netflix to choose to switch clouds. This cloud migration took place in the 2010-2011 period and was only completed in 2015. Until now, everyone can enjoy Netflix services by choosing a subscription package and relying on an internet connection.

Based on the 2023 Quarterly Earnings report, in the first quarter of 2023 Netflix had 232.5 million subscribers, an increase of 1.75 million subscribers compared to the previous quarter (Nabilah, 2023) which can be seen in the table below.

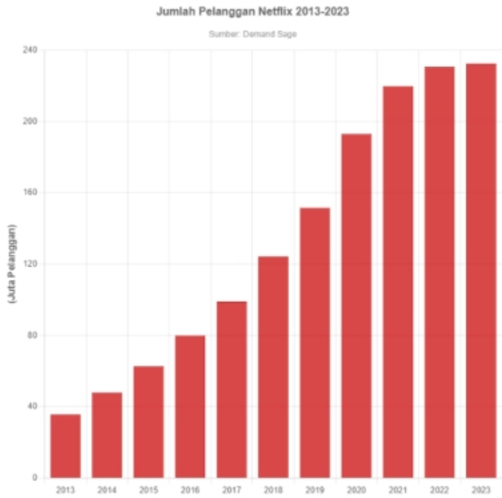
Figure 1. Number of Netflix Subscribers Worldwide First Quarter 2022- First Quarter 2023



Source: www.databoks.katadata.co.id

This is a positive development for Netflix, because in the first and second quarters of 2022 they lost hundreds of thousands of subscribers per quarter. You can also see the development of the number of Netflix subscribers over the past 10 years in the following table.

Figure 2. Number of Netflix subscribers in 2013-2023



Source : www.data.goodstats.id

If you look at the number of subscribers a decade ago, Netflix has experienced rapid development. The number of Netflix subscribers in 2013 was 35.6 million and continues to increase to this day. Even so, Netflix lost more than 2 million subscribers in the first quarter of 2022 due to inflation and the conflict between Russia and Ukraine which was currently hot. That was the first time Netflix lost subscribers since 2011.

Fortunately, even though it fell in 2022, Netflix rose again in 2023 and proved its existence by gaining 1.75 million new subscribers just at the beginning of the year. In the first quarter of this year, Netflix rose by releasing several popular shows, such as The Glory, the second season of Ginny & Georgia, That 90s Show, and others. As a result, in the first quarter of 2023, Netflix managed to achieve revenue of US$8.16 billion or around Rp. 122.26 trillion (assuming an exchange rate of Rp. 14,979 per US$), an increase of 3.7% compared to the first quarter of last year.

Competition in the business world today requires marketers to always innovate in implementing Social Media Marketing using ideas, goods or services. New ideas emerge by using social media as a new medium for presentation and non-personal Social Media Marketing of ideas, goods or services provided by certain companies which is usually referred to as Social Media Marketing. Social Media has a direct impact on consumer purchasing decisions. By using Social Media, companies can spread advertisements in the form of photos or videos to Instagram, YouTube, etc. users. which will play a very important role because photos and videos can illustrate many things, are real-time, and with Social Media the company can carry out two-way communication with consumers. Social Media can effectively influence people to make purchases if the images displayed are attractive, the captions or writings submitted contain an invitation to buy the product and maintain its existence.

According to (Susandy et al., 2023) Social media is not just for sharing, interacting, and communicating with friends, colleagues or fans, but can also be an effective platform for promoting or advertising products online and interacting directly with customers. Advertising through this media has advantages, such as being cost-effective and efficient. In addition, virtual marketing promotions can be seen directly, making it easier to attract new customers. It can also reach various consumer profiles from existing segments. In addition, it helps disseminate information widely and quickly and keep up with the latest news and brand promotions at all times. Based on (Susandy & Prasetyo, 2019) The role of social networks is important for companies.

In line with the rapid development of information technology, the exchange of information between consumers no longer occurs face to face but can also be done via the internet, resulting in the development of E-WOM. Most of the word of mouth effect is created naturally (Ismagilova et al., 2017). Consumers start talking about the brand they use or have strong feelings about the brand.

Netflix participates in entering the market by using marketing through social media and E-WOM. By using and utilizing communication through E-WOM and social media, Netflix has increased so that purchases are made by consumers.

Considering the information presented above, the researcher decided to conduct this research with the aim of determining the impact of electronic word of mouth (E-WOM) on consumer choices regarding the decision to subscribe to Netflix or not in Indonesia and Malaysia.

Based on the above phenomenon, then can be identified as a problem as following:

1. How does social media influence Netflix purchase decisions?
2. How does E-WOM influence Netflix purchasing decisions?
3. How does social media marketing and electronic word of mouth influence Netflix purchase decisions?

Then our research purposes are to determine the influence of social media marketing on Netflix purchasing decisions as well as to determine the influence of E-WOM on Netflix purchasing decisions

2. Literature Review

2.1. Purchasing Decisions

According to Setiadi in the book (Etta Mamang Sangadji, 2013) Consumer decision is "an integration process that combines knowledge to evaluate two or more alternative behaviors, and choose one of them. The result of this integration process is a choice that is presented cognitively as a behavioral desire."

Based on Engel in the book (Etta Mamang Sangadji, 2013) "purchasing behavior is the process of decisions and actions of people involved in purchasing and using products".

According to Abdullah and Tantri in (Astuti et al., 2019) " buying decision" (Purchase decision) is the consumer evaluation stage in forming preferences between brands in the choice group, consumers also form purchasing interest to buy the most preferred brand."

(Amstrong, Gary & Philip, 2021) There are purchasing decision indicators including:

1. Purpose of buying a product.
2. Information processing to arrive at brand selection.
3. Stability of a product.
4. Provide recommendations to others.
5. Make repeat purchases.

2.2. Social Media Marketing

Social Media Marketing in (Susandy et al., 2023) Social media is a means for consumers to share text, images, audio and video in the form of information with each other and companies and vice versa. Social media allows marketers to develop interactive marketing communications activities that engage customers and directly or indirectly increase awareness, improve image, or create sales of products and services.

Meanwhile, according to Neti (2010) in Amalina (2016) Social Media Marketing is an effort to use social media to persuade consumers to a company, product and/or valuable service. Based on the definition above, it can be concluded that social media marketing is an interactive marketing communication activity between a company and its customers and vice versa to create sales of products and services from the company.

(Dwyer et al., 2018) describes social media marketing or social media marketing as consisting of five dimensions, namely entertainment, interaction, trendiness, customization, and word of mouth (WOM).

Social Media Marketing Indicators (Susandy et al., 2023) there is 4 (four) social media marketing indicators, namely:

1) Content Creation
2) Content Sharing
3) Connecting
4) Community Building.

In this report, the authors expand on the potential of social media stickiness and focus on consumers who are attached to social media. Whereas social media clearly facilitates people or can be said to connect with other people, such as connections with organizations, companies and brands, it can logically become a new medium where individuals find connections that offer comfort, safety and security. Like others, we also propose that this psychological stickiness, then, produces a variety of behavioral outcomes, some of which are particularly relevant for marketers.

The communication process can influence consumers, one of which is through marketing. Social media marketing is a marketing activity that utilizes social media where social media can facilitate various two-way interactions or communications related to the products being sold between the company and consumers or potential consumer prospects so that the product can be and is increasingly known. Social media marketing does not aim to be directly creates sales of products or services, but only as marketing support by stimulating potential consumers or customers to be interested in the product or service.

Based on the description above, it can be concluded that the hypothesis is as follows:

H1. Social media marketing influences purchasing decisions.

2.3. Electronic Word of Mouth

Electronic Word of Mouth is a promotional effort carried out by consumers to potential consumers verbally and in writing via electronic media. Bad response or feedback from consumers greatly influences the level of sales, therefore e-WOM is really needed so that consumers respond to products or services voluntarily.

According to (Freddy Rangkuti, 2013) The definition of word of mouth is "marketing efforts that trigger customers to talk about, recommend, and sell a product/service/brand to other customers. Based on (Desyderya Gultom et al., 2022) The definition of word of mouth is "customers will talk to other customers or other people about their experiences using the products they purchased. So this advertisement is a reference from another person, and this reference is made by word of mouth. "If you look at it physically, this advertising activity is very simple, but it is a surefire way to sell products."

According to (Hennig-Thurau et al., 2004) electronic-Word of Mouth through the following eight dimensions:

1. Platform Assistance is the frequency of consumers visiting and writing their opinions.
2. Concern for others is the desire to help others in making purchasing decisions.
3. Economic Intensive is encouraging human behavior as a sign of appreciation from the gift giver.
4. Helping Company namely the desire to help the company as a reward for the company being satisfied with its products and services.
5. Expressing Positive Emotions namely expressing positive feelings and self-improvement after using a product or service.
6. Venting Negative Feelings namely sharing unpleasant experiences to reduce dissatisfaction.
7. Sosial Benefits, namely the assumption of receiving social benefits from community members.
8. Advice Seeking, i.e. in a webopinion-platform based context, consumption occurs when individuals read product reviews and comments written by others, which can also motivate consumers to write comments.

Based on research (Rachmah & Madiawati, 2022), There are 5 electronic-Word of Mouth indicators as follows:

1. Read online reviews of other consumer products.
2. Collect information from consumer product reviews via the internet.
3. Consult online.
4. Feelings of worry if someone doesn't read online reviews before purchasing.
5. Increased self-confidence after reading online reviews.

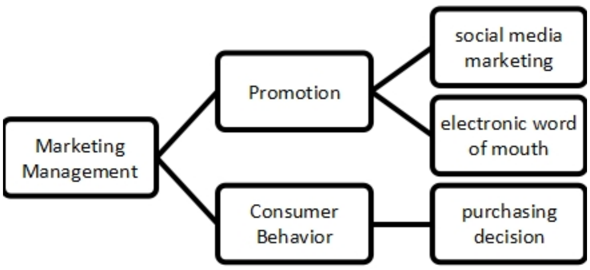
Based on (Desyderya Gultom et al., 2022) which states that the intensity dimension in electronic word of mouth influences purchasing decisions. Thus, the following hypothesis can be taken:

H2. Electronic word of mouth influences purchasing decisions.

H3. Social media marketing and Electronic word of mouth influences purchasing decisions.

Conceptual Framework

This conceptual framework analyzes the relationship between social media and electronic word of mouth as independent variables, with purchasing decisions as the dependent variable.



Previous Research

First. Based on (Susandy et al., 2023) states that in this digital era the customer decision-making process can be influenced by social media, including influencing the decision to buy a product.

This research is also supported by previous research by (Auditya & Hidayat, 2021) which shows that social media influences consumer loyalty.

Second. According (Desyderya Gultom et al., 2022) mengatakan Electronic Word of Mouth (EWOM) is “a positive or negative statement made by a potential, actual, or former customer about a product or company that is available to many people and institutions via the Internet. Meanwhile, according to Sumarwan in (Dwyer et al., 2018) interprets Word of Mouth (WOM) as the exchange of ideas, thoughts and comments between two or more consumers, and none of them is a marketer. Based on previous research by (Arsyalan et al., 2019) proves that Electronic Word of Mouth (EWOM) influences purchasing decisions.

Third. In (Ismagilova et al., 2017) said that Electronic Word Of Mouth has a positive influence on Purchasing Decisions at Shopee E-Commerce. Social Media has a positive influence on Purchasing Decisions on Shopee E-Commerce

3. Method, Data, and Analysis

Research methods

This research method is an explanatory survey method. This is a survey that is used to explain the relationship between two or more variables through hypothesis testing. The survey was carried out by taking the population, using a questionnaire as a data collection tool (Lavuri & Susandy, 2020) .

Object of Research

The object of this research is to see how social media marketing and electronic word of mouth influence Netflix purchasing decisions. The independent variables (X) from this research are (X1) social media and (X2) electronic word of mouth. Meanwhile (Y), namely purchasing decisions.

Observation Unit

This research was conducted on the official Netflix platform where various genres of films or series are available which are also classified based on the age of the customer and the Netflix social media (Instagram) account @netflixid which always uploads the latest news regarding broadcast schedules and the newest films or series.

Population

The population is the whole relating to the collection of research elements that will be determined and studied and then draw several conclusions (Sarwono, 2006). The population in this research is social media users and Netflix account users.

Sample

A sample is a portion taken from the entire object being studied and is considered to represent the entire population (Sarwono, 2006). The sample number of respondents was 100 Netflix application users in Subang (Indonesia). To analyze data from the results of measuring independent and dependent variables through questionnaires, the author uses a numerical scale/multiply rating list scale.

Data Source

The data source is primary because it is obtained directly from the object under study and secondary data is for supporting data.

Data Collection Technique

The data collection technique for this research is a questionnaire. A questionnaire is a technique for collecting data which is carried out by giving a set of questions or written statements to respondents (Sarwono, 2006). This research uses a questionnaire to collect research data.

4. Result and Discussion

4.1 Descriptive Analysis

The results of the descriptive statistical analysis of this research show that for variable Y, X1 and X2, the amount of data is 100.

The criteria for determining whether a statement item is said to be valid or not are by comparing the results of r calculation with r table where df=n-2 with sig 5%. =0.05 if the calculated r is greater than the r table then the statement item is considered valid.

Table 1. Validity Test

NO	Item	R Count	R Table (5%)	Remark
1.	X1.1	0.239	0,195	VALID
2.	X1.2	0,201	0,195	VALID
3.	X1.3	0,424	0,195	VALID
4.	X1.4	0,486	0,195	VALID
5.	X1.5	0,599	0,195	VALID
6.	X2.1	0,671	0,195	VALID
7.	X2.2	0.669	0,195	VALID
8.	X2.3	0,500	0,195	VALID
9.	X2.4	0,362	0,195	VALID
10.	X2.5	0.327	0,195	VALID
11.	X2.6	0,545	0,195	VALID
12.	Y.1	0,804	0,195	VALID
13.	Y.2	0,707	0,195	VALID
14.	Y.3	0,770	0,195	VALID
15.	Y.4	0,542	0,195	VALID
16.	Y.5	0.395	0,195	VALID
17.	Y.6	0.759	0,195	VALID

Source: Researcher's Process (2023)

Based on the table above, it is recorded that the calculated r table value for each question is greater than the r table. So it can be stated that all statement items are considered valid.

Table 2. Reliability Test

Reliability Statistics

Cronbach's Alpha	N of Items
.881	17

The SPSS output display above shows that Cronbach's Alpha Based On Standardized Items value is 0.881 or 88.1% > 0.60 which according to Nunnally's (1960) criteria can be said to be reliable.

4.2 Classic Assumption Test

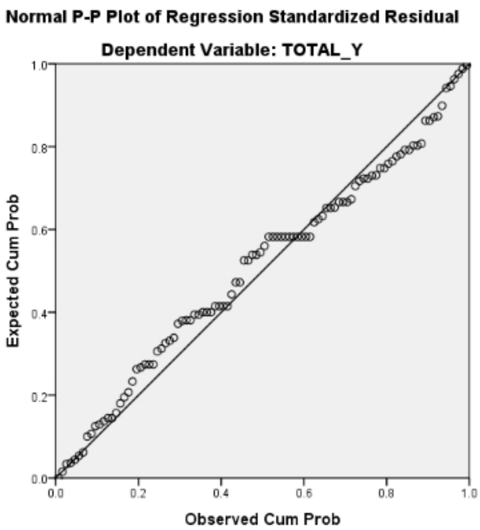
Table 1. Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.92394560
Most Extreme Differences	Absolute	.081
	Positive	.080
	Negative	-.081
Test Statistic		.081
Asymp. Sig. (2-tailed)		.102[c]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.

If the significance value (Sig.) is greater than 0.05, the research data is normally distributed. Based on the results of the normality test on the data, it is said to be normal.



It is said to be normal if the significance level value is >0.05 and vice versa, if <0.05 then the variable is said to be abnormal. Based on the results of the normality test on the data, it is said to be normal at the points above following the diagonal line, so the normality test is normal.

4.3 MulticollinearityTtest

VIF (Variance Inflation Factor). If the VIF is below or <10 and the tolerance value is above > 0.1 then multicollinearity does not occur.

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-4.223	2.409		-1.753	.083
	TOTAL_X1	.896	.172	.503	5.216	.000
	TOTAL_X2	.356	.097	.356	3.686	.000

Coefficients[a]

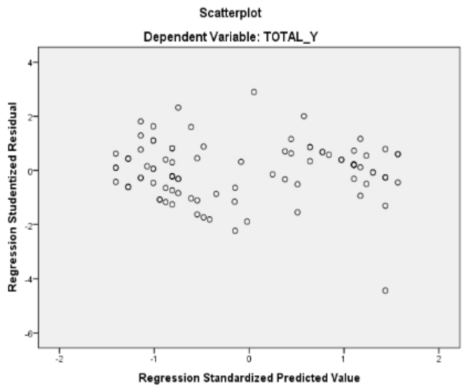
Model		Collinearity Statistics Tolerance	Collinearity Statistics VIF
1	(Constant)		
	TOTAL_X1	.372	2.687
	TOTAL_X2	.372	2.687

a. Dependent Variable: TOTAL_Y

It is known that the VIF value of the social media marketing (X1) and electronic word of mouth (X2) variables is 2.687 < 10 And the tolerance value is 0.372 > 0.1 So there is no multicollinearity in the data.

4.4 Heteroscedasticity Test

The heteroscedasticity test is to see whether there is an inequality of variance from one residual to another observation. There is no heteroscedasticity, if there is no certain pattern on the graph, such as converging in the middle, narrowing, then widening or conversely widening then narrowing (Sunjoyo, 2013:69).



This test uses a scare plot diagram where it can be concluded that if the dots spread above or below and the dots form a certain pattern then heteroscedasticity does not occur.

4.5 Autocorrelation Test

The autocorrelation test is to see whether there is a correlation between a period t and the previous period (t-1). According to Ghazali (2011; 11) there is no autocorrelation, if the Watson durbin value lies between du to (4-du).

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.763[a]	.582	.573	2.167	2.130

a. Predictors: (Constant), TOTAL_X1, TOTAL_X2

b. Dependent Variable: TOTAL_Y

K(2) and N(100) with sig 5% , Du (1.7152) < durbin Watson (2.130) < 4-du (2,2875) then It can be concluded that there are no symptoms of autocorrelation.

4.5 Linearity Test

Sig score. deviation from linearity > 0.05, then there is a relationship between the independent variable and the related variable. Sig score. deviation from linearity < 0.05 then there is no relationship between the independent variable and the related variable.

X1 (Social Media Marketing)

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
TOTAL_Y * TOTAL_X1	Between Groups	(Combined)	234.029	5	46.806	5.141	.000
		Linearity	187.788	1	187.788	20.627	.000
		Deviation from Linearity	46.241	4	11.560	1.270	.287
	Within Groups		855.761	94	9.104		
	Total		1089.790	99			

Sig score. deviation from linearity in X1 to Y of 0.287 > 0.05 is stated to have a linear relationship.

X2 (Electronic Word Of Mouth)

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
TOTAL_Y * TOTAL_X2	Between Groups	(Combined)	661.446	10	66.145	13.743	.000
		Linearity	620.565	1	620.565	128.939	.000
		Deviation from Linearity	40.881	9	4.542	.944	.492
	Within Groups		428.344	89	4.813		
	Total		1089.790	99			

Sig score. deviation from linearity in X2 to Y of 0.492 > 0.05 is stated to have a linear relationship.

4.5 Regression Test

The influence of X1 (social media marketing) on Y (purchasing decision)

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	2.969	4.801		.618	.538
	TOTAL_X1	.931	.206	.415	4.517	.000

a. Dependent Variable: TOTAL_Y

Y = a + b1.x1

= 2.969 + 0.931

The value a = 2,969. This value is a constant or condition when the purchasing decision variable (Y) has not been influenced by other variables. Namely the social media marketing variable (X1). If the independent variable does not exist then the purchasing decision variable (Y) does not change. b1.x1 (regression coefficient value X1) is 0.931. shows that the social media marketing variable (X1) has an influence on purchasing decisions (Y), which means that every increase of 1 after the social media marketing variable will influence purchasing decisions by 0.931 assuming other variables are not examined in this research.

The influence of X2 (electronic Word of Mouth) on Y (purchasing decision)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.641	1.680		3.357	.001
	TOTAL_X2	.755	.066	.755	11.385	.000

a. Dependent Variable: TOTAL_Y

Y = a + b1.x2

= 5.541 + 0,755

The value a = 5,541. This value is a constant or condition when the purchasing decision variable (Y) has not been influenced by other variables. Namely the electronic word of mouth variable (X2). If the independent variable does not exist then the purchasing decision variable (Y) does not change. b1.x2 (regression coefficient value X2) is 0.755. shows that the electronic word of mouth variable (X2) has an influence on purchasing decisions (Y), which means that every increase of 1 after the social media marketing variable will influence purchasing decisions by 0.755 assuming other variables are not examined in this research.

T Test

Significant score < 0.05 (accepted) as well as if t count scorei > from t tabe score (accepted)

X1 (Social Media Marketing)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.969	4.801		.618	.538
	TOTAL_X1	.931	.206	.415	4.517	.000

a. Dependent Variable: TOTAL_Y

Test the hypothesis Variable X1 to Y

Significant score 0.000 < 0.05 and T count 4,517 > 1,984

In accordance with the table above, the results of the t test (partial) show that the significance value of the influence of social media marketing (X1) on purchasing decisions (Y) is 0.000 < 0.05 and the calculated t value is 4.517 > 1.984, so H01 is accepted. Ha1 is accepted. This means that there is an influence of social media marketing on decisions.

X2 (Electronic Word of Mouth)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.641	1.680		3.357	.001
	TOTAL_X2	.755	.066	.755	11.385	.000

a. Dependent Variable: TOTAL_Y

Test the hypothesis variable X2 to Y

The regression of Variable X2 to Y show the Significant score 0.000 < 0.05 and The calculated T count is 11.385 > 1.984

In accordance with the table above, the results of the t test (partial) show that the significance value of the influence of electronic word of mouth (X2) on purchasing decisions (Y) is 0.000 < 0.05 and the calculated t value is 11.385 > 1.984, so H01 is accepted. Ha1 is accepted. This means that there is a significant influence of electronic word of mouth on purchasing decisions.

F Test

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	634.333	2	317.167	67.548	.000[b]
	Residual	455.457	97	4.695		
	Total	1089.790	99			

a. Dependent Variable: TOTAL_Y
b. Predictors: (Constant), TOTAL_X1, TOTAL_X2

Significant Score 0.000 < 0.05 if count score = 67.548 > f table score 3.09

From the table above, it can be concluded that the influence of social media marketing (X1) electronic word of mouth (X2) on purchasing decisions (Y) is 0.000 < 0.05 and f count is 67,548 > f table value 3.09. This proves that H3 is accepted. This means that there is a significant influence of social media marketing (X1), electronic word of mouth (X2) on purchasing decisions (Y)..

Determination Coefficient

X1 (Social Media Marketing)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.415[a]	.172	.164	3.034

a. Predictors: (Constant), TOTAL_X1

Based on the output above, it is known that the r square value is 0.172, this means that the influence of variable X1 simultaneously on variable Y is 17.2%.

X2 (Electronic Word Of Mouth)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.755[a]	.569	.565	2.188

a. Predictors: (Constant), TOTAL_X2

Based on the output above, it is known that the r square value is 0.569, this means that the influence of variable X2 simultaneously on variable Y is 56.9%.

5. Conclusion and Suggestion

From the results of data analysis that has been carried out using descriptive analysis and multiple linear regression analysis, it can be concluded:

1. Social media marketing has an influence on Y of 17.2%. This is evident from the results of the coefficient of determination (R Square) of 0.172, while the remaining 82.8% is influenced by other variables not discussed in this research.
2. Electronic word of mouth has an influence on Y of 56.9%. This is evident from the results of the coefficient of determination (R Square) of 0.569, while the remaining 43.1% is influenced by other variables not discussed in this research.
3. Social Media Marketing and Electronic word of mouth have an influence on Y of 58.2%. This is evident from the results of the coefficient of determination (R Square) of 0.582, while the remaining 41.8% is influenced by other variables not discussed in this research.

Implications

In this research there are implications that have a positive influence on the company. No matter how small the influence of social media marketing and electronic word of mouth will have a positive impact on the company. In the future, companies must pay attention to the attention and support from consumers given to the company via Netflix social media.

Suggestions

By referring to the results of this research, the author can take suggestions that can be useful in making company decisions and suggestions for further research who are interested in conducting research by raising similar topics or those related to social media marketing and electronic word of mouth in order to produce new and more interesting findings. deep and useful:

1. Suggestions for Companies
   Companies can continue to improve the information from the content provided to their users. With the variety of content that Netflix has, perhaps Netflix can add information links regarding directors, actors/actresses, and studios that play a role in content. Apart from that, Netflix can also provide choices or options that allow users to choose content provided by Netflix in other countries.
2. Suggestions for researchers
   For researchers who want to continue research on variables similar to this research, it would be better if they could look for research objects that have competitiveness so that future developments can be carried out and research results can be compared. Research objects that can be used include Viu, We TV, HBO Go, or Apple TV which are competitors of Netflix.

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EFFECT ONLINE CUSTOMER REVIEW AND ONLINE CUSTOMER RATING ON PURCHASING DECISION EMINA'S SKINCARE THROUGH SHOPEE

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ABSTRACT

The research aim to determine the influence of online customer review's and online customer rating's on purchasing decisions for Emina skincare products among Shopee users in Medan Sunggal district. The type of research used in this research is a quantitative approach. The sampling technique in this research is a probability sampling technique. The sample in this study was 115 people from Medan Sunggal District. The data obtained used primary data in the form of a questionnaire and was analyzed using multiple linear regression analysis methods using the SPSS 26 program. Based on hypothesis testing that 1) the Online Customer Review (X1) variable had a positive effect and significant with a tcount value of 3.754 so it is known that the tcount value > ttable 1.9814. And the p-value in the sig column is 0.00 < 0.05, which means it has a significant effect. 2) the online customer rating variable on purchasing decisions (X2) has a positive and significant effect on purchasing decisions with a tcount value of 2.341, so it is known that the tcount value > ttable 1.9814. And the p-value in the sig column is 0.021 < 0.05, which means it has a significant effect. 3) It is known that the online customer review and online customer rating variables on purchasing decisions based on the F test results show that the tcount value is 83,924 > > 3,0773, so that the t count > t table. And the p-value in the sig column is 0.00 < 0.05. Which means that the independent variables, namely online customer reviews and online customer ratings, have a significant and influential effect on purchasing decisions.

ARTICLE INFO

Keywords:
Online Customer Review, Online Customer rating, Purchasing Decision

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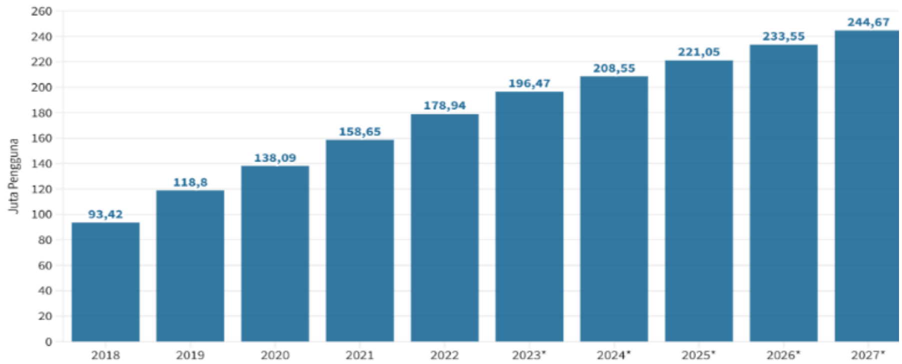
1. Introduction

Globalization and the development of technology become inseparable. It is undeniable as a human living in the age of technology 4.0 that changes. As for the change at the moment is the interest in public spending that goes from conventional to technological bases. The changes nowdays is buying interest. The evidence phenomenon is e-commerce. In line with the development of technology, it has brought changes in consumer behavior, namely from shopping at an offline shop to an online shop or what is now known as e-commerce. The emergence of E-Commerce creates opportunities for small, medium, or large entrepreneurs in advancing their business (Kamisa et al., 2022). The ease and comfort felt by the user is like shopping in the form of it offline. This results in an online trading transaction (e-commerce) in Indonesia having a bright future. After all, the market value increased by the last 5 years to 2018-2022. According to one online website or application that facilitates the process of buying and developing concepts similar to the traditional market, owners are essentially irresponsible of the goods sold because their job is to provide a place for sellers who want to sell and help them to meet customers with easier and simpler transactions.

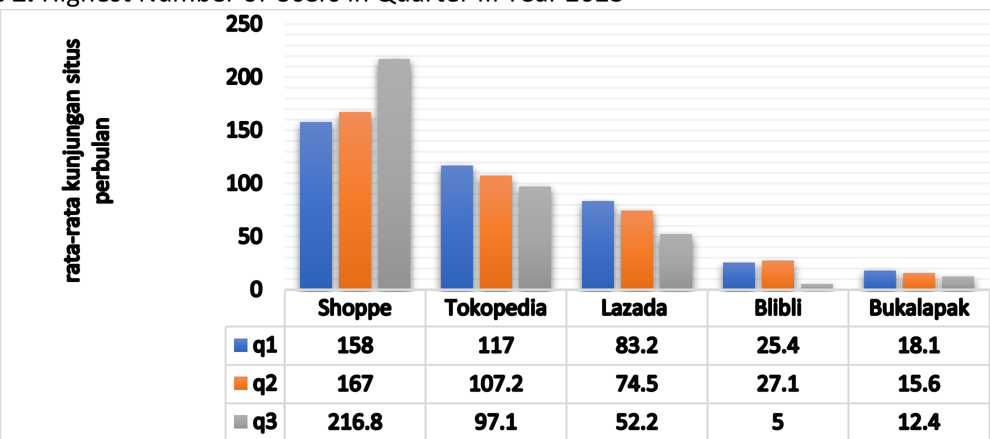
Figure 1. Projection E-commerce's user in Indonesia year 2018-2027



Source: dataindonesia.id (2023)

Based on Figure 1, shows that projections on e-commerce in Indonesia 2018-2027 continued to rise. The largest increase in the number of users was in 2019 by 27.1% or about 25.38 million. This number continues to rise with the following year. The year 2020 user e-commerce reached 138.09 million users and even at the end of 2023 users reached 196.47 million and the user estimate from e-commerce to 2027 would be 244.67 million. that shown user e-commerce is increasing significantly. The pattern of people tending to shop at e-commerce eventually made commodities innovate consumer needs. In Indonesia there are many official sites for online shopees, lazada, tokopedia, blibli, zalora and many others. Nowadays the top e-commerce most visited is Shopee.

Figure 2. Highest Number of Users in Quarter III Year 2023



Source : Databooks (2023)

The Shopee is the most visited in the I quarter (January through march) of shopee use as much as 158 million. In second quarter shopee user increased by 5.69% or an estimated 9 million users. In the quarter of III, users rise rapidly by 29.8 percent to 216.8 million. In the year 2023 shopee occupied the top e-commerce.One of the most searched products in the shopee is the product of care and the face sold primarily because of the need for treatment and beauty. Beauty care is known as skincare. After the covid-19 changed social behavior patterns that prefer online shopping. People spend more time on Internet websites and take better care of themselves from home. when skincare rife in the community, Local and foreign skincare appear to compete to market their products with their own excellence. One of them is Emina. In studies of Trivena & Erdiansyah (2022), the skincare market spread in Indonesia is encouraged by women's awareness of skincare and high interest in beauty supported by the 2020 Indonesian zap research, with 45.4% of women already using skincare products before age 18.

Figure 3. Best Selling 10 Brand Skincare in Ecommerce in Quarter II Sales 2022

Source:compass.co.id (2022)

Based on the Figure 3 Emina is in the 9th place, with a total of 7.4 billion in net profit of quarter II in 2022. Many skincare in the market affected the decision of consumer purchase of brand Emina. According to Zubaidah & Latief (2022), a decision of purchase is a stage in which the buyer has made a decision to actually buy, or the decision of purchase is individual thought to evaluate options and to decide choices on a product of many choices. From the standpoint of the buyer, it is very difficult to make a decision and consider some options. As for the factors affecting purchasing decisions, there are online customer reviews and online customer rating.

2. Literature Review

Studies of Jaya & Mutiara, (2022) Purchasing decision part of consumer behavior study of how individuals, groups,and organization, select, buy, use, and dispose of goods, service, ideas, or experience to satisfy their needs and wants. In purchasing decisions consumers also need to pay attention to factors such as online customer reviews and online customer ratings, The decision of purchase on e-commerce will grow well if the trust of the customer is guarded by the vendor (tsani et al., 2023). According to the hidayat (2017) purchasing decisions are the integration process used to combine knowledge to evaluate two or more alternative behaviors and choose one of them. The consumer decision is a problem-solving approach to human activities to purchase an item or service in fulfilling its wants and needs. The measurement to measure the purchasing decision variable is Confidence in purchasing a product, The habit of buying a product, recommend product to others, re-purchasing product (Zed et al., 2023)

Online customer review is a word of mouth communication form on online sales where prospective buyers receive information about products from customers who have benefited from the product (Ardianti &Widiartanto,2019). Online customer review according to Auliya et al, (2017) is an assessment of products or companies given by consumers can be positive or negative, a assessment made according to the experience of the person doing the review. Study of Riyanjaya & Andarini (2022) the measurement of online customer review variable is source credibility, argument quality, perceived usefulness, review valence, quantity of reviews.

According to Hariyanto dan Trisunarno (2020) online customer ratings are the opinion of the overall customer that not only refers to online products purchased but also includes services given by online vendors or stores. According to noviani & siswanto (2022) online customer rating is the opinion of the buyer that delivered the use of star symbols after buying and receiving a seller's service. According to Rarung et al, (2022) online customer ratings include comments that use stars as symbols of assessment rather than the sentence when consumers express their opinions. The study of Komariyah, (2022) measurement online customer rating variable is credible,expertise, and likeable.

3. Method, Data, and Analysis

The kind of research used in this study use quantitative data analysis (ali :2014). A quantitative approach is also called with hard data. A hard data form is either a number or a number of social Numbers or a measure of associative research, one that aims to analyze the relationship or influence between two or more variables. Research types explain the relationship between two or more variables. To measure the variable values that research studies using measurement instruments is the likert scale. On the likert scale, the measured variables use variable indicators and serve as measuring points for instrumentation of questions or statements. Researchers provide an alternative answer to respondents on a scale of 1 to 5 for this purpose. The sample sampling technique use a non probability sampling, which is a sample retrieval technique that does not give each element or member of the population the same opportunity to be chosen as a sample (Sugiyono, 2017). The type of non-sampling used is an impressive. sample is a special-forming technique. The approach method used in this study is a quantitative study method, with data analysis consisting of validation tests, reabilities tests, descriptive statistical tests, classic assumptions test, linear regression analysis, hypothetical testing (t and F test), and determination test.

4. Result and Discussion

4.1 PT. Paragon Technology And Innovation Profile

Paragon Technology and Innovation is a beauty company for women and men, established since 1985 with brands known as Wardah, Make Over, Emina and Kahf. One notable brand, among other things, is that Emina stood up in 2015, earning an award for caring for young people's skin. A company committed to having the best corporate governance and continuous improvement, in order to make each day better than yesterday, through high quality products that benefit the Paragonians, partners, society and the environment.

4.2 Validity and Reliable Data Test

Table 1. Validity Test Of Variables

Variable	Instrument	r count	r table	Statement
***Online Customer Rating* (X1)**	X1.1	0,686	0,361	Valid
	X1.2	0,530	0,361	Valid
	X1.3	0,870	0,361	Valid
	X1.4	0,827	0,361	Valid
	X1.5	0,764	0,361	Valid
	X1.6	0,783	0,361	Valid
	X1.7	0,672	0,361	Valid
	X1.8	0,620	0,361	Valid
	X1.9	0,668	0,361	Valid
	X1.10	0,701	0,361	Valid
***Online Customer Rating* (X2)**	X2.1	0,705	0,361	Valid
	X2.2	0,457	0,361	Valid
	X2.3	0,770	0,361	Valid
	X2.4	0,599	0,361	Valid
	X2.5	0,779	0,361	Valid
	X2.6	0,491	0,361	Valid
Purchasing Decision (Y)	Y.1	0,725	0,361	Valid
	Y.2	0,838	0,361	Valid
	Y.3	0,845	0,361	Valid
	Y.4	0,796	0,361	Valid
	Y.5	0,820	0,361	Valid
	Y.6	0,734	0,361	Valid
	Y.7	0,713	0,361	Valid

Source: SPSS data processing result (2024)

The validity test in this study will be conducted for 30 respondents outside of the research sample, the formulas if r count ≥ 0.361 the instrument is declared valid. Based on table 1, each variable online customer review, online customer rating and purchasing decision shown all the instrument are valid.

Table 2. Reliable Test

Variable	Cronbach's Alfa	N of item	Description
X1	0,928	10	Reliabel
X2	0,865	6	Reliabel
Y	0,943	7	Reliabel

Source: SPSS data processing result (2024)

Based on table 2, the value of cronbach's alpha in each variable online customer review, online customer rating ,and purchasing decision is bigger than 0,60. Related to Sunyoto (2009) something constructive is said to be reliable if it values cronbach alpha > 0,60. The conclusion of the results item's questionnare on this study is declared valid.

Classical Assumption Test Results

Table 3. Normality Test *Kolmogorov-Smirnov*

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		115
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	3.85465040
Most Extreme Differences	Absolute	.066
	Positive	.052
	Negative	-.066
Test Statistic		.066
Asymp. Sig. (2-tailed)		.200[c,d]

From the feast of table 3 data, it can be seen that the value of asymp. Sig (2 tailed) that is 0.200, which a significant value criteria larger than 0.05 and the data is perfectly distributed.

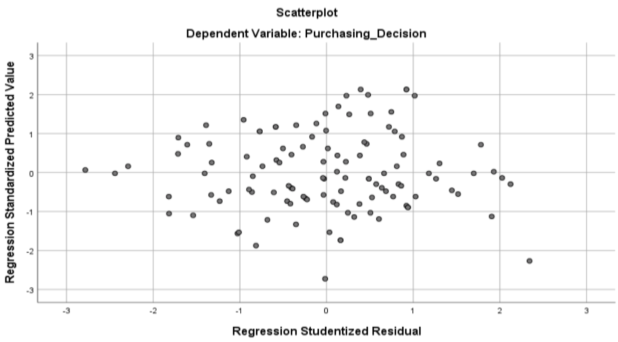
Table 4. Multicollinearity Test

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.895	3.667		.790	.431		
	Online_Customer Review	.377	.100	.362	3.754	.000	.698	1.432
	Online_Customer Rating	.326	.139	.226	2.341	.021	.698	1.432
a. Dependent Variable: Purchasing_Decision								

Source: SPSS data processing result (2024)

Based on table 4 online customer review and online customer rating have the same value, then the criteria that can be tested by the tolerance values. The online customer review and online customer rating variable values of 0.698 > 0.05 and the VIF value is 1.432 > 10.00, so it can be concluded that this does not happen multicollinearity between independent variables.

Figure 4. Heteroscedasicity Test



In figure 4 shows a diffusion of data using the scatterplot data test. As for random and dispersed data, it does not have a specific pattern. It could be concluded that there are no heterosity symptoms in the regression of the study.

Table 5. Multiple Regression Analysis Test Results

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Beta	T	Sig.
1	(Constant)	2.895	3.667		.790	.431
	Online_Customer_Review	.377	.100	.362	3.754	.000
	Online_Customer_Rating	.326	.139	.226	2.341	.021

Source: SPSS data processing result (2024)

$$Y= \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

$$\mathbf{Y= 2{,}895+ 0{,}377\ X_1 + 0{,}326\ X_2 + e}$$

Based on the equation form the calculation the regression test could be describe, as follow

1. The constanta value is positive and show the influence of the independent variables X1 and X2
2. Coefficient value of the variable X1 Based on the results of the test using the SPSS is (0,377) where if the variable X1 increases by one unit, Y will increases by (0,377 or 37.7%)
3. Coefficient value of the variable X2 Based on the results of the test using the SPSS is (0,377) where if the variable X2 increases by one unit, Y will increases by (0,326 or 32.6%)

Table 6. Simultaneous Test (F test)

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	632.881	2	316.440	83.694	.000[b]
	Residual	423.462	112	3.781		
	Total	1056.343	114			

Source: SPSS data processing result (2024)

Based on the SPSS data processing presented at table 8 that the value f of the amount obtained is 83,694, where the value of the f count is greater than f table is 83,924 > 3,0773 or 0,000 < 0.05. then it is explained where the relationship between online customer review and online customer rating simultaneosly and significantly influence purchase decision.

Table 7. Partial Test (t test)

Coefficients[a]								
Model		Unstandardized B	Unstandardized Std.	Standardized Beta	T	Sig.	Collinearity Tolerance	Collinearity VIF
1	(Constant)	2.895	3.667		.790	.431		
	Online_Customer_Review	.377	.100	.362	3.754	.000	.698	1.432
	Online_Customer_Rating	.326	.139	.226	2.341	.021	.698	1.432

Source: SPSS data processing result (2024)

Based on the results of the test using the SPSS describe, as follow:

1. According to the first hypothesis, the online customer review is influential and significant to the decision of the purchase of t at a value of (3.753 > 1.9814) and a sig value.
2. Based on the results of the test using the SPSS. Thus, according to the second hypothesis that online customer ratings can be significantly affected by the decision of the purchase, with a t-count of the online-customer rating (2341 > 1.9814) and a significant value of 0.021 < 0.05.

Table 10. Coeffecient of Determination (R2)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.774[a]	.599	.592	1.944

a. Predictors: (Constant), Online_Customer_Rating, Online_Customer_Review

Source: SPSS data processing result (2024)I

Adjusted R square a value of 0.592 indicates that the characteristics of online customer review and online customer rating could explain the decision of purchase of 59.9%. The remaining 40.1% can be explained by other factors not studied in the study**.**

Discussion

1. Based on t- test result, it was obtained that the variable online customer review (X1) has a partial positive and significant impact on the purchase decisions (Y) of skincare Emina products to shopee users in the surrounding medan sunggal district. The results obtained by at tcount of as much as (3.753 > 1.9814) and a sig. 0.00 < 0.05. it shows the first hypothesis is approved. Based on an average of 115 response through online customer review's measurement, show that the review feature's on the shopee is very helpful for consumers to get the benefits of skincare products despite previous user review's. Besides, consumers believe that reviews can be considered as a decision to buy because the review Emina is quite meaningfull. So this is in line with the research Rarung et al., (2022), that online custome review has a positive and significant influence on the purchase decision E- coffe and roastery manado.
2. Based on t- test result that online customer rating variable (X2) has a positive and significant influence partially on the purchase decision (Y) of the Emina skincare product on Shopee users in Medan Sunggal district. The result is the t value of the counting of online customer ratings variables (2,341 > 1,9814) and the significance value of 0.021 < 0.05. it shows second hypothesis is approved. As a result of 115 respondent's response , they stated that the rating of Emina in shopee platform was very helpful to the customer when deciding to buy, respondent said that through the product, rating can interpret the advantages and disadvantages of the product. And also with the availability of the selection rating not only to the product but to the store, store's service can be rated directly by the customer. However, a small proportion of the respondents are less interested in the rating when to buy, because rating only show as a star with a score of 1-5 less represents the truth of a product. So according to research conducted by Ardianti, & Widiartanto (2019) The Effect of Online Customer Review, Online customer rating, on Shopee Marketplace Purchasing Decisions (FISIP Study on Active Students) that online
3. Based on the data processing results presented in the Table that the number of F values obtained is 83,694, where the number F value is greater than the table of F is 83.694 >3,0773 or (0,00 < 0,05). So on the third hypothesis is approved. Survey of respondent responses consciously make the purchase decision by considering reviews and ratings, respondents also stated the existence of reviews and rating based on the experience that has already purchased emina products. Even review/rating helps consumers get the right product and according to the needs of consumers. With the presence of reviews / ratings in the store or online store Skincare Emina products then will be very helpful customer to choose or make a purchase decision. According to Zed et al., (2023) online customer review and online customer rating on online purchasing decisions in e-commerce in students of the University of Pelita Nations, the results of online customer reviews and online client ratings simultaneously have a positive and significant influence on online shopping decisions in the e- commerce in students.

5. Conclusion and Suggestion

Conclusion

The study aims to find out and analyze the extent of its influence on online customer review and online customer ratings against skincare emina decision to buy skincare emina products in the shopee Medan Sunggal District. The conclusions in this study are presented

1. Partial, variable online customer review, online customer rating, has a positive and significant impact on skincare emina consumer purchase decisions in the shopee district.
2. Simultaneously, variables of online customer rating and online customer review have a positive and significant impact on skincare emina consumer purchase decisions in the shopee district.
3. Based on coefficient calculations, it shows a value of 59.2% of factor factors-decision factors can be explained by online customer review and online customer rating. The remaining 39.8% can be explained by other factors not included in the study.

Suggestion

1. The result of variable research for online customer review affects the variable decision of purchases. Emina's review and comments have been offered by many consumer users who have previously made purchases, the writer suggest that official stores emina give the customer who providing a review/rating in comment boxes/review coloumn by reviewing eminas's product of pictures and videos so that skincare emina's information can be enjoyed by the entire consumer/prospective consumer. With a variety of skincare emina commentaries on skincare emina products that can help customers to consider the decision to purchase, review and rating will increase customer confidence, and the need for official stores and star's store increases the credibility of the online customer review and the online customer rating in order to minimize the existing fake rating that sells emina products, this may undermine the trust of prospective customers, Because reviews and ratings are a brand's reputation on an online site effect the revenue. If reputation is good then sales will also increase.
2. It is hoped that it will be possible for researchers to examine the factors outside of online customer review and online customer ratings. Further researchers can use the addition of other variables such as: Social media, and Brand Ambassador which can influence purchasing decisions

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COMPARATIVE ANALYSIS OF SUSTAINABILITY REPORTS OF COAL PRODUCTION SUB-SECTOR MINING COMPANIES BASED ON GLOBAL REPORTING INITIATIVE STANDARDS

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ABSTRACT

Introduction/Main Objectives: This study aims to conduct a comparative analysis of the sustainability report of mining companies in the coal production sub-sector listed on the Indonesia Stock Exchange. Global Reporting Initiative standards as a reference in the analysis of all selected companies. **Background Problems:** Not all companies listed on the Indonesian stock exchange make sustainability reports as a form of reporting on social responsibility activities through each company's corporate social responsibility program. **Novelty:** Based on the results of the review of sustainability reports, it was found that not all disclosures on specific topics refer to the Global Reporting Initiative Standards. This is because company sustainability reporting is still voluntary**. Research Methods:** This study uses descriptive qualitative research. Through reference to GRI Standards Series 200, 300, and 400 through disclosure of specific topics for each company. Then, content analysis was carried out to obtain results for the study using content analysis techniques and comparative methods. **Finding/Results:** The analysis of comparative analysis disclosed in sustainability reports shows specific topics on economic, environmental, and social aspects disclosed by 11 companies that make sustainability reports that refer to the Global Reporting Initiative standards. The level of disclosure of specific topics for each aspect and each company varies according to the social responsibility activities that have been carried out. This indicates that not all of them disclose according to specific topics in the GRI Standards, and most of the selected companies have implemented corporate social responsibility through the Corporate Social Responsibility program as an effort to prepare for business sustainability. **Conclusion:** Based on the results of the research

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analysis, it can be concluded that 11 companies have started making sustainability reports that refer to the GRI Standards. With an average disclosure percentage for each aspect above 50%, it shows that the company is starting to make sustainability reports that can be accessed by stakeholders. This shows the company's seriousness in carrying out social responsibility around the company's operations.

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1. Introduction

The public's perception of the role of business in society is growing. It must be acknowledged that the business world contributes to economic growth, job creation, and wealth accumulation. However, the business world is also considered to have various non-economic roles and interests. (Nguyen et al., 2018). Modern business organizations face increasing pressure over time from various stakeholders in meeting the needs and expectations of society as well as implementing good operations and gaining profits from organizational activities (De Villiers et al., 2014; Orazalin & Mahmood, 2020). The perception of the role of business in society has changed, encouraging companies to always consider broader outputs and results rather than just pursuing profits. Companies implement policies through efforts to increase corporate social responsibility, business ethics, and the extent of company operations to meet stakeholder demands (Smith & Rhiney, 2020).

Business competition makes companies try to be at the forefront by changing themselves through new strategies and ideas for business sustainability (Caesaria & Basuki, 2017; Taib et al., 2015). Corporate social responsibility is an important issue for the company's agenda (Rhiney, 2020). Integrate CSR into a central business objective. Ensuring organizations continue to develop and implement various strategies to support and encourage business growth. Companies preparing for business continuity must have special tips. Strategy and innovation will help and encourage its growth (García-Chiang, 2018). Companies need to continue to pay attention to the interests of stakeholders. Corporate actions to address environmental and social issues are known as corporate social responsibility (CSR). CSR is related to and seeks to balance environmental, social, and economic factors (Halkos & Nomikos, 2021).

The Coalition for Economically Responsible Economies (Ceres) introduced the Global Reporting Initiative (GRI) to develop a sustainability framework in the form of information disclosure in the form of a Sustainability Report. The United Nations Environment Program (UNEP) collaborated with Ceres in 1999 on the GRI project. In 2000, the GRI Sustainability Reporting Guidelines were published and nearly 50 companies have published sustainability reports guided by GRI. A year later, GRI became an independent organization in the Netherlands. GRI was introduced so that it could become a reporting guide that adopts the triple bottom line: economic, social and environmental performance. GRI uses the basic line of the Triple Bottom Line which refers to three main aspects, namely Profit, People and Planet (Sukoharsono, 2019). GRI states that "the triple bottom line, namely economic, environmental, and social performance (based on Elkington 1997), is a starting point that can be understood by many people and has achieved a degree of agreement as a reasonable entry point into a complex problem (Langer, 2006).

By referring to the GRI Standards in making sustainability reports, it is hoped that the process of transparency and accountability in corporate governance can be realized. The value obtained by a company if it makes a sustainability report that refers to GRI standards can increase investors' confidence in investing because they think the company pays attention to the economic, social, and environmental factors around which the company operates.

As a business entity, the company must take full responsibility for the activities it has carried out. Stakeholders must synergize with the company so that the company's activities do not damage order in the economic, social, and environmental fields. Matters that need to be conveyed in the form of corporate care activities contained in CSR activities are included in the sustainability report, which refers to the Global Reporting Initiative (GRI) Standards.

Many large companies that drive global economic growth and technological progress have been criticized for hurting social and environmental problems such as waste, pollution, and resource depletion. Developing countries seek to drive global economic growth by shrinking their environmental and ecological space and depleting resources (Rathnayaka Mudiyanselage, 2018; Reverte, 2009). Oil and gas companies face greater scrutiny from various stakeholders regarding economic, environmental, and social performance due to the characteristics of their products (Laplume et al., 2008; Orazalin & Mahmood, 2020).

Eweje (2014) said that sustainability research has increased in developing countries in recent years. However, the literature has emphasized how important it is to research sustainability in institutional environments different from those of the West (Laquimia & Eweje, 2014; Muttakin et al., 2015; Rathnayaka Mudiyanselage, 2018; Reverte, 2009). Here, sustainability reporting is considered an important channel for organizations to meet the needs and expectations of all stakeholders. Businesses can increase transparency, improve reputation, increase legitimacy and brand value, reduce information asymmetry, motivate managers and employees, and improve overall corporate image by disclosing sustainability information in a diverse and detailed manner (Herzig & Schaltegger, 2006; Kiliç et al., 2015; Orazalin & Mahmood, 2020). Sustainability reports consist of three main components, according to GRI. First, general disclosure is a report of relevant data about how a company reports sustainability. Second, disclosure of management strategy involves disclosing details about how the company is dealing with significant problems. Third, disclosure of special topics aims to convey information about organizational effects (Nurhidayah et al., 2023). The increasing use of sustainability reporting is based on the ideal of transparency, assuming that the information reported provides the most complete and realistic portrait of the possible positive and negative impacts of corporate activities (Boiral, 2013).

Sustainability is a topic in all business sectors, including the mining industry. Synergy between stakeholders is needed to create a sustainable environment and business practices. The mining industry, in carrying out operational activities, has a relatively large impact on the balance of nature in the form of environmental, social, and economic impacts. The quality and level of transparency in sustainability reports between companies in the coal production sub-sector vary. A comparative analysis of these sustainability reports is needed to identify companies complying with GRI standards and managing sustainability impacts. Through this analysis, best practices, shortcomings, and opportunities for improvement can be identified to improve sustainability performance in this sector. This research aims to conduct a comparative analysis of the sustainability reports of mining companies in the coal production sub-sector based on GRI standards. Thus, it is hoped that this research will provide valuable insights for companies, regulators, and other stakeholders in increasing transparency and accountability in sustainability reporting in the mining industry.

2. Literature Review

The GRI standards are guidelines issued by an independent international standardization body headquartered in Amsterdam, namely the Global Reporting Initiative. The GRI Standards are the latest standards published by GRI to make it easier for corporations to create sustainability reports. These standards were published in the fourth quarter of 2016. In 2017, many companies in Indonesia adapted and used GRI standards as sustainability reporting guidelines. GRI is an internationally recognized sustainability reporting standard that provides guidelines for companies to report on a company's economic, environmental, and social impacts.

The advantages of using GRI standards include

a. Comprehensive Framework: GRI indicators are relevant to a wide range of industries, including mining.
b. Comparability: Allows comparisons to be made between companies and sectors.
c. Transparency: Promote transparency and accountability in sustainability reporting.

The sustainability report produced by the company will provide benefits for the company in the form of:

a. Communicating Sustainability Performance: The company's commitment to responsible business practices to stakeholders, including investors, government, and society.
b. Evaluating Risks and Opportunities: Reporting can identify environmental and social risks and opportunities for continuous improvement.
c. Improving Reputation: Transparency in sustainability reporting can improve the reputation and public trust in a company.

The concept of corporate social responsibility has been known since the 1970s, known as stakeholder theory, which was introduced by the Standford Research Institute in 1963 (Freeman 1984). Freeman (1984; 46) states that stakeholders are organizations, groups, or individuals who can be influenced and influence organizational goals. According to stakeholder theory, a company is not just an entity that operates for its interests and profit but also provides benefits to its stakeholders, consisting of shareholders, creditors, consumers, suppliers, the government, society, analysts, and other parties. Stakeholder theory is a theory that reveals that company sustainability cannot be separated from the roles of internal and external stakeholders (Lindawati et al., 2015).

This concept was not just born but went through various stages first. The echo of CSR began to be felt in the 1950s. CSR, which is now being implemented by many companies, has undergone evolution and metamorphosis over a long period. The book entitled Social Responsibility of the Businessman by Howard R. Bowen, written in 1953, is an early piece of literature that became a milestone in the modern history of CSR. Bowen is nicknamed the "Father of CSR" because of his work.

3. Method, Data, and Analysis

This study uses a descriptive-qualitative research approach. Qualitative research is an analysis technique to understand the phenomenal things that research subjects feel (Saldaña, 2011). This study uses a case study by reviewing documents in the form of sustainability reports of the mining industry on the Indonesia Stock Exchange in the coal production sub-sector for 2022. The sustainability report was obtained from the website of the company that published it. Researchers collect complete and in- depth information according to data disclosing specific topics in the economic category, environmental category, and social category as the focus of the research. Based on a series of 200 specific topics, economics has seven main topics and 14 specific disclosures as derivatives. Based on a series of 300 specific topics, the environment has eight main topics and 27 specific disclosures as derivatives. Based on a series of 400 specific topics, social has 18 main topics and 29 specific disclosures as derivatives.

The disclosure index is carried out as follows: a. Give a score to each disclosure item. If it is disclosed, it is given a value of 1, and if it is not disclosed, it is given a value of 0. b. The scores for

disclosure are added up, and then a percentage calculation is made as an analysis tool. The analysis techniques used are content analysis and comparative methods. Content analysis is a research technique to examine and prove the truth of certain words in a text. Content analysis is a research technique to examine and prove the truth of certain words in a text or collection of texts (Al Hamzah et al., 2023; Ningsih dan Cheisviyanny, 2019). This study aims to show the disclosure of sustainability reports by 11 (eleven) coal production companies have been published and compare disclosures on specific topics from these companies.

This study is based on the results of previous research that used the GRI Standards to assess company transparency and accountability in disclosing company activities and corporate social responsibility. Through the GRI Standards, it will be seen the level of seriousness of the company in providing information to stakeholders, which is disclosed in the sustainability report. A research article created by Gallego (2006) explains the use of economic, social, and environmental indicators in company sustainability reports in Spain and shows that companies that implement GRI standards tend to have more transparent and comprehensive reporting. Adams & Frost (2008) revealed that companies integrate sustainability reporting into their management practices. GRI standards help companies identify and manage risks and opportunities related to sustainability. In addition, research by Jenkins and Yakovleva (2006) revealed trends in social and environmental disclosure in the mining industry. shows that mining companies that use GRI standards are more likely to disclose relevant and important information regarding their social and environmental impacts. Research on the analysis of indicators for the disclosure of corporate sustainability reports shows that the GRI standards provide a clear framework for companies to systematically disclose various aspects of sustainability (Roca & Searcy, 2012). This supports the conclusion that historical analysis of sustainability reporting and its assurance throughout the world shows the importance of GRI standards in improving the quality and credibility of sustainability reports (Junior et al., 2014). The research results, according to Hahn & Kühnen (2013), reveal various factors that influence corporate sustainability reporting. Adoption of GRI standards is one of the main determinants that encourages companies to report sustainability information in more detail. Research conducted by

Clarkson et al. (2008) analyzed the relationship between environmental performance and environmental disclosure in sustainability reports. The findings show that companies with good environmental performance tend to use GRI standards to disclose information more openly.

4. Result and Discussion

Indonesia is the largest mining-producing country in the world, with the second-largest gold contribution in the world after China. Indonesia occupies the third-top position in the world for nickel and gold minerals. With its extraordinary mining potential, Indonesia is always in the top ten in the world. The Indonesian Stock Exchange has seven different mining sub-industries, namely coal production, oil and gas production and refinery, gold, iron and steel, diversified metals and minerals, cooper, and aluminum.

This article only focuses on companies that are included in the coal production sub-sector. From the results of accessing all coal production company websites, 34 companies are sorted according to their focus on making sustainability reports to measure the disclosure of specific topics from economic, environmental, and social aspects.

Table 1. List of companies in the coal production sub-sector

No	Company Name	Information	Selection Results
1	**PT. Adaro Energy Tbk - ADRO**	**create a Sustainability Report**	**v**
2	PT. Akbar Indo Makmur Stimec Tbk - AIMS	the website cannot be accessed	
3	PT. Atlas Resources Tbk - ARII	only make annual reports and financial reports	
4	PT. Borneo Olah Sarana Sukses Tbk - BOSS	only make annual reports and financial reports	
5	PT. Baramulti Suksessarana Tbk - BSSR	based on POJK NO 51/POJK.03/2017	
6	**PT. Bumi Resources Tbk - BUMI**	**create a Sustainability Report**	**v**
7	**PT. Bayan Resources Tbk - BYAN**	**create a Sustainability Report**	**v**
8	PT. Dian Swastatika Sentosa Tbk - DSSA	only make annual reports and financial reports	
9	**PT. Golden Energy Mines Tbk - GEMS**	**create a Sustainability Report**	**v**
10	PT. Garda Tujuh Buana Tbk - GTBO	only make annual reports and financial reports	
11	**PT. Harum Energy Tbk - HRUM**	**create a Sustainability Report**	**v**
12	**PT. Indika Energy Tbk - INDY**	**create a Sustainability Report**	**v**
13	**PT. Indo Tambangraya Megah Tbk - ITMG**	**create a Sustainability Report**	**v**
14	PT. Resource Alam Indonesia Tbk - KKGI	only make annual reports and financial reports	
15	PT. Mitrabara Adiperdana Tbk - MBAP	based on POJK NO 51/POJK.03/2017	
16	**PT. Bukit Asam Tbk - PTBA**	**create a Sustainability Report**	**v**
17	PT. Golden Eagle Energy Tbk - SMMT	based on POJK NO 51/POJK.03/2017	
18	PT. TBS Energi Utama Tbk - TOBA	based on SEOJK No. 16/2021	
19	PT. Trada Alam Mineral Tbk - TRAM	only make annual reports and financial reports	
20	PT. Pelayaran Nasional Bina Buana Raya Tbk - BBRM	based on POJK NO 51/POJK.03/2017	
21	PT. Batulicin Nusantara Maritim Tbk - BESS	only make annual reports and financial reports	
22	PT. Capitol Nusantara Indonesia Tbk - CANI	only make annual reports and financial reports	
23	PT. Exploitasi Energi Indonesia Tbk - CNKO	only make annual reports and financial reports	
24	PT. Dwi Guna Laksana Tbk - DWGL	only make annual reports and financial reports	
25	PT. Alfa Energi Investama Tbk - FIRE	only make annual reports and financial reports	
26	**PT. Mitrabahtera Segara Sejati Tbk - MBSS**	**create a Sustainability Report**	**v**
27	**PT. Pelita Samudera Shipping Tbk - PSSI**	**create a Sustainability Report**	**v**
28	PT. Indo Straits Tbk - PTIS	only make annual reports and financial reports	
29	PT. Rig Tenders Indonesia Tbk - RIGS	create CSR reports	
30	PT. Sumber Global Energy Tbk - SGER	only make annual reports and financial reports	
31	PT. Transcoal Pacific Tbk - TCPI	only make annual reports and financial reports	
32	**PT. Dana Brata Luhur Tbk - TEBE**	**create a Sustainability Report**	**v**
33	PT. Trans Power Marine Tbk - TPMA	create CSR reports	
34	PT Black Diamond Resources Tbk - COAL	only make annual reports and financial reports	

Source: processed data

From the results of determining the list of companies that only make sustainability reports, the next step is to measure the percentage (%) of company disclosures in disclosing specific topics following the GRI Standard.

Table 2. Disclosure of corporate sustainability reports in 2022 based on economic categories referring to the Global Reporting Initiative Standards.

GRI	Information		Type	Spesific Topic	ADRO	BUMI	BYAN	GEMS	HRUM	INDY	ITMG	PTBA	MBSS	PSSI	TEBE
GRI 201 - Economic Performance	201-1	Direct economic value generated and distributed	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	1	1	1
	201-2	Financial implications and other risks and opportunities due to climate change	Specific Topic Disclosures	1	1	1	-	1	-	1	1	1	-	-	-
	201-3	Defined benefit plan obligations and other retirement plans	Specific Topic Disclosures	1	-	-	1	1	-	1	1	1	-	-	-

	201-4	Financial assistance received from government	Specific Topic Disclosures	1	1	1	1	1	-	1	1	1	-	-	-
GRI 202 - Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Specific Topic Disclosures	1	-	1	-	1	-	1	-	1	-	-	`
	202-2	Proportion of senior management hired from the local community	Specific Topic Disclosures	1	-	1	-	1	-	1	-	1	-	-	-
GRI 203 - Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Specific Topic Disclosures	1	-	1	-	1	-	1	1	-	-	-	-
	203-2	Significant indirect economic impacts	Specific Topic Disclosures	1	1	1	-	1	-	1	1	-	-	-	-
GRI 204 - Procurement Practices	204-1	Proportion of spending on local suppliers	Specific Topic Disclosures	1	-	1	-	1	1	1	-	-	-	-	-
GRI 205 -Anti-corruption	205-1	Operations assessed for risks related to corruption	Specific Topic Disclosures	1	-	1	-	1	1	1	1	1	-	-	-
	205-2	Communication and training about anti-corruption policies and procedures	Specific Topic Disclosures	1	-	1	1	1	1	1	1	1	-	-	-
	205-3	Confirmed incidents of corruption and actions taken	Specific Topic Disclosures	1	-	1	1	1	1	1	1	1	-	-	-
GRI 206 - Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Specific Topic Disclosures	1	-	-	-	1	-	1	-	-	-	-	-
GRI 207 - Tax	207-1	Approach to tax	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	207-2	Tax governance, control, and risk management	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	207-3	Stakeholder engagement and management of concerns related to tax	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	207-4	Country-by-country reporting	Specific Topic Disclosures	1	-	1	-	1	-	-	-	1	-	-	-
Number of Economic Categories				**14**	**4**	**12**	**5**	**14**	**5**	**13**	**9**	**10**	**1**	**1**	**1**
				14	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**
Percentage (%)				**100**	**29**	**86**	**36**	**100**	**36**	**93**	**64**	**71**	**7**	**7**	**7**

Source: processed data

Table 3. Disclosure of corporate sustainability reports in 2022 based on environment categories referring to the Global Reporting Initiative Standards

GRI	Information		Type	Spesific Topic	ADRO	BUMI	BYAN	GEMS	HRUM	INDY	ITMG	PTBA	MBSS	PSSI	TEBE
GRI-301 Material	301-1	Materials used by weight or volume	Specific Topic Disclosures	1	-	-	-	1	-	-	-	-	1	-	-
	301-2	Recycled input materials used	Specific Topic Disclosures	1	-	-	-	1	-	-	-	-	-	-	-
	301-3	Reclaimed products and their packaging materials	Specific Topic Disclosures	1	-	-	-	1	-	-	-	-	-	-	-
GRI-302 Energy	302-1	Energy consumption within the organization	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	1	-	1
	302-2	Energy consumption outside of the organization	Specific Topic Disclosures	1	-	1	-	1	1	1	1	1	-	-	-
	302-3	Energy intensity	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	-	1
	302-4	Reduction of energy consumption	Specific Topic Disclosures	1	-	-	1	1	1	1	1	1	-	-	-
	302-5	Reductions in energy requirements of products and services	Specific Topic Disclosures	1	-	-	-	1	-	1	1	1	-	-	-
GRI 303 -Water and Effluents	303-1	Interactions with water as a shared resource	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	303-2	Management of water discharge-related impacts	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	303-3	Water withdrawal	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	-	-
	303-4	Water discharge	Specific Topic Disclosures	1	1	1	1	1	-	1	1	1	-	-	1
	303-5	Water consumption	Specific Topic Disclosures	1	1	1	1	1	-	1	1	1	-	-	1
GRI 304 -Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	-	-
	304-2	Significant impacts of activities, products and services on biodiversity	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	-	-
	304-3	Habitats protected or restored	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	-	-
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Specific Topic Disclosures	1	1	1	-	1	-	1	1	1	-	-	-
GRI 305-Emissions	305-1	Direct (Scope 1) GHG emissions	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	1	1
	305-2	Energy indirect (Scope 2) GHG emissions	Specific Topic Disclosures	1	1	1	-	1	1	1	1	1	-	1	1
	305-3	Other indirect (Scope 3) GHG emissions	Specific Topic Disclosures	1	-	-	-	1	-	1	1	1	-	-	-
	305-4	GHG emissions intensity	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	1	-	-
	305-5	Reduction of GHG emissions	Specific Topic Disclosures	1	-	1	1	1	1	1	1	1	-	-	-
	305-6	Emissions of ozone-depleting substances (ODS)	Specific Topic Disclosures	1	-	-	-	1	-	1	1	1	-	-	-
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Specific Topic Disclosures	1	-	1	1	1	-	1	1	1	-	-	-
GRI 306 - Waste	306-1	Waste generation and significant waste-related impacts	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	306-2	Management of significant wasterelated impacts	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	306-3	Waste generated	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	-	1
	306-4	Waste diverted from disposal	Specific Topic Disclosures	1	1	1	1	1	-	1	-	1	-	-	-
	306-5	Waste directed to disposal	Specific Topic Disclosures	1	1	1	1	1	-	1	-	1	-	-	-
GRI 308 - Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Specific Topic Disclosures	1	-	-	-	1	1	1	1	1	-	-	-
	308-2	Negative environmental impacts in the supply chain and actions taken	Specific Topic Disclosures	1	-	-	-	1	-	1	1	1	-	-	-
Number of Environmental Categories				**27**	**15**	**18**	**16**	**27**	**14**	**24**	**22**	**24**	**3**	**2**	**7**
				27	**27**	**27**	**27**	**27**	**27**	**27**	**27**	**27**	**27**	**27**	**27**
Percentage (%)				**100**	**56**	**67**	**59**	**100**	**52**	**89**	**81**	**89**	**11**	**7**	**26**

Source: processed data

Table 4. Disclosure of corporate sustainability reports in 2022 based on social categories referring to the Global Reporting Initiative Standards.

GRI	Information		Type	Topik Spesifik	ADRO	BUMI	BYAN	GEMS	HRUM	INDY	ITMG	PTBA	MBSS	PSSI	TEBE
GRI 401 - Employment	401-1	New employee hires and employee turnover	Specific Topic Disclosures	1	1	1	-	1	1	1	1	1	-	-	1
	401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Specific Topic Disclosures	1	1	1	-	1	-	1	1	1	-	-	1
	401-3	Parental leave	Specific Topic Disclosures	1	1	1	-	1	-	1	1	1	-	-	1
GRI 402 - Labor/Management Relations	402-1	Minimum notice period regarding operational changes	Specific Topic Disclosures	1	1	1	-	1	-	1	1	1	-	-	-
GRI 403 - Occupational	403-1	Occupational health and safety management system	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	403-2	Hazard identification, risk assessment, and incident investigation	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	403-3	Occupational health services	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	403-4	Worker participation, consultation, and communication on occupational health and safety	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	403-5	Worker training on occupational health and safety	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-

Health and Safety 2018	403-6	Promotion of worker health	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Disclosure of Management Approach	-	-	-	-	-	-	-	-	-	-	-	-
	403-8	Workers covered by an occupational health and safety management system	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	-	-
	403-9	Work-related injuries	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	1	1
	403-10	Work-related ill health	Specific Topic Disclosures	1	1	1	-	1	1	1	1	1	-	-	1
GRI 404 - Training and Education	404-1	Average hours of training per year per employee	Specific Topic Disclosures	1	1	1	1	1	-	1	1	1	1	1	1
	404-2	Programs for upgrading employee skills and transition assistance programs	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	-	1	1
	404-3	Percentage of employees receiving regular performance and career development reviews	Specific Topic Disclosures	1	1	-	-	1	1	1	1	1	-	1	-
GRI 405 - Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Specific Topic Disclosures	1	-	1	-	1	-	1	1	1	1	1	-
	405-2	Ratio of basic salary and remuneration of women to men	Specific Topic Disclosures	1	-	1	-	1	-	1	1	1	-	-	-
GRI 406 - Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Specific Topic Disclosures	1	-	1	-	1	-	1	-	1	-	-	-
GRI 407 - Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Specific Topic Disclosures	1	1	1	-	1	-	1	-	1	-	-	-
GRI 408 - Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	Specific Topic Disclosures	1	-	1	-	1	-	1	-	1	-	-	-
GRI 409 - Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Specific Topic Disclosures	1	-	1	-	1	-	1	-	1	-	-	-
GRI 410- Security Practices	410-1	Security personnel trained in human rights policies or procedures	Specific Topic Disclosures	1	1	1	-	1	-	1	1	1	-	-	-
GRI 411- Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	Specific Topic Disclosures	1	-	1	-	1	-	1	1	1	-	-	-
GRI 413 - Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Specific Topic Disclosures	1	1	1	1	1	1	1	1	1	1	-	1
	413-2	Operations with significant actual and potential negative impacts on local communities	Specific Topic Disclosures	1	1	1	-	1	-	1	1	1	1	-	-
GRI 414 - Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Specific Topic Disclosures	1	-	1	-	1	-	1	1	1	-	-	-
	414-2	Negative social impacts in the supply chain and actions taken	Specific Topic Disclosures	1	-	1	-	1	-	1	1	1	-	-	-
GRI 415 - Public Policy	415-1	Political contributions	Specific Topic Disclosures	1	-	1	-	1	-	1	1	1	-	-	-
GRI 416 - Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	Specific Topic Disclosures	1	-	-	-	-	-	-	-	1	-	-	-
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Specific Topic Disclosures	1	-	-	-	-	-	-	-	1	-	-	-
GRI 417 - Marketing and Labeling	417-1	Requirements for product and service information and labeling	Specific Topic Disclosures	1	-	-	-	-	-	-	-	1	-	-	-
	417-2	Incidents of non-compliance concerning product and service information and labeling	Specific Topic Disclosures	1	-	-	-	-	-	-	-	1	-	-	-
	417-3	Incidents of non-compliance concerning marketing communications	Specific Topic Disclosures	1	-	-	-	-	-	-	-	1	-	-	-
GRI 418 - Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Specific Topic Disclosures	1	-	-	-	-	-	-	1	1	-	1	-
Number of Social Categories				29	14	22	5	23	7	23	19	28	4	5	8
				29	29	29	29	29	29	29	29	29	29	29	29
Percentage (%)				100	48	76	17	79	24	79	66	97	14	17	28

Source: processed data

Table 5. Recapitulation of disclosures on specific topics regarding economic, environmental, and social aspects from companies making sustainability reports in 2022.

No	Company Name	Aspects of Disclosure	%
1	PT Adaro Energy Indonesia Tbk - ADRO	Economic Aspects	29
		Environmental Aspects	56
		Social Aspects	48
2	PT. BUMI Resources Tbk. - BUMI	Economic Aspects	86
		Environmental Aspects	67
		Social Aspects	76
3	PT Bayan Resources Tbk - BYAN	Economic Aspects	36
		Environmental Aspects	59
		Social Aspects	17
4	PT Golden Energy Mines Tbk - GEMS	Economic Aspects	100
		Environmental Aspects	100
		Social Aspects	79
5	PT Harum Energy Tbk - HRUM	Economic Aspects	36
		Environmental Aspects	52
		Social Aspects	24
6	PT Indika Energy Tbk - INDY	Economic Aspects	93
		Environmental Aspects	89
		Social Aspects	79
7	PT Indo Tambangraya Megah Tbk - ITMG	Economic Aspects	64
		Environmental Aspects	81
		Social Aspects	66

8	PT. Bukit Asam Tbk - PTBA	Economic Aspects	71
		Environmental Aspects	89
		Social Aspects	97
9	PT Mitra Bahtera Segara Sejati Tbk - MBSS	Economic Aspects	7
		Environmental Aspects	11
		Social Aspects	14
10	PT. Pelita Samudera Shipping Tbk - PSSI	Economic Aspects	7
		Environmental Aspects	7
		Social Aspects	17
11	PT. Dana Brata Luhur Tbk - TEBE	Economic Aspects	7
		Environmental Aspects	26
		Social Aspects	28

Source: processed data

From the recapitulation results, it can be seen from the economic aspect that above 50% are PT companies. BUMI Resources Tbk., BUMI; PT Golden Energy Mines Tbk., GEMS; PT Indika Energy Tbk., INDY; PT Indo Tambangraya Megah Tbk., ITMG; and PT. Bukit Asam Tbk., PTBA. From the environmental aspect, those that reveal above 50% are the companies. PT Adaro Energy Indonesia Tbk – ADRO, PT. BUMI Resources Tbk. – BUMI, PT Bayan Resources Tbk – BYAN, PT Golden Energy Mines Tbk – GEMS, PT Harum Energy Tbk – HRUM, PT Indika Energy Tbk – INDY, PT Indo Tambangraya Megah Tbk – ITMG, PT. Bukit Asam Tbk – PTBA. From the social aspect, above 50% are PT companies. BUMI Resources Tbk., BUMI; PT Golden Energy Mines Tbk., GEMS; PT Indika Energy Tbk., INDY; PT Indo Tambangraya Megah Tbk., ITMG; and PT. Bukit Asam Tbk., PTBA.

This shows that in the disclosure of each aspect, there are still many companies included in the coal production sub-sector list that have not prepared sustainability reports that refer to GRI standards. Because sustainability reports are still voluntary. Since the OJK regulation was issued with the number POJK NO 51/POJK.03/2017, several companies have started to make reports referring to this regulation.

Several factors that influence the level of disclosure in a coal mining company's sustainability report include:

a. Management Commitment: Leadership committed to sustainability tends to encourage better disclosure and transparency.
b. Stakeholder pressure: Pressure from investors, the government, and society can influence the level of transparency in reporting because of the high expectations that companies have of maintaining natural balance.
c. Company Size and Complexity: Companies that are larger and have more complex operations tend to reveal more information about the company's operating activities.
d. Government Regulations and Policies: Governments that implement strict regulations regarding sustainability reporting encourage companies to be more transparent.

5. Conclusion and Suggestion

The conclusion of this article :

1. There is significant variation in the level of sustainability disclosure among the companies

analyzed. Some companies demonstrate a high level of compliance with GRI standards, while others still have a lot of room for improvement.

2. It can be concluded that 11 companies have started making sustainability reports that refer to the GRI Standards. With an average disclosure percentage for each aspect above 50%, it shows that the company is starting to make sustainability reports that can be accessed by stakeholders. This shows the company's seriousness in carrying out social responsibility around the company's operations.
3. The level of disclosure is influenced by various factors, including management commitment, stakeholder pressure, company size and complexity, and government regulations. Companies with management that is highly committed to sustainability and that responds well to external pressures tend to have more comprehensive reports
4. Companies that are more compliant with GRI standards generally show better sustainability performance. They not only report more information but also show real efforts to manage the environmental, social, and economic impacts of their operations.
5. Sustainability reporting helps companies increase transparency, manage risks, and build a good reputation in the eyes of stakeholders. It also encourages companies to continuously improve their sustainability practices.

The suggestion of this article:

1. Management is more committed to sustainability and ensures that the entire company understands the importance of sustainability reporting. Training and education regarding GRI standards must be increased for all levels of management.
2. Companies are more responsive to the needs and expectations of stakeholders, including investors, local communities, and regulators. Involving stakeholders in the reporting process can help improve the quality and relevance of reports.
3. Companies can learn from the best practices of other companies in the same industry to help identify areas that need improvement.

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THE ROLE OF WORK ENVIRONMENT AND INCENTIVES ON EMPLOYEE PERFORMANCE AT DEE BABY SPA KEDIRI

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ABSTRACT

The purpose of this research is to determine the influence of the work environment and incentives on worker performance at Dee Baby Spa Kediri. This research uses quantitative methods. All Dee Baby Spa Kediri employees (population) were sampled (saturated sample) with a total of 52 respondents. Data analysis uses multiple linear regression analysis. The research results show that the work environment (X1) and incentives (X2) together have a significant effect on the performance of Dee Baby Spa Kediri worker. However, separately, the work environment (X1) does not have a significant effect on employee performance. On other hand, incentives (X2) has a crucial influence on performance. The Adjusted R Square value of 0.785 shows it work environment (X1) and incentives (X2) can explain 78.5% of employee performance (Y).

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1. Introduction

The success of a business in facing its competitors of course involves the involvement of human capital in a association. The development of human resources is driven by management in the fields of technology and science. Management of these resources is very necessary to reach company success, so that it can compete with its competitors. Companies are required to prepare all elements of human resources that are fully competent, plans that became with the facilities owned by company. If the human resources (HR) who manage it are less competent and professional, then it is certain that the facilities owned by the company cannot be treated optimally (Simamora, 2019). (Robbin 2019) defines performance as outcome obtained by worker in work according to certain abilities that to a job.

In essence, employee performance is the successful completion of tasks and achieving results that align with their job responsibilities. By enhancing employee performance, companies can ensure their workforce operates at a high level, contributing directly to achieving company goals. A crucial factor in achieving this optimal performance is the work environment. (Sunarsi, 2020) emphasized that a clean working environment can encourage employees to be more active and focused on completing their tasks according to schedule. A good work territory also improves execution, whereas if the work territory is inadequate it will reduce performance and ultimately reduce worker motivation. Everything surrounding employees at work, from the cleanliness of the building to their relationships with colleagues and bosses, affects how they perform their jobs (Meilina, Restin Nadya 2023).

High employee performance requires motivation, which comes from fulfilling their needs. These needs include competitive salaries, a pleasant work environment, recognition for their efforts, fair and intelligent leadership, and opportunities to earn incentives that match their career level. Incentives are especially important for boosting employee performance. (Larasati, 2019) Incentives are a type of employee benefit, typically awarded to high performers. The possibility of earning these rewards can significantly boost employee motivation and work enthusiasm. Offering incentives can increase employee enthusiasm, but only if those incentives are distributed fairly. In conclusion, a well-designed incentive program is a valuable tool companies can use to boost employee performance (Hanggraeni, 2019).

Meanwhile, investigation by (Kurniawan and Wijayanti 2021) with the name "Improving Employee Performance: The Role of Communication, Work Motivation, and Work Environment at Candisari Restaurant, Kebumen" resulted in the finding that communication, work action, work domain have positive effect on employee performance. Candisari Restaurant, Karanganyar, Kebumen. As an implication, organizational leaders can improve the implementation of communication, items that receive low scores if they want to improve employee performance.

Research related to work facilities (Jufrizen 2021) it name "The Influence of Work Facilities and Work Discipline on Performance Through Work Motivation of PT Perkebunan Nusantara III (Persero) Medan Employees" resulted in the finding that. Analize by (Anon 2023) name "The Role of the Work Environment and Incentives on Employee Performance at PT. Windu Raya with Job Satisfaction as an Intervening Variable" concluded is work domain influences employee performance and incentives influence employee performance satisfaction.

This problems that occur in the field are connected to the work domain which is not conducive, this is shown by the relationship between some employees which is still not close enough, the lighting in some rooms and also the room temperature is not enough, apart from that, employees also feel that supporting facilities are still lacking, such as Air Conditioning (AC).), Lights in several rooms need to be added in order to improve lighting, not only regarding work facilities, but work environment conditions must also be considered, such as clean and comfortable work environment conditions, also the relationship between employees and superiors needs to be paid attention to, with good communication and family relationships so that employees too will feel comfortable while working. Based on the results of interviews with Dee Baby Spa Kediri employees, it is proven that the work environment at Dee Baby Spa Kediri is still inadequate and requires additional facilities so that employees feel comfortable doing their work. Apart from the work environment and facilities, some employees also feel that the incentives given are different, this causes a decrease in employee satisfaction due to inappropriate incentives, then employee performance will also decrease, therefore association need to pay attention to the incentives given to employees with adequate incentives. can motivate employees at work.

Even though there are quite a lot of spa businesses in Kediri City, such as Mamina Baby Spa which is located on Jl. Dr. Sahardjo No. 88B, Campurejo, Kec. Mojoroto, Kediri City, Gayatri Baby, Kids, And Mom Spa which is located on Jl. Semeru No. 260, Tamanan, Kec. Mojoroto, Kediri City, and Naura Baby Spa which is located on Jl. Independence Pioneers No.72 B, Ngronggo, Kec. City, Kediri City. Some even provide home visits so that customers have more freedom when they want to do a spa. Dee Baby Spa must address this large number of competitors by improving employee performance so that problems that become obstacles can be resolved immediately. According to the background information above, the author is interested in researching the work domain, incentives, facilities on employee performance. Therefore, author raised the title: The Role of the Work Environment and Incentives on worker Performance at Dee Baby Spa Kediri. The purpose of this research understand how the work environment and incentives influence performance of Dee Baby Spa Kediri employees.

2. Literature Review

2.1. Employee Performance

Employee performance how well employees accomplish their tasks and contribute to achieving the corporate's goals, vision, and mission (Robbin 2019). According to this definition, that be concluded is employee is the result seen in terms of quantity and quality of carrying out the responsibilities of the tasks given by employees in a period of time by applying all applicable rules and paying attention to morals and ethics in achieving company goals. According to this, it can result that employee performance is a result that can be seen terms of quantity, quality of take out the control of the tasks assigned by employees within a period of time by complying with all applicable rules and paying attention to morals and ethics in achieving company goals. There are 3 employee performance criteria. (Nugraha 2022), namely:

1) Characteristics, is one of the criteria that focuses on the characteristics of each employee such as ability, loyalty and communication skills.
2) Behavior, one of the criteria that focuses more on how employees complete their work and the relationships that exist between other employees in coordinating with each other.
3) Results, this next criterion places greater emphasis on what has been produced, thereby further suppressing the level of productivity and competitiveness.

There are employee performance indicators (Nurlindasari 2019) that define measuring employee performance including:

1) Quality of Work, shows the employee's ability in the results of the tasks that have been carried out, whether they are in accordance with what was carried out, and whether the employee is thorough, neat and complete in carrying out each task.
2) Work Quantity, aimed at how long an employee works or how many goods/services can be produced in a certain period of time.

3) Implementation of Tasks, in carrying out this task, the extent to which an employee is able to persist in carrying out his work accurately and without errors when carrying out the work assigned to him.
4) Responsibility, here employees are able to persist in carrying out their work accurately and there are no errors when completing work in accordance with operational policies applicable in the company and are responsible for their work.

2.2. Work Environment

A work environment is the physical and resource setting where employees perform their daily tasks. It includes all the facilities and infrastructure necessary for them to complete their jobs effectively (Darmadi 2020). (Afandi 2019) defines the company designed the work environment to be a collaborative space with resources to help different teams work together and achieve the company's overall objectives as outlined in the vision and mission statements.. A work environment encompasses all the physical, social, and psychological conditions that surround employees. It includes the physical space, facilities, and resources needed to perform tasks, as well as the relationships between colleagues and interactions with superiors. All these elements can significantly influence how effectively employees carry out their duties and contribute to achieving the company's goals and mission(Meilina, Restin Nadya 2023).

A healthy work environment fosters a sense of safety, enjoyment, and employee commitment. This includes both physical and psychological aspects. Experts agree that a positive work environment significantly impacts employee performance. Clear communication and a supportive atmosphere lead to optimal results. Broadly speaking, there are two types that affect. Physical work environment such as coloring, cleanliness, air, lighting, security and noise. The physical work environment is all the conditions that exist around employees physically in the workplace area which can affect employees either directly or indirectly. Non-Physical Work Environment is a situation that occurs and is related to work relationships, both relationships with leaders, relationships and fellow colleagues and relationships with subordinates. Creating a good work environment. parse the sentence above(Nurlindasari 2019), namely:

1) Job Services
   Offering strong employee service is crucial for any company. Effective employee service programs can boost employee performance, foster a sense of responsibility, and motivate them to contribute to the company's reputation through their work and productivity.
2) Working Conditions
   Companies can create good working conditions in every organization within them, so that existing employees can enjoy the same thing, namely a sense of security and comfort at work. These working conditions include several parts, such as: through lighting through sufficient light, the employee gets the right air temperature, then space to move according to the employee's activities so that they do not experience difficulties when interacting, as well as safety at work. Parse the sentence above
3) Employee Relations
   Positive relationships among employees are crucial for maintaining high productivity. Strong bonds can significantly boost employee motivation.

headquartered in Amsterdam, namely the Global Reporting Initiative. The GRI Standards are the latest standards published by GRI to make it easier for corporations to create sustainability reports. These standards were published in the fourth quarter of 2016. In 2017, many companies in Indonesia adapted and used GRI standards as sustainability reporting guidelines. GRI is an internationally recognized sustainability reporting standard that provides guidelines for companies to report on a company's economic, environmental, and social impacts.

The advantages of using GRI standards include

a. Comprehensive Framework: GRI indicators are relevant to a wide range of industries, including mining.
b. Comparability: Allows comparisons to be made between companies and sectors.
c. Transparency: Promote transparency and accountability in sustainability reporting.

The sustainability report produced by the company will provide benefits for the company in the form of:

a. Communicating Sustainability Performance: The company's commitment to responsible business practices to stakeholders, including investors, government, and society.
b. Evaluating Risks and Opportunities: Reporting can identify environmental and social risks and opportunities for continuous improvement.
c. Improving Reputation: Transparency in sustainability reporting can improve the reputation and public trust in a company.

The concept of corporate social responsibility has been known since the 1970s, known as stakeholder theory, which was introduced by the Standford Research Institute in 1963 (Freeman 1984). Freeman (1984; 46) states that stakeholders are organizations, groups, or individuals who can be influenced and influence organizational goals. According to stakeholder theory, a company is not just an entity that operates for its interests and profit but also provides benefits to its stakeholders, consisting of shareholders, creditors, consumers, suppliers, the government, society, analysts, and other parties. Stakeholder theory is a theory that reveals that company sustainability cannot be separated from the roles of internal and external stakeholders (Lindawati et al., 2015).

This concept was not just born but went through various stages first. The echo of CSR began to be felt in the 1950s. CSR, which is now being implemented by many companies, has undergone evolution and metamorphosis over a long period. The book entitled Social Responsibility of the Businessman by Howard R. Bowen, written in 1953, is an early piece of literature that became a milestone in the modern history of CSR. Bowen is nicknamed the "Father of CSR" because of his work.

2.3. Incentive

Incentives are rewards or benefits offered to employees who meet or exceed expectations. These rewards, often financial but not limited to salary, aim to motivate employees and contribute to achieving company goals (Handoko 2019). One way to maximize employee performance is by offering bonuses or incentives. These rewards, typically financial in nature, can significantly boost employee enthusiasm and act as a form of recognition for their contributions (Dialazta 2023). Experts agree that incentives serve as a motivational tool for employees. They function as a form of appreciation for exceeding expectations and contribute to achieving company goals (Hasibuan 2021) suggest that there are several incentive indicators as follows:

1) Financial incentives

It is an incentive used to employees the results of their work and is usually used of money in the form of bonuses, commissions, profit sharing and deferred compensation, as well as in the form of social safety in the form of providing official housing, overtime allowances. Incentives in the form of money and goods can be given in various forms, including:

a. Bonuses, compensation is results of work that has been carried out. In companies that use an incentive system, usually several percent of profits that exceed a certain amount are put into a fund and then this amount is divided between the parties who will be given the bonus.
b. Commission, this is a type of bonus paid to sales parties who produce good sales.
c. Social , incentives provided defend are usually give collective, there is no competitive and each worker receive them on an average and automatically. Forms of social security are such as; provision of official housing, free medical treatment, the possibility of payment in installments by workers for goods purchased from cooperative organizations, sick leave, moving costs.

2) Non-financial incentives

Incentives can be given in various forms of giving certificates, giving verbal or written praise, officially or personally, giving formal or informal thanks, giving promotions in rank or position, giving the right to use position attributes and giving special equipment in the work space. Both forms of incentives are equally important and usually they are used to complement each other, depending on conditions and needs. It is clear that adequate incentives will encourage enthusiasm so that agencies and employees are more solid in building together towards the company's progress.

A well-defined hypothesis is a cornerstone of any research project. It serves as an initial educated guess that answers the research question. This provisional answer guides the research process and forms the foundation for interpreting the results (Yam and Taufik 2021).

- Hypothesis 1:The work environment influences employee work performance at Dee Baby Spa Kediri
- Hypothesis 2: Incentives influence employee performance at Dee Baby Spa Kediri.
- Hypothesis 3: The work domain and incentives influence employee performance at Dee Baby Spa Kediri.

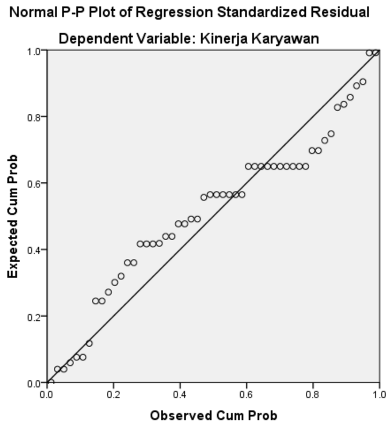
3. Method, Data, and Analysis

This uses quantitative research methods with multiple linear analysis to conclusion the role of the work environment and incentives on employee performance at Dee Baby Spa Kediri. The population in this study were 52 worker from Dee Baby Spa Kediri. (Sugiyono 2019) defines population as a generalized area consisting of objects or subjects that have certain quantities and characteristics that are determined by researchers to be studied and then draw conclusions. Because the population is quite limited, in this case all members of the sampling technique used was a saturated sample. Data collection uses a questionnaire in the form of a Google Form link. Next, the collected data was tabulated and processed using IBM SPSS Statistics 23. The results of the data processing were then analyzed starting from classical assumption tests, regression analysis, coefficient of determination tests, and hypothesis tests.

4. Result and Discussion

To ensure that the data obtained meets the regression model, a classical assumption test is carried out with the following results:

Figure 1. Normality Test



Source: Processed data, 2024

According to Figure 1 showing the picture spread around the diagonal line and following the diagonal direction, it can be conclusion that the residuals are normally.

Table 1. Multicollinearity Test Results

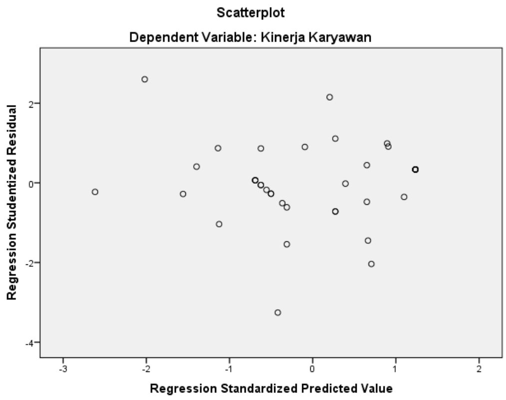
Coefficients[a]				
Model			Collinearity Statistics	
			Tolerance	VIF
1	(Constant)			
	Work environment		.424	2.361
	Incentive		.424	2.361

a. Dependent Variable: Employee performance

Source: Processed data, 2024

According above, it seen the VIF value is less than 10, thus indicating that there is no relationship between the independent variables and the multicollinearity assumption can be fulfilled.

Figure 2. Heteroscedasticity Test



Source: Processed data, 2024

According to Figure 2, it seen that the picture are spread out above is there no clear pattern and are above and below the number 0 on the Y axis, so it cannot be concluded that heteroscedasticity does not occur.

Table 2. Autocorrelation Test Results

Model Summary[b]

Model	Durbin-Watson
1	1.984

a. Predictors: (Constant), Incentive, Work environment
b. Dependent Variable: Employee performance

Source: Processed data, 2024

According to above it shows that the results of the autocorrelation test in this learning can be fulfilled. This is because the Durbin Watson value of 1.984 is located between du and 4-du. The du value (2.52) = 1.628 and the 4-du value = 4-1.6000 = 2.372. Autocorrelation is fulfilled because the proceed Durbin Watson value of 1.984 is located between du and 4-du.

Table 3. Results of Multiple Linear Analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.496	2.614		.572	.570
	Work environment	.383	.151	.253	2.531	.015
	incentive	.655	.096	.684	6.850	.000

a. Dependent Variable: Employee performance

Source: Processed data, 2024

According to above, it shows that the regression equation obtained from the test is as follows:

$$\mathbf{Y= 1{,}496 + 0{,}383\ X_1 + 0{,}655\ X_2} \quad (1)$$

According to the table above, the constant value of 2.160 seen that if the work environment variables (X1), incentives (X2) have no influence at all, then Y has a significant value of 2.160. However, this will change if:

a. Work environment β_1

   That work environment variable (X1) increases by 1 unit and the incentive variable (X2) remains the same, Y will be affected by 0,383.

b. Incentive β_2

   That incentive variable (X2) increases by 1 unit and the work environment variable (X1) remains the same, Y will be affected by 0.655.

Table 4. Adjusted Results R^2

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.891[a]	.793	.785	2.074	1.984

a. Predictors: (Constant), incentive ,Work environment

b. Dependent Variable: Employee performance

Source: Processed data, 2024

The table above shows that the R Square is 0.785, indicating that the work environment (X1) and incentives (X2) can explain employee performance (Y) by 78.5%. So it can be interpreted that there are still other change that were not examined in this study, amounting to 21.5%.

Table 5. t Test Results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.496	2.614		.572	.570
	Work environment	.383	.151	.253	2.531	.015
	incentive	.655	.096	.684	6.850	.000

a. Dependent Variable: Employee performance

Source: Processed data, 2024

According to the partial test or t test to determine the role of each work environment variable (X1), and incentives (X2) on employee performance (Y), it can be seen:

a. The role of the work environment (X1) on employee performance (Y) at Dee Baby Spa Kediri.

   According to the variable t value, namely X1 2.531. The tcount > ttable value (2.531 > 2.404) or the sig value. 0.015 > 0.05. H0 is rejected and H1 is rejected. It can be interpreted that the work environment (X1) has no partial influence on worker performance (Y). This means that the performance of Dee Baby Spa employees is not too influenced by the work domain. Even though there are deficiencies in the work domain they are not too much of a problem for employee performance.

b. The role of incentives (X2) on employee performance (Y) at Dee Baby Spa Kediri.

According to the variable t value, namely X2 6.850. The tcount value >ttable (6.850. > 2.40489) or the sig value. 0.000 < 0.05. H0 is rejected and H1 is accepted. It can be interpreted that X2 has a partial influence on Y. This indicates that the performance of Dee Baby Spa worker is influenced by incentives.

Table 6. F Test Results

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	809.000	2	404.500	94.039	.000[b]
	Residual	210.769	49	4.301		
	Total	1019.769	51			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), incentive, Work environment

Source: Processed data, 2024

According to the results of the F Test table above, the work environment and incentives together play a role in employee performance (Y). The table shows that Fcount > Ftable (94.039 > 3.23) or sig value = 0.000 < 0.05. So H0 is rejected, H1 is accepted, there is an influence of X1 and X2 simultaneously on Y.

5. Conclusion and Suggestion

This testing role of the work domain and incentives on worker performance at Dee Baby Spa Kediri. From the results of data processing the following conclusions can be drawn:

a. The work environment (X1) have no influence on employee performance (Y), with a value of tcount > ttable (2.531 > 2.404) or a sig value. 0.015 > 0.05.
b. Incentives (X2) have an influence on employee performance (Y), with variable tcount, namely X2 6.850. The tcount value >ttable (6.850. > 2.40489) or the sig value. 0.000 < 0.05.
c. It work environment (X1) incentives (X2) simultaneously play a role in employee performance (Y).

According to the existing conclusions, suggestions that can be given regarding is results of this research are that Dee Baby Spa Kediri is advised to continue to improve the service environment is work facilities and then provide incentives that are appropriate and fair in line with each employee's field of work. Then for employees, this testing can improve the performance of Dee Baby Spa Kediri employees. Then, future testing by increasing the number of variables that can influence employee performance and also expanding the research object. Because in this research it was found that there were other variables that influenced employee performance, this was used as material for conducting further research to get better results.

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INSTAGRAM'S VISUAL CONTENT MARKETING (VCM) ANALYSIS OF PURCHASE DECISION THROUGH CUSTOMER ENGAGEMENT AT HIKING COMPANY

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ABSTRACT

The role of social media content on Instagram makes marketing strategies easier to reach potential customers by showing visual content in the uploaded photos or videos. But not any visual content would deliver right into every customer pages. So that many companies are competing to create effective visual content to attract purchases. The aim of this study is to examine customer engagement in mediating the relationship between visual content marketing toward purchase decisions. This research uses quantitative methods with an associative-descriptive approach. The data was obtained by distributing a questionnaire with a purposive sampling technique to a sample of 180 people. PLS-SEM as data analysis with the SmartPLS 3 application. The findings of this study reveal that visual content marketing and customer engagement have a positive and significant effect on purchase decisions and customer engagement has a positive effect on mediating the relationship between visual content marketing and purchase decisions.

ARTICLE INFO

Keywords:
Visual Content Marketing, Customer Engagement, Purchase Decision

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1. Introduction

According to the survey conducted by We Are Social (2023), which obtained data in 2023, Instagram is the social media platform most frequently used by Indonesian people and is in second place after social media WhatsApp with a percentage of 86.5 percent of the Indonesian population of 276.4 million individuals. The increasing use of Instagram social media illustrates how easy it is for companies that actively market and sell on social media to reach and influence the purchasing decisions of potential customers (Ariyanis et al., 2021).

Since the digitalization 4.0 era began, a lot of research has been carried out regarding Instagram social media and its content. One of the previous studies regarding social media marketing conducted by (Santy & Andriani, 2023) investigated the beneficial effect of content marketing and its positive impact on customer purchase decisions. There is also research according to (Abdjul et al., 2022) regarding Instagram content marketing which proves that there are positive effect on Instagram content marketing toward purchase decisions and the same discovery in research by (Mubarrak et al., 2023). Previous research has extensively researched content marketing, where Instagram social media provides information packaged in content and noteworthy to consumen behaviour (du Plessis, 2022) and also can able to attract customer purchases. However, in reality, many companies are trying to increase their sales by uploading content with attractive and informative visuals such as containing product explanations, but the content created is not sufficient to attract buying interest and even purchase decisions from Instagram social media users (Mukarromah et al., 2022)

The large number of users who have Instagram accounts for selling, including companies, has resulted in strong competition which encourages entrepreneur and existing companies to be more active in influencing and attracting potential customers so that purchasing decisions can occur. Visual content created by companies certainly cannot guarantee that it will be liked or make customers interested in buying, and even the affordability of the content to potential customers may not necessarily be achieved. Research by (Ul Huda et al., 2021) and (Adilla & Hendratmoko, 2023) indicated that there was no effect of content marketing on purchasing decisions, contrary to earlier findings that claimed it had no substantial affect. This shows that visual content marketing on uploaded Instagram social media has proven to be insufficient to achieve company success in attracting Instagram users to make purchases. Beside of content that is attractive, informative and entertaining for users, the company must get attention in terms of thoughts, emotions and actions from potential customers on Instagram (Karpenka, 2021).

Customer engagement is manifest as customer involvement in the way of thoughts, emotions and behavior (Utami & Saputri, 2020). Research conducted by (Putri et al., 2022) mentions customer engagement factors that are able to influence and support content marketing with customer purchasing decisions. This research have same opinion and supported by another research (Lestari et al., 2023). So this customer engagement factor is important to implement for business actors who are active on Instagram social media to attract buyers.

This research examines hiking companies where hiking companies that use Instagram as a means of branding, sales and marketing definitely need visual content, showing nature which is not only attractive but can increase purchasing decisions. The Sukabumi Outdoor Company, a company researched and located in Sukabumi City, is a company that provides hiking services, apart from that they have various product like trekking, camping and outdoor activity equipment rental services. Since its founding in 2020, this company has been actively selling on social media by creating content in the form of feeds and video reels that show visuals, namely the natural beauty in Sukabumi, from the sales activities it has carried out and has gained 14.5 thousand followers. However, unfortunately the increase in followers is not proportional to purchases, less than 50% of the number of followers has purchased. However, this requires better strategies in marketing on Instagram. Therefore, with a strategy to attract purchases, this current research brings novelty by adding a mediating variable called customer engagement with examining content in more depth through visuals and customer engagement which can be accessed in the form of photos or videos or what are often called feeds and reels to attract customer purchases.

Based on the phenomena and problems described above, the researcher formulated a problem to determine (1) how visual content marketing influences purchase decisions, (2) how customer engagement influence purchase decisions and this research expects to examine (3) the influence of customer engagement in mediating relationships between visual content marketing on purchase decisions at one of the hiking companies, namely Sukabumi Outdoor.

2. Literature Review

Purchase decision, customer engagement, and visual content marketing are the variables that were used in this study.

2.1. Purchase Decision

Purchase decision is explained by Kotler and Keller (2017: 177) as an element of customer behavior regarding how customer decide on a purchase that will be used to provide satisfaction or fulfill their needs. Purchasing decisions are closely related to customers daily lives, so they need a lot of information to be sustainable (Afriansyah et al., 2021) therefore purchasing decisions take time because they are influenced by several factors such as the influence of environment, cognitive, affective processes and the existence of behavioral actions with reciprocal flow (Rivaldo et al., 2022). The theory of purchase decision that is used in this research is the opinion of Kotler and Keller (2017: 177) who explain purchase decisions as decisions to satisfy or fulfill needs. The dimensions used in this research were taken according to Kotler and Armstrong (2016: 188) which consist of five dimensions, namely (1) product choice, (2) brand choice, (3) dealer choice, (4) time and amount of purchase, and (5) payment method.

2.2. Customer Engagement

Customer engagement or customer involvement as a mediating variable, customer engagement is the most important thing in a company that involves customers cognitively, emotionally and behaviorally (Utami & Saputri, 2020). Meanwhile (Ng et al., 2020) according to customer engagement defined as process with behavioural and psychological manifestation. Customer engagement as a company effort has several processes such as developing trust, involvement or participation to creating effective commitment (Anggraeni & Sabrina, 2021). The theory by (Utami & Saputri, 2020) is used in this research because the fit defininitions of customer engagement. There are three dimensions of customer engagement used in this research, namely (1) cognitive involvement, (2) emotional involvement, and (3) behavioral involvement. This dimension is used by (Karpenka, 2021).

2.3. Visual Content Marketing

Visual content marketing is an image that tells a story using visual elements that are based on an event through reasoning, emotions and judgment (Fox et al., 2019). There are three form of visual content types, such as interactive, entertainment and informative (Kujur & Singh, 2020). Stephen Gamble (2016) explains that visual content marketing is infographics, videos and interactive media that connect and engage customers so that it is the most effective solution for confronting business challenges and this theory will be used in this research. According to (Pangestu

& Tranggono, 2022) there are five dimensions of visual content marketing, namely (1) Reader Cognition, (2) Sharing Motivation, (3) Persuasion, (4) Decision Making, (5) Factors.

3. Method, Data, and Analysis

3.1. Method

Quantitive methods are the foundation on this research with an associative descriptive approach where this method examines the relationship between variables by presenting numbers that are measurable and objective. Purposive sampling, a non-probability sampling technique, was employed in this quantitative method such that the sample with certain criteria, including (1) age 17 or being over 17 years old (2) having purchased services or rented equipment at @sukabumioutdoor (3) are Instagram followers of @sukabumioutdoor. There is a small sample data so using the Hair et al (2019) method, which involves multiplying variable indicators of 36 by an observation value of 5 so that the sample in this study is 180 people.

3.2. Data Collection and Research Instrument

The use of quantitative methods in this research involves the questionnaires to collect data. The questionnaire was created on a Google form in a link so that respondents who click on it will be immediately directed to questions and statements which consist of four parts such as the respondent's profile and characteristics, namely Instagram account, age, and products the respondent has purchased. Then there is a statement section for the visual content marketing variable, the customer engagement variable, and the purchase decision variable section. Questionnaire questions use a semantic differential interval, a scale with a value of 1-10 (Strongly disagree - strongly agree).

3.3. Data Analysis

The SEM (Structure Equation Modeling) is used in this study's data analysis with the SmartPLS 3 application. Researchers used the SEM-PLS method because the sample was small. According to Ghozali (2017), this analysis method is efficient for calculating small number of samples with complex models. The SEM-PLS analysis method consists of several stages, including validity and reliability tests, coefficient of determination tests, predictive relevance tests, F tests, Goodness of Fit tests, hypothesis tests, and mediation tests.

4. Result and Discussion

4.1. Outer Model

Convergent validity and discriminant validity are the two validity tests included in the outer model. This test is occurs to ensure that the quality of the instrument is good and appropriate so that it is suitable for measurement by determining the relationship between the construct and the indicators. The following is the measurement model for the outer model test can be tracked down in figure 1 and figure 2 below.

Figure 1. Outer Loading

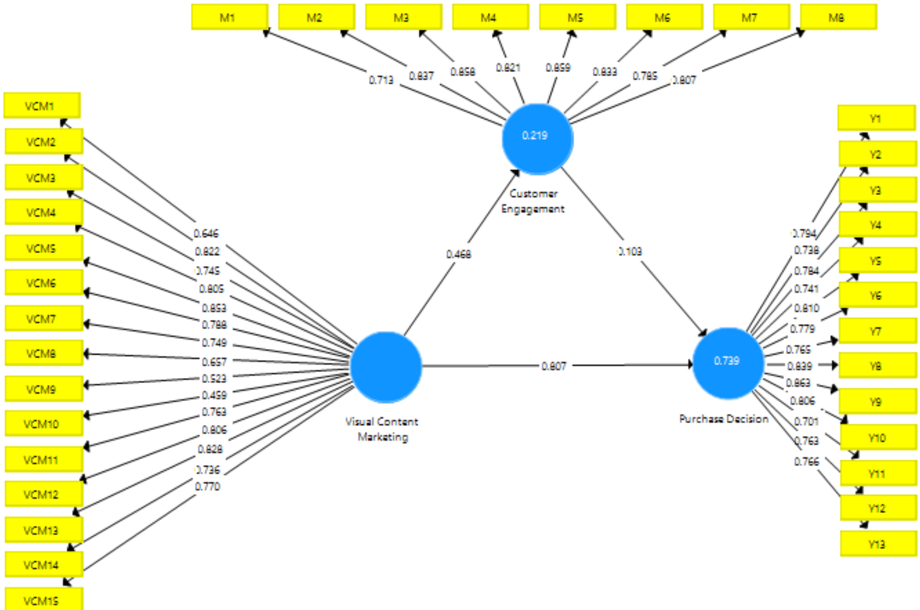
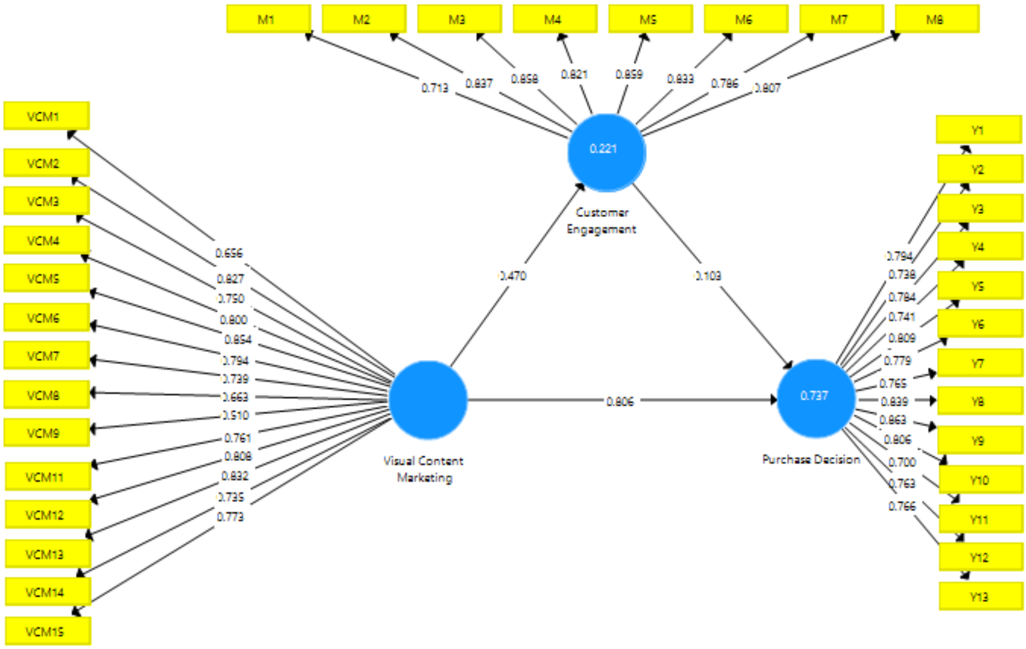


Figure 2. Convergen Validity Re-Estimate



Based on figure 1. There are values that are less than the loading factor of >0.50 so they are not included in the analysis because they do not meet these requirements. In figure 2, the outer loading value has been re-estimated so that the value shows >0.50 and can be declared valid and suitable for further analysis.

4.1.1 *Convergent Validity*

AVE Values and loading factor are used to assess convergent validty. Convergent validity test is to calculate and figure the correlation between indicators and latent variables.

a. Validity test

The validity test can be spotted in the outer loading value that has an parameter of > 0.7. However, according to Ghozali (2015), if outer loading value of 0.5-0.6 is still tolerable and acceptable so declared acceptable to satisfy the criteria for convergent validity. The following is the data on the loading factor results. The data from figure 2 presented shows that there are no values below 0.5 in the conclusion, that all variables are meet the requirements for convergent validity and considered valid.

b. Average Variance Extracted

If the result of Average Variance Extracted (AVE) is more than 0.5, it is regarded as legitimate. Visual content marketing have AVE value 0.570, customer engagement 0.665, and purchase decision 0.611. This succeed processing data with a value showing more than 0.5, and that implies one latent variable is capable to represent fifty percent the variance of the indicator (Ghozali, 2016), the biggest AVE value is in the customer engagement variable with 0.665 so it can be assume that there is no problem in convergent validity and includes fulfilling the requirements.

4.1.2 *Discriminant Validity*

Reliability tests, cross loading values, and correlation values between latent constructs and Fornell-Larcker can all be used to demonstrate discriminant validity.

a. Reability test

The reliability test can be supposed to be reliable from the Cronbach's Alpha value and the composite reliability value, if both Cronbach's Alpha values and the composite dependability value are more than 0.70 (Ghozali, 2021).

Table 1. Reability Test Result

Variable	Cronbach's Alpha	Rho_A	Composite Reability	AVE
Visual Content Marketing	0.940	0.946	0.948	0.570
Customer Engagement	0.928	0.930	0.941	0.665
Purchase Decision	0.947	0.950	0.953	0.611

Source: Processed by researcher, 2024

According to Table 1. Since all of the composite reliability and Cronbach alpha values are more than 0.70, it is reasonable to assume that all of the factors are reliable.

b. Fornell-Larcker

The latent variable value must be smaller than the square root value of AVE so it can be said to have good discriminant validity.

Table 2. Correlation Loading Value between Latent Construct

Variable	Customer Engagement	Purchase Decision	Visual Content Marketing
Customer Engagement	0.815		
Purchase Decision	0.481	0.782	
Visual Content Marketing	0.470	0.854	0.755

Source: Processed by researcher, 2024

By examining the value across the diagonal axis, one can get the square root (AVE) of any latent variable value. Table 2 shows that the discriminant validity is satisfied because the variable value is less than the square root value of AVE.

c. Cross Loading

Every indicator that has the highest cross loading value can be sorted as having great discriminant validity. Here are the table of cross loading values.

Table 3. Cross Loading Value

Variable	Customer Engagement (M)	Purchase Decision (Y)	Visual Content Marketing (VCM)
M1	0.713	0.434	0.428
M2	0.837	0.321	0.348
M3	0.858	0.350	0.337
M4	0.821	0.318	0.314
M5	0.859	0.415	0.415
M6	0.833	0.434	0.439
M7	0.786	0.403	0.369
M8	0.807	0.412	0.366
VCM1	0.262	0.527	0.656
VCM2	0.385	0.608	0.827
VCM3	0.349	0.601	0.750
VCM4	0.446	0.680	0.800
VCM5	0.389	0.696	0.854
VCM6	0.342	0.717	0.794
VCM7	0.329	0.681	0.739
VCM8	0.267	0.595	0.663
VCM9	0.134	0.482	0.510
VCM11	0.325	0.612	0.761
VCM12	0.362	0.642	0.808
VCM13	0.402	0.672	0.832
VCM14	0.422	0.694	0.735
VCM15	0.442	0.746	0.773
Y1	0.460	0.794	0.725
Y2	0.324	0.738	0.594
Y3	0.384	0.784	0.666
Y4	0.408	0.741	0.739
Y5	0.463	0.809	0.707
Y6	0.291	0.779	0.557
Y7	0.319	0.765	0.574
Y8	0.381	0.839	0.694
Y9	0.438	0.863	0.714
Y10	0.360	0.806	0.718
Y11	0.273	0.700	0.523
Y12	0.348	0.763	0.659
Y13	0.373	0.766	0.722

Source: Processed by researcher, 2024

Table 3 shows that the cross loading value, which is higher than the cross loading result, implies good discriminant validity.Blocks that colored green indicate a value that is greater than other blocks.

4.2. Inner Model

The structural model is used to explain the relationships among causal effect and also direct influences between latent variables. Prove it through tests carried out with determinant coefficients to hypothesis testing.

4.2.1 Coefficient of Determination (R2)

Coefficent of determination can be use to calculate the percentage about how big the relationship between variables.

Table 4. R Sqare Test Result

Variable	R Square	R Square Adjusted
Customer Engagement	0.221	0.216
Purchase Decision	0.737	0.734

Source: Processed by researcher, 2024

Table 4. Shows the R Square figures of 0.221 and 0.737. This indicates that a 22.1 percent measurement of the impact of visual content marketing on customer engagement because of 0.221 multiplied by 100 percent and the 77.9 percent is other factors that were not researched. Meanwhile, The percentage of purchase decisions affected by visual content marketing was 73.7% and 26.3 percent of other factors were not considered. Based on Ghozali and Latan (2015) The research model with the value of customer engagement belong in weak category because more than 019 but not surpass 0.33 and the purchase decision is strong, more than 0,67 means the contributing is high and strong.

4.2.2. Hypotesis Test

In smartPLS, hypothesis testing is guided by examining the original sample value, T statistic and P Value. Apart from that, as a condition for fulfilling the hypothesis, there is a T statistic value > 1.96 and a P value < 0.05. This test uses a bootstrapping process with the following results.

Table 5. Hypotesis Test

Variable	Original Sample (O)	Sample mean (M)	Standard deviation (STDEV)	T Statistic	P Value
Visual Content Marketing -> Purchase Decision	0.807	0.806	0.035	22.997	0.000
Visual Content Marketing -> Customer Engagement	0.468	0.473	0.067	6.978	0.000
Customer Engagement -> Purchase Decision	0.103	0.106	0.041	2.502	0.013

Source: Processed by researcher, 2024

H1: Visual Content Marketing have an positive and significant effect on purchase decision

Based on table 5. Visual content marketing as an exogenous construct has a positive influence from the original sample value of 0.807 on purchase decisions. The T statistic value is 22.997 > 1.96 and the P value is 0.000 < 0.05, so the H1 or first hypothesis can be accepted.This implies visual Content Marketing have an positive and significant effect on purchase decision have proven to be true.

H2: Visual Content Marketing have an positive and significant effect on customer engagement

Customer engagement is positively impacted by visual content marketing by 0.468. The second hypothesis is classified as accepted because the T statistic value is 6.978 > 1.96 and the P value is 0.000 < 0.05. It has been established that visual content marketing significantly and favorably affects client engagement.

H3: Customer Engagement have an positive and significant effect on purchase decision

Purchasing decisions are positively impacted by customer engagement by a factor of 0.103. Given that the P value is 0.013 > 0.05 and the T statistic value is 2.502 > 1.96, the third hypothesis is accepted and shown to be true. This suggests that customer engagement has a positive and significant influence on purchasing decisions.

4.2.3. *Indirect Effect Test*

The indirect effect test to prove part of the mediation variable was carried out to prove the point of this examination, so it is important to know the influence of the mediation role. The value of the indirect effect test is presented in this following table.

Table 6. Indirect effect test

Variable	Original Sample (O)	Sample mean (M)	Standard deviation (STDEV)	T Statistic	P Value
Visual content marketing -> Customer Engagement -> Purchase Decision	0.048	0.051	0.023	2.099	0.036

Source: Processed by researcher, 2024

H4: Customer Engagement mediating the relationship between visual content marketing and purchase decision

Based on table 6. Proves that the original sample customer engagement value is 0.048, meaning that there is customer influence as a mediating variable. Acceptance of hypothesis four is based on the T statistic value of 2.099 with a significance level > 1.96 and the P value of 0.036 with a standard value < 0.05. It is established that Customer engagement contributes as an indirect mediator in the interaction between purchase decisions and visual content marketing.

5. Conclusion and Suggestion

The conclusion of results show that visual content marketing has a positive and significant effect on purchase decisions. This indicates that the visual content uploaded and marketed through

Sukabumi Outdoor has been successful in influencing customer purchasing decisions. Instagram as a tool for promoting and a place to upload visual content has proven beneficial. Furthermore, This study demonstrates the beneficial and noteworthy influence of customer engagement on purchasing decisions. This indicates that a factor in the rise in purchase decisions is customer engagement. Customer engagement has a weak influence on mediating the relationship between visual content marketing and purchase decisions. However, customer engagement, such as paying attention through likes, comments, or sharing Sukabumi outdoor content can encourage customers to make purchase. Customer engagement is a beneficial strategy and an effective way to attract purchases with Instagram's visual content marketing. This result of this research is expected to increase purchase decision at Sukabumi Outdoor as a hiking company by increasing strategy and company performance. Also, this research could be applied for any other hiking company.

However, this research is limited to hiking companies only. For future researchers, it is suggested to add more variables, use other locus or study any social media platform such as TikTok.

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PREVENTING GAMBLING BEHAVIOUR THROUGH COMMUNITY SOCIAL CONTROL AND THE CONCEPT OF JOGO TONGGO (CASE STUDY OF PEKALONGAN SOCIETY)

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ABSTRACT

Introduction/Main Objectives: This research aims to explain the importance of community social control as an effort to prevent the community from being entangled and ultimately feeling the negative impact of online gambling. This research is a type of field study research known as field research and uses a qualitative approach method by combining primary data obtained by interviews and observations and secondary data from literature relevant to the title raised. The results of this study indicate that the Pekalongan community, Pekalongan society has the cultural culture of Santri city with a religious society, making the important role of social control a way to create a community environment that does not allow gambling behavior to occur in its area. This allows social sanctions to make online gambling players reluctant to engage in online gambling. The participation of the community itself will make it easier to build a community ecosystem without gambling so that it has an impact on the orderly life of the community directly. The role of social control, which begins with supervision starting from the family, then religious leaders, community leaders, and community groups, complemented by clear and firm policies from the government, can prevent online gambling behavior in the Pekalongan community.

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1. Introduction

Gambling is a prohibited behaviour in Indonesia. This refers to the Criminal Code Article 303 paragraphs (1), (2) and (3) and Article 542 paragraphs (1) and (2); and Law No. 5 of 1974 on the Principles of Government in the Regions (Dewan Perwakilan Rakyat RI, 2016). This Act regulates: Gambling control. It explicitly states that all gambling offences are crimes. This is because gambling is one of the diseases of society that is one with crime, which in the historical process from generation to generation has not been easy to eradicate. Therefore, at the current level, it is necessary to make efforts so that people avoid gambling, gambling is limited to the smallest environment, and the avoidance of more severe negative excesses, so that they can finally stop gambling.

Gambling in Indonesia is a phenomenon that is difficult to fully overcome. Despite efforts to prosecute and enforce the law against gambling offenders, this practice persists and even continues to grow along with social change. Although the government has taken strict measures such as raids and arrests, as well as imposing harsh sanctions on the perpetrators, there has been no significant impact in preventing the community from engaging in gambling activities. Gambling games are still considered a common thing in people's daily lives, where gambling is used as entertainment or even a source of income for some people.

Based on data quoted from the EMP Pusiknas Bareskrim Polri, every month the Police take action against hundreds of reported gambling cases. A total of 3,000 people were reported in gambling cases from the beginning of the year to September 2023. The highest number of reported cases was in March 2023, totalling 1,063 people. Meanwhile, the number of reported cases from June to September 2023 has increased. In the data, private employees are the job category with the highest number of reported gambling cases, namely 37.8 per cent of the number of reported gambling cases throughout Indonesia (Aditya, 2023).

Gambling seems to have become part of everyday life for some people. Although officially banned, various forms of gambling games continue to take place in various places, from small street corners to village areas. One of the common gambling games is card gambling such as poker, dominoes, and capsa susun. In addition, dice and togel games are also very popular among gamblers. Although the government has taken steps to restrict gambling practices, public interest in these games remains strong. This shows that despite the risks involved, the desire to gamble remains high among some people in Indonesia.

The ease of access to the internet today has been utilised incorrectly. One of them makes gambling then transforms into online gambling (Makarin & Astuti, 2023). Initially, people used the internet to play online games, but eventually became interested in trying online gambling games out of curiosity. Participating in online gambling is not only related to the potential financial benefits, but also requires skills in using the internet and understanding how to play online gambling. Transactions in online gambling can also be made through electronic payment systems and can involve community networks between friends who are also involved in the game.

Changes in patterns of social behavior in today's society reflect the impact of the times, such as technological development, urbanization, industrialization, and mechanization. In this context, social behavior in people's lives undergoes a significant transformation along with these developments (Zurohman et al., 2016). As a result of rapid technological advances, there can be a negative impact from the development of technology, one of which is the misuse of social applications. One of the technological advances is the existence of online games. In recent years, online gaming has become more widespread which is preferred to fill spare time. One of the online games played by many people is online gambling. The form of gambling that is currently rampant among the public is the existence of online game games called Higgs Dominos Island, Slot, Sports (Ball), Casino, P2p, Shoot Fish, and others. The game application is in great demand by various groups ranging from teenagers to adults among the elderly. The game application is entertainment that can be downloaded via the Android Play Store which can be played on a smartphone.

Online gambling cases in Indonesia are also very numerous. According to the Police Public Relations Division, the number of online gambling offenders in 2023 was 1,196 cases with 1,967 suspects, while in 2024 as of April there were 792 cases and 1,158 suspects. So the total number of gamblers and suspects in 2023-2024 was 1,988 cases and 3,145 suspects. In fact, according to the Financial Transaction Reports and Analysis Centre or PPATK, there are 3.2 million online gamblers in Indonesia. About 80 percent play under the value of Rp 100 thousand. Even though it is below Rp100 thousand, the aggregate value of money circulation from online gambling in Indonesia in 2023, according to PPATK records, reached Rp327 trillion. Even though Kominfo has taken down 6.1 million online gambling sites during its 8-month tenure. Therefore, he said, the solution must be done comprehensively, integrally, and holistically (Hasan & Trianita, 2024).

Pekalongan Regency, which is nicknamed the City of Santri, is, in fact, inseparable from the gambling behavior of its people. In Operation Pekat Candi held by Pekalongan Police during the 20-day operation, the ranks uncovered as many as 59 cases. He explained, from gambling cases, Pekalongan Police got 2 operation targets. His party succeeded in finding six cases, with 13 suspects with various types of gambling such as online gambling, playing cards, and dice kopyok (Waluyo & Widyo, 2024). In addition to land-based gambling such as togel gambling, cockfighting, pigeon racing gambling, which is no less dangerous is online gambling, this is because online gambling is very difficult to detect and control. FAS (27) was arrested by Pekalongan City Police for his online togel gambling business. The turnover from online gambling reaches Rp 300,000 per day and has been carried out by the perpetrator for 2 months (Kharisma & Ribut, 2023).

Gambling behavior, both conventional gambling and online gambling, is equally bad for Indonesian society. However, less than-optimal prevention and prosecution efforts have made gambling a major challenge in Indonesia (Wardana, 2022). Gambling practices are still common around us, even growing in various layers of society. Although the development of information and communication technology brings benefits, the internet has become a fertile ground for online gambling practices. Although there are law enforcement efforts to arrest the perpetrators and bookies to be subjected to harsh sanctions, public awareness to avoid gambling has not been fully achieved (Bakhtiar & Adilah, 2024). Therefore, all stakeholders, especially the government and the community, must have a solution and need focus on preventing and eradicating gambling behaviour in the community.

2. Literature Review

Purchase decision, customer engagement, and visual content marketing are the variables that were used in this study.

2.1. What is Gambling

Referring to the Big Indonesian Dictionary, it is explained that gambling refers to gaming activities that involve the use of money or valuables as betting items, such as dice or card games. Meanwhile, online gambling refers to gambling games conducted through electronic platforms with the internet as the connecting medium (Sitanggang et al., 2023). In Article 303 paragraph (3) of the Criminal Code, it is explained that “What is referred to as a gambling game is any game, where in general the possibility of making a profit depends on sheer luck, as well as because the player is more trained or more skilled. It includes all rules regarding the decision of a race or other game that is not held between those participating in the race or game, as well as all other rules" (Kitab Undang-Undang Hukum Pidana, 2010).

Kartini Kartono (2009) defines gambling as an action that deliberately gambles value or something that is considered valuable, with awareness of the risks and has certain expectations related to the results of various events, matches, races, and events that are uncertain or uncertain (Kartono, 2009).

The term "gambling" is often associated with "maysir" in Arabic. The origin of the word maysir comes from the root Al-yasr which means the obligation of something to its owner, it also comes from the word Al-yusr which means "easy". There is also another root, Al-yasar, which means "wealth". Maysir refers to transactions that depend on uncertain circumstances and have an element of gambling. Another term similar to maysir is qimar. According to Muhammad Ayub, both maysir and qimar are used to refer to games of chance. Thus, maysir can be considered as a synonym for gambling (Muhammad, 2010).

Maysir refers in Arabic to the literal meaning of getting something easily without hard work or getting profit without doing work, which is often associated with gambling practices. Gambling in religious terminology is defined as a transaction made by two parties for the ownership of an object or service that benefits one party and harms the other by linking the transaction to a certain action or event. To be considered gambling, there must be three elements that must be fulfilled: first, there is a bit of property or material from both parties involved in gambling. Second, there is a game used to determine the winner and loser. Thirdly, the winner will gain some or all of the money wagered, while the loser will lose his or her stake (Hilyatin, 2021).

Maisir is any transaction that a person enters into and he may lose and may gain. The phrase 'may lose and may gain', also exists in the Muamalat of buying and selling, because the person who trades may gain may lose. But this Muamalat of buying and selling is different from Maisir, a trader when spending money then he gets goods and with that goods he does mu 'amalat to gain profit even though he may get a loss, but Maisir, once someone spends money then maybe he loses or does not get anything and maybe he is lucky. The principle of gambling is forbidden, whether one is deeply involved or plays only a minor role or no role at all, hoping for a profit (e.g. just dabbling) in addition to some of the people involved cheating, we get what we should not get, or lose an opportunity. Cutting and betting really do fall under the definition of gambling (Rudiansyah, 2020).

Studies on the impact of gambling behavior have been widely researched in various places, such as research in Air Buluh Village, Ipuh District, Mukomuko, Bengkulu Province. He stated that there was a significant influence between adolescents' attitudes towards the negative impact of the habit of playing online gambling seen from moral and unlawful behavioral deviations in the moderate category (Meswari & Matnur, 2023). In addition, research on the impact of online gambling among the people of Katingan Regency, Tumbang Samba Region also states that the impact of online gambling for adolescents and adults causes loss of concentration, prolonged stress, and easy frustration in every problem due to the influence of thinking power as a result of online gambling, as well as the emergence of laziness in doing any activity at school and overflowing emotions cannot be controlled (Satriyono & Ula, 2023).

The negative impact of online gambling applications from the perspective of information systems concludes some of the severe effects of online gambling addiction where the defeat obtained in playing this gambling slot causes the player's mental and emotional disturbance, it is not uncommon to find some players who are stressed, crazy and some even commit suicide, this gambling game triggers players to dare to go into debt and trigger other criminal acts such as theft in fulfilling slot gambling desires that require depositing funds to play (Julianto, 2023).

2.2. Social Control of Society and Jogo Tonggo

According to Durkheim (1895), social control theory is a theory that emphasizes the cause or pattern of a person's criminal behavior due to the lack of social attachment that applies to the individual. Social control theory according to Durkheim is studied using 2 perspectives, namely: the macro perspective, which explores formal systems to control groups, these formal systems include: the legal system, laws, law enforcement, power groups in society, as well as social and economic directions from the government / private groups, This type of control can be positive or negative. Then there is the micro perspective, which is a control that focuses attention on informal control systems.

Meanwhile, according to Albert J. Reiss (1950), he identified two forms of control, namely personal control (including control from individuals over themselves) and social control (Society). Personal control refers to the ability of individuals to refrain from violating the norms that apply and are upheld in community life to fulfill their needs. Meanwhile, social control is the ability of social groups or institutions' ability to effectively implement norms or regulations (Irwanto et al., 2024).

Travis Hirschi's (1969) version of social control theory maps and concludes that his proposition contains four main elements in internal social control: belief, involvement, commitment, and attachment. Within the framework of social control theory, human beings are considered to have intrinsic morality, thus having the freedom to act. As such, social control theory does not attempt to explain the reasons behind individuals' criminal behavior. However, the focus of social control theory is more on the question of why not everyone breaks the law, meaning that there is something that influences it and why some obey the law where the behavior certainly has an influence from the individual to the society (Irwanto et al., 2024).

Stan Cohen's (1985) definition of social control is an organized social response to deviant behavior. However, over time, cultural approaches to various forms of problematic behavior have evolved. These problems involve aspects such as criminality, deviance, crime, and misogyny, or a combination of them. Similarly, the mechanisms used to achieve control may include various measures, treatment, deterrence, segregation, or other preventive measures. Transformations in institutional structures and the reduction of classical class stratification systems in modern societies impact this dynamic. There is a conflict between the attempt to organize everyday life and the drive for individual freedom. As a result, the need for more intense social control develops in response to the complex dynamics of maintaining social order (Kurniawan & Mustofa, 2024).

Research in West Cilebut Village, Sukaraja Sub-district, Bogor Regency, concluded that the main impetus for them to play was to get a big profit at the beginning, which made them trapped in addiction because of the effort to repeat the success. Economic factors became the main trigger for them to participate in online gambling but instead had a negative impact which resulted in them being trapped in debt (Addiyansyah & Roffi'ah, 2023).

The motivations for this gambling behavior to become addictive include psychological factors such as the human instinct to win, addictive curiosity, and belief in winning strategies influencing player behavior. A social environment that rewards gaming behavior is also a factor of influence. In conclusion, online gambling has complex social and psychological origins. To address its negative impact, a holistic approach is needed that encompasses social, psychological, legal, and preventive aspects (Gunawan & Bahari, 2024).

Research in Monta Sub-district, Bima Regency, West Nusa Tenggara, suggests that the efforts that must be made to tackle the crime of gambling are counseling, and preventive and repressive efforts to tackle gambling behavior in the community (Andriadin et al., 2023). One of the preventive measures is social control, weak social control such as low parental supervision, lack of community involvement, and negative influences from the surrounding environment are the main factors for the tendency towards deviant social behavior that can occur in society (Purba et al., 2024).

Social control is an important step in addressing deviant behaviour in society. Therefore, the underlying theory of this research is social control theory, which focuses on techniques and strategies that regulate human behaviour and direct it towards conformity and obedience to societal norms. Travis Hirschi (1969), a leading figure in this theory, states that criminal behaviour is a failure of conventional social groups, such as family, school and peers, to bond with individuals. In this view, individuals are not considered intrinsically law-abiding, but must learn not to commit criminal offences. This argument is based on the belief that humans are born with a natural inclination to break the rule of law (Simatupang & Faisal, 2017).

According to Travis Hirschi's social control theory, youth crime is caused by the failure of social groups such as family, school, and peers to bond or connect with individuals. This theory sees the individual not as someone who naturally obeys the law, but as someone who needs to learn not to commit criminal offences. This view is based on the belief that all people are born with a natural tendency to break the rule of law (Isnawan, 2023).

According to Travis Hirschi, there are four elements of social ties in every society (Nawawi, 2022). The four elements are:

1. Attachment, is the human ability to engage with others. If attachment has been formed, a person will be sensitive to the thoughts, feelings, and will of others. This attachment relates to deviance to the extent to which a person is sensitive to the thoughts, feelings, and will of others so that they are free to deviate. Attachment is often defined as attachment to parents, school (teachers), and peers.
2. Commitment, is a person's attachment to conventional subsystems such as school, work, organisations, and so on. Commitment involves the rational aspect of social ties. All activities that a person does, such as school, work, participating in organisations, provide benefits to the individual, such as wealth, reputation, future, and others.
3. Involvement, is a person's activity in the subsystem. If a person is active in the organisation, he/she will be less likely to commit deviations. The logic behind this is that if a person is active in various activities, then he will spend his time and energy in these activities. Thus, he does not

have time to think about things that violate the law. Thus, all activities that provide benefits will prevent a person from committing unlawful acts.

4. Belief, is a moral aspect of social bonding that is different from the previous three aspects. Belief involves a person's belief in existing moral values. An individual's belief in existing norms will lead to compliance with these norms. Compliance with these norms will reduce the desire to violate. However, if one does not adhere to the norms, the likelihood of transgressing will be greater.

During the covid 19 pandemic a few years ago. There is an interesting programme, namely the 'Jogo Tonggo' programme. The Jogo Tonggo programme is a programme from the Central Java Provincial Government to help accelerate the handling of Covid-19. The Jogo Tonggo program involves various elements such as institutions, organisations and the community itself (Sari & Sholihah, 2021). The concept of the Jogo Tonggo movement is the concept of accelerating the handling of the community-based Covid-19 pandemic pageblug (disaster) established in Central Java. Jogo is a Javanese phrase that means to take care or guard, and tonggo means neighbour, the meaning is to look after each other. The consideration is that it is the community that is directly dealing with the transmission of Covid-19, so the prevention must put them at the forefront with the government who always supports. The concept is implemented at the Rukun Warga (RW) level which involves the community directly to look after each other's neighbours who are affected by the outbreak, exposed to the corona virus, and directly affected economically (Arditama & Lestari, 2020).

This disaster mitigation program is an effort to control the social community to prevent disobedient behaviour and protect each other from the impact of the covid 19 pandemic disaster through this program, the Central Java Government wants to face the COVID-19 pandemic while maintaining local wisdom. In addition, this programme also requires the active participation of the community to participate as members of Jogo Tonggo. People who are members of the Jogo Tonggo program come from various organisations and different sectors such as youth organisations, dasa wisma, Satlinmas, Posyandu, village midwives, village assistants, Gapoktan, PPL, and other related organisations/parties (Putri, 2020).

The concept of social control in Trafis Hirschi society can be combined with the concept of Jogo Tonggo, which is full of the value of mutual cooperation of local communities in its implementation so that it is very suitable to be applied in Pekalongan society which is thick with religious and community values. Through the roles of the various elements of society described above, the concept of social control can implement the prevention of online gambling behaviour into the elements of attachment, commitment, involvement, and belief in the social bonds of each community.

3. Method, Data, and Analysis

3.1. Type of Research

In this study, researchers applied a qualitative research approach. According to Denzin & Lincoln (1994), qualitative research is a research process that uses a natural environment to interpret phenomena that occur, often involving a variety of methods. Erickson (1968) states that in qualitative research, efforts are made to identify and explain narratively the activities carried out by individuals and the effects of these actions on their lives (Anggito & Setiawan, 2018). This research is conducted by studying and observing phenomena in a certain area, then exploring them by referring to documented studies, especially in articles and news published in various scientific journal sites and other credible sources. Literature review plays an important role in the formation of concepts or theories that form the basis of this research (Sukardi, 2013).

3.2. Data Source

In this research, what will be researched is the strategy to prevent the impact of online gambling with the Pekalongan Regency community as the object. The object of research is something that is the subject or focus of attention in a study (Suharsimi, 2006). Meanwhile, the research subject is something that allows having data or sources of information about the variables to be studied (Moleong, 2010), therefore, the data sources in this study consist of primary data and secondary data. Primary data refers to information obtained directly through interviews and observations. Meanwhile, secondary data is information that comes from sources other than primary sources. Secondary data can be in the form of literature references that support research and are obtained from relevant literature related to the problem, aiming as a basis for understanding the object of research and for proper analysis (Barlian, 2016).

3.3. Data Analisis Method

This research utilizes the triangulation technique as a method to check the accuracy of the data collected. The purpose of the data-checking technique is to validate or ensure the truth of the data obtained by the researcher. Triangulation, in this context, is a method of checking the validity of data that involves comparing observations with interviews, comparing statements made publicly with statements made privately, and comparing interviews with the contents of relevant documents (Ghony & Almanshur, 2012).

Researchers in this study applied a qualitative descriptive analysis method. The qualitative descriptive method is a research approach that aims to provide a comprehensive and in-depth description of social reality and various phenomena observed in the community that is the focus of the research. Thus, this method makes it possible to describe in detail the characteristics, traits, and models of the phenomenon under study (Sanjaya, 2013).

4. Result and Discussion

4.1. The History of Gambling in Indonesia

During the period between 1945 and 1960, Indonesia, as a newly independent country, continued to face a series of challenges. Social and political turmoil still plagued the country, with various conflicts occurring among its population and with the Netherlands. Until 1949, Indonesia was not fully recognized for its sovereignty in the economic sector (Zulfia et al., 2023). To strengthen the country's economy, the government organized the Lottery of Hope Fund, which was centrally managed by the Social Rehabilitation Foundation. Before the lottery was introduced, this Indonesian economic initiative underwent an interesting journey, encompassing aspects such as the inception of the concept, responses from the government and the public, name changes, and the achievement of legitimacy governing the program (Lumaksono & Andayani, 2014).

The Social Rehabilitation Foundation was a body that emerged during the Soekarno administration that was responsible for social policies. However, the organization stopped its activities in 1965. During the Soeharto era, the organization resumed operations with its name changed to Yayasan Dana Bhakti Kesejahteraan Sosial (YDBKS) (Miladi, 2021). Currently, the foundation has changed its name to the Ministry of Social Affairs. In practice, the funds generated from the Lottery of Hope are used to fund various social issues. This action follows the provisions stated in the Decree of the Indonesian Minister of Social Affairs Number: B.A. 5-4-76/169 concerning the implementation of the lottery of hope (Lumaksono & Andayani, 2014). During this time, the Department of Social Affairs sought to investigate ways in which the activity could be organized more regularly. Between 1974 and 1976, the government traveled to the UK to study a particular gambling model called “forecase”. After various considerations from various government agencies such as the Attorney General's Office, the State Intelligence Coordinating Agency (BAKIN), and the Department of Social Affairs, Porkas Football Coupons were then officially allowed to be circulated and sold on 28 December 1985.

There are various forms of gambling in Indonesia, one of which is a lottery that has existed since the Japanese occupation, governed by a foundation responsible for its implementation. Initially known as Lottery Dana Harapan or Undian Harapan, it was managed by the central government through the Social Rehabilitation Foundation, then changed its name to Badan Usaha Undian Harapan in 1978. The funds collected from the sale of lottery tickets are used to fund programs to overcome social problems, as stipulated in the Decree of the Minister of Social Affairs of the Republic of Indonesia Number: B.A. 5-4-76/169 concerning the implementation of the lottery of hope.

Dana Harapan was closed due to protests from the public and difficulties in raising further funds for social causes. Subsequently, the program was replaced with SSB (Social Donations with Prizes). The government then conducted socialization to explain that this program was not gambling, but a form of donation. Starting in 1979, the SSB (Social Donation Coupons with Prizes) was implemented in a print run of 4 million pieces, which were also raffled off as many as 4 million pieces. However, this program only lasted for 9 years before being replaced by SDSB in the late 1980s. This change was also followed by the existence of Porkas, which was later transformed into KSOB in 1987. However, the implementation of KSOB did not last long. KSOB and TSSB were replaced by SDSB, which was implemented based on the Decree of the Indonesian Minister of Social Affairs No. 21/BSS/XII/1988 concerning Guidelines for the Implementation of the Collection of Donations from Social Benefactors with Prizes and Decree of the Indonesian Minister of Social Affairs No. BSS 16-11/88 concerning the Granting of Permission to Organise the Collection of Donations from Social Benefactors with Prizes to the Yayasan Dana Bhakti Kesejahteraan Sosial in Jakarta. Decree of the Minister of Social Affairs No. 21/BSS/XII/1988 also regulates the provisions of SDSB distribution (Bagaskara, 2023).

The Social Rehabilitation Foundation (YRS) as the organizer of the lottery at that time had experienced closure. However, in 1978, the foundation was revived and changed its name to Badan Usaha Undian-Undian Harapan with a programme that is well known until now, namely SDSB (Sumbangan Dermawan Sosial Berhadiah) or Sumbangan Sosial Berhadiah (SSB). Around 1979, the Tanda Sumbangan Sosial Berhadiah (TSSB) programme was introduced, organised by the Yayasan Dana Bhakti Kesejahteraan Sosial (YDBKS). In addition, the Orba government also introduced another gambling program known as Porkas (Pekan Olahraga dan Ketangkasan) which was mainly related to football. This gambling practice involved predicting the outcome of matches, such as winning, losing or drawing. To enhance the progress of the national gambling program at the time, President Soeharto even sent the Minister of Social Affairs to study the Lottery draw practice in the UK which had a similar pattern to Porkas and SDSB. As a result, in 1985, a national gambling policy was issued in the form of the Porkas (Syamsudin, 2020).

4.2. Overview of the Gambling Phenomenon in Indonesia

Data released by Drone Emprit shows that Indonesia is ranked as the country with the most online gambling users worldwide. This information is based on analyzing data from the social media platform Facebook over a certain period. According to the data revealed by Drone Emprit, posts about slot games on Facebook reached 298,105 posts, with more than 61 million interactions. These posts about slot games are consistent with more than 2,000 posts per day. Information about data from Drone Emprit shows that Indonesia occupies the top position as the country with the most active population playing slot gambling online via the internet and mobile devices. More worryingly, the number reached 201,122 users, far exceeding other countries. In second place, Cambodia has 26,279 users, while the Philippines is third with 4,207 users (Dian, 2023).

Previously, a report from the Financial Transaction Reports and Analysis Centre (PPATK) noted that the circulation of money through online gambling transactions continues to experience a significant increase from year to year. The money circulation figure reached IDR 81 trillion. Money circulation from online gambling, including conservative gambling, continues to increase from year to year. For example, in 2021, the amount of money circulation reached IDR 57 trillion and increased significantly in 2022 to IDR 81 trillion (Hosana, 2023).

In another source, it was reported that the estimated total turnover of money from online gambling currently stands at more than Rp190 trillion. This figure surpasses the findings of the PPATK analysis, which showed a turnover of Rp190 trillion in online gambling funds between 2017 and 2022. Such a large turnover of funds was carried out by 887 entities that constituted a network of online bookies. According to PPATK, of these, 2,190,447 individuals were involved in gambling activities with small bets of under Rp100,000. They are mostly people with low incomes, including employees, housewives, farmers, laborers, students, and so on (Jelita, 2023).

4.3. The Irony of the Phenomenon of Gambling Behaviour in Pekalongan Society

Pekalongan Regency, known as the city of Santri, is inseparable from gambling, both online and conventional gambling, which is a prohibited act, especially for people who are Muslim. This situation shows a paradox, where the widespread practice of gambling in Pekalongan, Central Java Province, is allegedly spared from punishment so that it looks as if gambling is considered legal and widespread among the community. It is even more ironic that one of the dealers and retailers is a lawyer who should have a strong understanding of the law, but instead violates the law by being involved as a dealer and retailer in Togel Gambling (Ndraha, 2022).

It is therefore not surprising that gambling practices in Pekalongan appear to be protected from the law, as there are allegations that some individuals or groups support these gambling activities. According to sources, not only a few lawyers are allegedly involved as retailers of Togel Gambling in the Pekalongan area, this is a challenge for law enforcement to act decisively in eradicating gambling there, as well as to prevent the possibility of individuals supporting or being involved in gambling practices, regardless of their form.

There have also been many cases reported on the impact of gambling, such as the news that Rasid Al Hadi, a manager at Mixue Store in Pekalongan City, was arrested by the Resmob team of Pekalongan City Police for allegedly embezzling Rp 252 million in cash from his workplace. Rasid, who hails from Karangjati Village, Wiradesa Subdistrict, Pekalongan Regency, admitted that the money had been used as capital to play online gambling (Kuswanto, 2023). In addition, the Pekalongan Branch of Bank Jateng was broken into by its employees. The loss value reached Rp4.4 billion. It is said that the embezzled money was spent by the perpetrator to play online gambling (Wibisono, 2018). These cases show that the impact of the online gambling phenomenon in Pekalongan not only affects the individuals involved but also results in an increase in crime that harms many people.

The phenomenon of gambling can occur in Indonesia due to various factors, including:

1. Economic Influence
   Profit is one of the main reasons people are attracted so they are directly involved in gambling games without making a heavy and tiring effort. The benefits offered in gambling games are indeed very attractive and diverse. People with low social and economic status often see gambling as a way to improve their financial condition. For example, during the SDSB lottery in Indonesia during the New Order era, many who participated came from low economic circles such as pedicab drivers and laborers (Fitriya et al., 2024). The majority of respondents who were successfully questioned also gambled due to economic factors. For example, a respondent with the initials YFS (26), an unemployed person who had just been fired from his job at a chicken slaughterhouse, admitted that he gambled because he hoped to get a lot of money from gambling to help his economic situation. In addition, a respondent named AP (28) also admitted to gambling because he was unemployed and hoped to get money from gambling. And several other respondents also admitted to gambling for similar reasons.
2. Inability to Absorb Prevailing Values and Norms
   Values and norms are the main capital that is indispensable for a person to live his life well (Ginting & Ginting, 2023). With this, a person will know what is good and bad, know what to do and what not to do so that they will not fall into the problem of societal diseases. This factor often occurs in communities that have a low level of education and understanding. The majority of interviewees said that when they gamble, they do not harm others. It is better than stealing, robbing, cheating or committing other criminal acts. This is certainly a thinking error that people should not have.
3. Environmental and Community Influences
   The environment is a factor that influences the emergence of community diseases. It is the environmental conditions or conditions that can be said to be the initial trigger for gambling behavior in the community. Pressure from friends or groups, as well as marketing strategies that emphasize the possibility of easy wins, influence people to engage in gambling. The mass media also reinforces the view that gambling is an attractive and profitable activity. From several informants who could be questioned, namely AZ (22), FH (27), and BG (23), they admitted that they played gambling because their neighbours also did this. They learnt from friends to friends then tried and won several times. They were also inspired to gamble

because they saw their friends or neighbours also gambling and then winning so they became interested in gambling. In addition, K (46), a religious teacher in Serang kandang sub-district, Pekalongan district, was arrested by the police because he was caught playing card gambling with a number of his neighbours. From Kumpul's confession, he played card gambling for fun and did it with neighbours when there was a celebration (Pekalongannews, 2015).

4. Venting or Escaping from Life's Problems
   Often people who are disappointed can cause behaviour beyond the control of the person concerned, even no longer paying attention to the norms and rules of society. A lot of people who gamble just to entertain themselves and win once or twice can make people finally fall into gambling and become frustrated due to their defeat of the gambling game. Sometimes he even pawned his belongings just to get money to play gambling again so that he could return the money he spent before when playing until he finally fell deeper and deeper. This factor often affects teenagers who are still unstable and easily depressed. They do gambling to entertain themselves because winning in gambling gives them pleasure. Like the informant with the initials AK (30) who admitted to playing online gambling on the sidelines when stressed at work or stressed because of his household.
5. The Effects of Technological Advancement
   In addition to its positive impact, technological advances also bring many negative consequences, especially for children who are still immature and unable to use technology meaningfully. Mobile phones are one of the technological advances used for communication without spending time to meet physically. Nowadays, mobile phones are widely used for online gambling as done by students who are involved with online gambling. Online gambling is growing rapidly because the way to play it is very simple with large profits quickly. The mass media also reinforces the view that gambling is an interesting and profitable activity. Even many influencers have been caught in cases for promoting online gambling. The Central Java Regional Police (Polda) arrested a female Instagram celebrity (celebgram) with the initials RM for ‘endorsing’ an international network gambling service operating in Pemalang Regency through her social media account (Agus, 2022).

The irony of the gambling phenomenon for the Muslim community in Pekalongan is a serious concern in the context of their religious and social values. Although Islam strictly prohibits gambling, the practice of gambling is increasingly rampant among the Muslim community in this area. Gambling players often feel tempted by the promises of instant profits offered without considering the negative implications. This creates an internal tension between religious beliefs and the temptations of the materialistic world. Ironically, although the Pekalongan Muslim community is widely aware of the religious laws regarding gambling, many still engage in the practice, reflecting the complex moral dilemma between traditional values and modern technological advancements. Thus, the phenomenon of online gambling is not only a legal issue but also highlights the moral and spiritual challenges faced by the Muslim community in Pekalongan in maintaining fidelity to their religious teachings in this digital age.

4.4. Social Control of Society as a Solution to Tackle Gambling Behaviour

Social control is a system used to avoid deviations in social behavior and to guide people to act following prevailing norms and values. The importance of social control is reflected when offenses occur, where the role of community social control becomes crucial in preventing social deviance. This gambling phenomenon is a complicated problem. To prevent someone from getting entangled in gambling, full self-control is needed in the form of awareness of the dangers of gambling from cases that have been widely reported. In addition, it is very necessary to control the community environment itself.

In this modern era, there is no doubt that the development of technology is so rapid. This era of rapid technology, not only brings positive impacts but also negative impacts where negative things also transition to be more sophisticated, one of which is online gambling. On the other hand, amid the progress of modern times, humans are increasingly becoming individualistic creatures. Increasingly selfish without feeling social responsibility. This is what makes social control increasingly minimal in social life so that deviant behavior sometimes tends to be aligned. To prevent an act that violates norms, rules, and laws, social control is needed as a preventive measure before a community group tends to commit acts that violate the law and ultimately have an impact on themselves and society.

Jogo tonggo is a concept in Javanese society that prioritises togetherness, mutual care and gotong royong. This concept inherently strengthens social control, as it encourages individuals to monitor and influence each other in their daily decisions and behaviour. In the context of preventing gambling behaviour, jogo tonggo plays an important role by building collective awareness about the dangers of gambling and encouraging individuals to be accountable to each other. By strengthening social relationships and promoting positive values, jogo tonggo can fortify communities against the temptations of gambling and minimise risks to social and economic well-being.

Furthermore, jogo tonggo can also create an environment where individuals feel comfortable talking about problems and seeking peer support. This allows for early intervention if an individual is seen to be falling into gambling behaviour. In addition, jogo tonggo reinforces social norms against gambling, so individuals are more likely to avoid such behaviour in order to maintain their reputation and relationships within their community. Thus, through the application of the concept of jogo tonggo, communities can build a strong social fortress to protect themselves from the threat of destructive gambling behaviour.

The concept of jogo tonggo is closely related to Travis Hirschi's social control theory. According to Hirschi's theory, individuals tend to follow social norms and stay away from deviant behaviour when they have strong ties to social institutions such as family, school and community. In the context of jogo tonggo, strong social ties between community members play a similar role to the ties theorised by Hirschi.

For example, in jogo tonggo, togetherness and mutual care between individuals strengthen the social bonds between them. When individuals feel emotionally connected to their community and have responsibilities towards other members, they are more likely to adhere to social norms that inhibit gambling behaviour. This is in line with the concept of bonding theorised by Hirschi, where individuals who have strong bonds with others tend to follow social norms and avoid deviant behaviour.

Thus, the concept of jogo tonggo can be seen as an implementation of Travis Hirschi's social control theory, where strong social ties between individuals play an important role in influencing individual behaviour and preventing gambling behaviour among the community.

In the community's social control strategy as the theory of Travis Hirschi, namely exploring formal systems to control groups to prevent the impact of the online gambling phenomenon in Pekalongan Regency, the role of various elements of society itself is needed. Among others:

1. Family

   The role of the family has an important impact on efforts to prevent online gambling practices. The family is not only the first unit of socialization but also the frontline in instilling moral and ethical values in its members. Through a proactive approach, families can provide a deep understanding of the risks and dangers associated with online gambling to family members, especially the younger generation. Open and in-depth communication within the family environment also makes it possible to detect early signs of suspicious behavior related to online gambling. In addition, families can provide the necessary emotional and moral support for family members who may be tempted to engage in gambling practices. Thus, the role of the family is not only in educating, but also in monitoring, providing protection, and raising awareness of the dangers of online gambling, making it a key element in maintaining moral integrity and social welfare in Pekalongan society.
2. Religious Leaders

   The role of religious leaders has a very important impact on social control efforts to prevent online gambling practices in Pekalongan society. As spiritual and moral leaders, religious figures have respected authority in their communities. They can use their platform to provide a deep understanding of the dangers and negative consequences of online gambling, as well as affirm the moral and ethical values inherited by religion. By providing focused lectures, sermons, or teachings, religious leaders can shape a firm stance against online gambling activities within their communities. In addition, they can also mobilize and organize social or educational activities aimed at raising awareness of the dangers of online gambling and bringing communities together to fight the practice. Through their moral and social leadership, religious leaders play a crucial role in strengthening social control and preventing the spread of online gambling in Pekalongan society.
3. Public Figures

   The role of community leaders is vital in exercising social control to prevent the spread of online gambling practices in Pekalongan society. As holders of respected and influential roles in the local social structure, they can significantly influence public opinion and behavior. By leveraging their influence and networks, community leaders can organize education campaigns, seminars, or public discussions aimed at raising awareness of the dangers of online gambling and its negative consequences for individuals and society at large. In addition, they can also mobilize support from various elements of society to support policies and actions aimed at reducing the prevalence of online gambling, as well as provide assistance and support to individuals or families affected by gambling practices. By acting as agents of change and opinion leaders in the local environment, community leaders play a very important role in strengthening social control and minimizing the negative impact of online gambling in Pekalongan society.

4. Society Group

   The role of care among community members has a significant impact on social control efforts to prevent gambling practices in Pekalongan society. In a strong and supportive community environment, individuals look out for each other and keep an eye on each other. Where the community collectively identifies and responds to early signs of suspicious behavior related to gambling. With open communication channels between neighbors and peers, information about gambling practices can be quickly conveyed and responded to collectively. In addition, by strengthening solidarity and empathy among neighbors, communities can provide moral support and assistance to individuals or families who may become entangled in online gambling rings. Through active concern for the welfare of others, Pekalongan communities can shape an environment that is intolerant of online gambling practices, and build a strong foundation to reduce the prevalence and negative impacts of online gambling in their communities.

5. The Government

   In this case, the role of the government as social control is to make strict policies for the eradication of gambling in the Pekalongan area and create sanctions that deter people. This can be a last resort because people who tend to be afraid of violations and sanctions will make them inevitably be reluctant to engage in gambling behavior, especially online gambling. Because clear regulations and strict sanctions and prosecution indiscriminately can make people afraid to engage in gambling. The government as a policy maker must mobilise the community to eradicate gambling in Pekalongan by encouraging and involving the community to monitor and report gambling cases in their respective areas. So that the participation of the community can make it easier for government officials to crack down on gambling cases in their area.

In Pekalongan, the application of the jogo tonggo concept and Travis Hirschi's social control theory can be an effective strategy in preventing online gambling behaviour in the community. The concept of jogo tonggo, by building togetherness, mutual care, and gotong royong between individuals, can create an environment that strengthens social ties. In this case, communities in Pekalongan can collectively raise awareness about the dangers of online gambling and support each other to avoid such behaviour.

Meanwhile, Travis Hirschi's social control theory emphasises the importance of individual bonds with social institutions in preventing deviant behaviour. In the context of Pekalongan, implementing Hirschi's theory could mean strengthening individuals' bonds with family, school, religion and the local community. For example, by involving families, teachers and community leaders in educating about the risks of online gambling as well as promoting values against it, communities can build an environment that strengthens social control.

In the context of preventing gambling behaviour in Pekalongan society, the concept of ‘Jogo Tonggo’ can be linked to Travis Hirschi's social control theory which involves four main elements: attachment, commitment, involvement, and belief. The following is a description of the implementation of ‘Jogo Tonggo’ in each of these elements:

1. Attachment

Attachment refers to the strong emotional connection between individuals and those around them, especially family, friends, and community. In the context of 'Jogo Tonggo', through various activities such as gotong royong, joint patrols, and community events, the programme strengthens bonds between residents. The stronger these bonds, the less likely individuals are to engage in deviant behaviour such as gambling, as they do not want to damage the relationships they have. With social support from neighbours and the community, individuals feel more bonded and are reluctant to commit acts that could damage the reputation and trust that has been built.

2. Commitment

   Commitment refers to the investment of time, effort and resources in conventional activities that the community recognises. This step encourages citizens to engage in various beneficial activities such as sports, religious activities, and education. This commitment makes them focus more on positive long-term goals rather than seeking instant gratification through gambling. Individuals who commit to the programme gain social rewards and recognition from the community, which increases their motivation to stay on track and away from negative behaviours such as gambling.

3. Involvement

   Involvement involves active participation in activities that occupy time and reduce opportunities to engage in deviant behaviour. By organising various activities such as community service, skills training, and recreational activities, the programme ensures that residents have many positive activities that keep them busy and do not have the time or opportunity to gamble. Involving residents in the planning and implementation of activities makes them feel responsible for the success of the programme and the well-being of their community.

4. Belief

   Beliefs refer to an individual's agreement with the social and moral norms that exist in society. The propagation of positive values: The programme promotes moral and ethical values that emphasise the importance of honesty, hard work and togetherness. Belief in these values makes individuals more likely to stay away from harmful behaviours such as gambling. By reinforcing social norms through socialisation and education, 'Jogo Tonggo' helps reinforce residents' belief that gambling is unacceptable behaviour in their community. The programme promotes moral and ethical values that emphasise the importance of honesty, hard work and togetherness. Belief in these values makes individuals more likely to stay away from harmful behaviours such as gambling. Enforcement of social norms: By reinforcing social norms through socialisation and education, 'Jogo Tonggo' helps reinforce residents' beliefs that gambling is unacceptable behaviour in their communities.

Through the application of these two concepts, Pekalongan society can work together to reduce the prevalence of online gambling behaviour. By strengthening social ties and building collective awareness, it is expected that individuals will be more inclined to follow norms against online gambling and avoid such behaviour for the common good.

Strong community social control and the role of various elements of society that work together in overcoming this gambling problem can reduce the tendency of gambling behavior in the community. Here social control not only provides direct barriers to the practice of gambling but also creates an environment where individuals feel compelled to comply with the rules and maintain the social integrity of their community. The community also tends to label people who have gambled or been caught gambling so that social sanctions from the community will prevent gambling behaviour among the community as well as strict sanctions from the government against gambling offenders.

5. Conclusion and Suggestion

Community social control is a solution to prevent online gambling behavior where the Pekalongan society has the cultural culture of Santri city with a religious society, making the important role of social control a way to create a community environment that does not allow gambling behavior to occur in its area. This allows social sanctions to make online gambling players reluctant to engage in online gambling. The participation of the community itself will make it easier to build a community ecosystem without gambling so that it has an impact on the orderly life of the community directly. The role of social control, which begins with supervision starting from the family, then religious leaders, community leaders, and community groups, complemented by clear and firm policies from the government, can prevent online gambling behavior in the Pekalongan community. Therefore, the social control of the community, which is full of cultural elements of gotong-royong, can be used as a more humanist approach to tackling gambling behavior for the people of Pekalongan.

This research still has many limitations so criticism and suggestions are very much needed. The limitations are mainly in the process of collecting data and information from respondents regarding gambling behaviour in the Pekalongan area. Most of the respondents who engage in gambling certainly avoid and tend to hide their behaviour. Therefore, more in-depth research is of course needed to obtain more accurate data so as to produce a more comprehensive discussion.

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STRATEGY OPTIMIZATION TO DEVELOP MICRO SMALL AND MEDIUM ENTERPRICE (MSMES) PERFORMANCE IN DIGITAL ERA USING FINANCIAL TECHNOLOGY AND DIGITAL MARKETING

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ABSTRACT

Introduction/Main Objectives: The success of MSMEs plays an important role in a country's economy, such as absorbing local labor by 96%.9% and contributing up to 61% to GDP. Currently, many entrepreneurs, both small and large scale, sell online using digital platforms, including MSMEs. **Background Problems:** MSMEs have a new problem, namely how to strategy to enter the digital market and reach new target markets but still be able to maintain existing markets by utilizing digital marketing and financial technology. **Novelty:** The novelty in this research is the use of qualitative phenomenology methods. This research also found new things in marketing in the digital era, namely business innovation, providing discounts, managing and retaining old customers, using paid digital marketing tactics, optimizing marketplaces and e-commerce, and utilizing delivery services. **Research Methods:** The research method used is phenomenology, namely a method that emphasizes extensive observation of the object being studied through an interview approach and is supported by image data or written and spoken words. This interview was conducted with 7 successful entrepreneurs in the digital market, namely the Bumbu Ndeso restaurant, Mas Faisal Fried Rice, Haldalku Shredded Chicken, Mamalia Shop, D'Qiya Brownis Chips, Widji Batik and Homemade Lily. Test the validity of the data using triangulation and data analysis using Miles and Huberman's model. **Finding/Results:** The results of this research show that the strategy for MSMEs to enter the digital market is selling products with digital marketing through social media and e-commerce, using financial technology to improve services in transactions and enabling MSMEs to obtain additional business capital, improve product quality and provide optimal service by establishing good relationships with customers. **Conclusion:** From the research results, several advantages or disadvantages of digital marketing compared to conventional

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marketing were found, including lower costs, no need for marketing personnel, easier branding potential, drastic business growth potential, and very wide sales reach. The success of MSMEs is also supported by the use of financial technology which provides digital payment services specifically for MSME players to support the smooth running of MSME business transactions.

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1. Introduction

MSMEs are business units managed by individuals, households, communities and small business entities that can encourage economic development and development in Indonesia (Vinatra et al., 2023). It cannot be denied that MSMEs have a strategic role in supporting a country's economic resilience. These strategic things include wider employment, absorbing local workers so that it has a positive impact on efforts to eradicate poverty in local communities, increasing the productivity of local communities and helping to maintain the availability of goods and services needed by local communities (Budiman & Herkulana, 2021). Regarding the number of workers absorbed by micro, small and medium enterprises (MSMEs) in Indonesia in 2022, it has reached 96.9% of the total national labor absorption (Ekon.go.id, 2022). Apart from that, MSMEs have also contributed at least 61% or Rp. 9,580 trillion contributed to gross domestic product (GDP) (Ekon.gp.id, 2023).

One of the impacts of the Covid pandemic is changes in people's consumption patterns, who use digital platforms and internet media to meet their daily needs. Nowadays, people are fond of making online transactions to fulfill their daily needs. Making MSMEs experience difficulties in the market that have never happened before. These difficulties include intense competition, changes in people's consumption patterns and the large number of consumer demands through more advanced media (Mudjahidin et al., 2024). Currently, there are 196 million Indonesian people who like to shop online (Ayuningrum, 2023). Such as shopping using e-commerce and carrying out financial traffic activities, people automatically also use digital technology. E-commerce can not only be used for selling but is also widely used to reach a wider customer target, provide detailed product information, as well as a medium for serving customers (Erwin, 2023). So this should make it easier for start-up traders to inform about products, provide services to customers and make sales on one platform. Currently, based on data from the Ministry of Communications and Information, the number of MSMEs that have been digitized will reach 20,997,131 in 2022. This data has increased by 17% from the previous year (Yusuf, 2023).

In fact, MSMEs also have shortcomings such as difficulties in developing due to weak skills, experience, entrepreneurship and finances. Apart from that, market digitalization, which is increasingly complex and complex, must also be balanced by MSME players. The development of digitalization for MSMEs is not only limited to digital marketing but also extends to digital payment systems. This digital payment, which was initiated by the Ministry of Trade, is a clear proof of the implementation of digital trade. Digital payments by utilizing digital financial technology can also serve customers who will make non-cash payments (Nurohman et al., 2022).

Base on the problems experienced by many MSMEs in Kendal Regency, especially beginner MSMEs, when they have entered the digital market that has been described, this research is intended to answer the questions: 1) What is the strategy for starting selling using digital platforms, such as how to reach more potential customers, 2) How to retain existing customers, 3) how to provide optimal service, 4) how to optimize the use of digital marketing and financial technology.

2. Literature Review

2.1. Digital Marketing

Digital marketing is increasing product introduction through digital platforms carried out by companies with the aim of reaching a wider market. According to Boonmalert et al., (2021) digital marketing is a marketing development from old model marketing methods with marketing using digital media. Meanwhile, according to kimathi et al., (2019) digital marketing is a marketing method that involves internet technology including email, websites, e-commerce, social media and smartphones with the aim of informing, promoting and communicating products and services via the internet. Indicators in digital marketing include (Mutanu, 2017):

a) Social media can increase engagement with customers
b) The use of social media has enabled access to new markets
c) The use of digital marketing can increase sales
d) Digital marketing has been able to increase efficiency and effectiveness in marketing strategies

2.2. Financial Technology

Financial Technology (fintech) is an online banking and mobile payment method that contains payment balances and loans from marketplaces that make it easier for users to manage finances, provide payment instruments and increase access to financing (Danisewicz & Elard, 2023). Financial technology is an application used to carry out various transactions such as mobile banking, bill payments, money transfers, payment of employee wages and salaries and others (Elouaourti & Ibourk, 2024).. The indicators used to measure financial technology are as follows (Nurhayani et al., 2024):

a) Fintech makes it easier for me to make transactions
b) The use of fintech is very flexible
c) Easy to use or operate
d) The use of fintech will increase business productivity

2.3. Business Performance

Business performance is the level of success in achieving what has been done which reflects capital, sales, number of employees, market share, and profits that continue to grow (Mantok et al., 2019). Indicators of business performance are as follows (Maina, 2017):

a) There is an increase in finances
b) There is an increase in customer satisfaction
c) Reducing operational costs
d) Increased market share

2.4. The Impact of Financial Technology For Company Financial Performance

The emergence of digital financial technological innovation shows the importance of innovation and competitive competition. So digitalizing finance and the business environment can improve a company's financial performance (Abbas et al., 2024).

2.5. The Impact of Digital Marketing For Company Marketing Performance

Digital marketing innovation is considered necessary to be carried out with the aim of increasing company sales and the company can get more profits. Research conducted by Csordás et al., (2022) shows that dynamic innovation using digital marketing is able to open new sales channels and increase the company's competitiveness in the market.

This research is guided by dynamic capability theory. This theory explains how businesses are able to adapt and in a dynamic environment can create diverse resources (Kimathi et al., 2019). The industrial world today reflects various major challenges such as increasingly competitive competition, increasingly advanced technology, an ever-changing social environment and increasingly complex regulations. So this can have a negative impact on company performance. According to Teece, (2007) a company's dynamic capabilities can be used as the capacity to create, develop and optimize three capabilities that can be utilized to maintain competitive advantage. These three things are identifying opportunities and threats, taking advantage of existing opportunities, and improving, protecting and configuring company assets, both tangible and intangible.

Digital marketing and financial technology have long been considered a way to improve company performance. From previous research, it was explained that the use of digital marketing was quite effective in increasing product sales and attracting more consumers. Research conducted by (Masrianto et al., 2022) revealed that improving marketing through digital media can be done by increasing the role of managerial innovation and organizational readiness, digital marketing, digital analysis, digital CRM, digital advertising and display advertising.

3. Method, Data, and Analysis

In this research, researchers took a case study of Kendal Regency MSMEs which are members of the Online Business Association Management or MPPO. To date, the number of participants in this association is around 152 members with various types of businesses ranging from food production, services, crafts, party equipment rental, dropshippers, resellers and many more. This research is phenomenological research with a qualitative descriptive approach. The concept of phenomenology offers procedural implications for how a truth is obtained, how a real event can be understood, and how to approach human life in a unique way as a subject (Farid, Muhammad, 2018). Descriptive qualitative is used to examine the condition of the research object where the key instrument is the researcher himself which is based on the philosophy of postpositivism (Sugiyono, 2022). The subjects in this research were associate members of the Kendal Regency MPPO. Where this determination is adjusted based on the researcher's considerations regarding the discussion to be studied and closeness to the researcher. The focus of discussion in this research is what efforts need to be made by MSMEs to be able to develop their business in the digital market and how to optimize digitalization for MSMEs to support the progress of MSMEs. 7 members of the

MSME MPPO were chosen as subjects in this research, namely Rumah Makan Bumbu Ndeso, Nasi Goreng Mas Faisal, Shredded Chicken Haldalku, Kedai Mamalia, Chip Brownis D'Qiya, Batik Widji and Lily Homemade. This subject was deliberately chosen based on considerations according to the researcher's needs. Where researchers chose MSME actors who have been involved and successful in the digital world. So researchers can understand how MSMEs can survive and develop in the digital era. This research uses literature study methods, interviews and documentation. Literature studies use written work and previous research. In the observation method, the researcher is directly involved with the research subject by observing, listening and asking questions related to the focus of the discussion. Meanwhile, documentation is done by analyzing documents that provide information about the research subject.

To test the validity of the data, researchers used the triangulation method. According to Sugiyono, (2022) triangulation is a validity test by collecting data from existing sources. Source triangulation is using data from various sources to answer research questions. Researchers use data sources from observations, in-depth interviews and documentation. The data analysis method used in this research is data analysis popularized by Miles and Huberman (Miles, 2005) as follows:

1) Data collection
   Data from observations and interviews in the form of words or statements are processed through recording, typing, editing and transcription.
2) Data reduction
   Changing data from notes or transcriptions into a particular pattern or problem. Then the data is summarized and selected. Selection is carried out on haphazard data so that conclusions can be drawn and the truth sought.
3) Presentation of data
   Data presentation can be done with short descriptions, flow chats, charts. The method often used in qualitative research is presenting data with narrative.
4) Drawing conclusions
5) Conclusions are drawn by looking for the meaning of the data that has been presented. The following is an overview of descriptive qualitative data analysis according to Miles and Huberman (Miles, 2005):

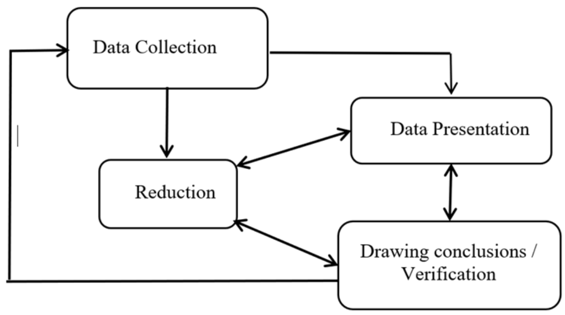

Figure 1 : Data Analysis used Miles and Huberman Method

4. Result and Discussion

4.1. Digital Marketing

a) There is a financial increase in business with the role of digital marketing and fintech.

The results of interviews and observations, the informants answered that doing business by utilizing marketing via social media and the involvement of fintech in transactions makes businesses increasingly popular and indirectly profits also increase.

b) There is an increase in customer satisfaction with the role of digital marketing and fintech

Informants generally answered that posting products on social media makes it easier for people to ask questions via the comments column and it becomes easier for sellers to answer all questions from potential buyers, so that buyers feel more cared for and their satisfaction increases.

c) The use of digital marketing can increase sales

From the results of joint interviews with MSME players, there were six out of seven actors who experienced an increase in sales after regularly posting products via social media. Meanwhile, the other one did not have a significant impact even though it had posted the product on social media. This is allegedly because the product offered is a non-food product, or it could also be due to the content being less interesting, or it could also be due to other factors.

d) Digital marketing has been able to increase efficiency and effectiveness in marketing strategies

Based on the results of interviews with seven informants, all MSME players agree that marketing their products on social media can reduce promotional costs and make selling easier and faster.

4.2. Financial Technology

a) Fintech makes it easier for me to make transactions

From this question, the informants answered in the affirmative because with the help of applications such as m-banking, e-wallet and other digital-based transaction tools, transactions become easier.

b) The use of fintech is very flexible

The results of interviews and observations with informants stated that fintech brings convenience to customers and MSMEs and speeds up the transaction process.

c) Easy to use or operate

Answers from several informants explained that the fintech application they used was quite easy to operate so it really made transactions more comfortable. Meanwhile, there were two informants who sometimes experienced difficulties when operating fintech applications, so sometimes they needed help from family members or employees to help them

d) The use of fintech will increase business productivity

Base on the several informants who were asked this question, all the informants answered that fintech made business activities faster, safer and smoother. So sales will increase. One informant stated that many customers were happy because the service was complete and sellers could serve various transactions either using manual payment methods (cash) or with the help of fintech applications. So customers feel safer and more comfortable.

4.3. Business Performance

a) **There is a financial increase in business with the role of digital marketing and fintech.**
From the results of interviews and observations, the informants answered that doing business by utilizing marketing via social media and the involvement of fintech in transactions makes businesses increasingly popular and indirectly profits also increase.

b) **There is an increase in customer satisfaction with the role of digital marketing and fintech**
Informants generally answered that posting products on social media makes it easier for people to ask questions via the comments column and it becomes easier for sellers to answer all questions from potential buyers, so that buyers feel more cared for and their satisfaction increases.

c) **There is a reduction in operational costs**
The results of interviews with informants, it can be explained that the use of digital marketing and fintech can reduce operational costs such as labor costs and promotional costs. What previously used digital platforms required more promotional and labor costs after switching to digital platforms can be reduced.

d) **There is an increase in market share**
The results of interviews with informants, the increase in market share has increased since several months of using digital marketing. More and more potential new customers respond to product content and become more familiar with the business, thus encouraging customers to come and make transactions. Meanwhile, fintech does not have much influence on market share because it is more static.

In digital marketing, increasing customer involvement with content posted on social media will increase engagement. Such as frequently replying to or liking comments from customers who comment on posts. The higher the engagement, the more comfortable customers will be interacting on social media with the marketing content created. And the more popular the content, the more it will shape the image and loyalty of customers which will attract potential buyers. This is in line with research conducted by Darmadi et al., (2021) which states that customer involvement in social media indirectly influences customer image and loyalty. When a business is known to more people, people will tend to buy from a well-known place. According to Aamir et al., (2024) user or customer involvement also significantly influences stakeholders or in this case MSME actors.

Apart from customer involvement in marketing content, it can have an impact on the company's image and increase customer loyalty. Disseminating content on social media with digital marketing can also have an impact on expanding market share. Before doing digital marketing, customers who used products from MSMEs were only the closest customers, relying on the people around them. However, with the role of digital marketing through social media, market reach has become wider. Apart from that, social media marketing can significantly influence consumer behavior in making decisions to buy a product Irtisamul et al., (2024) Automatically, the use of digital marketing will be able to increase MSME sales and make business activities more effective and efficient because there is a reduction in costs such as promotional costs and labor costs.

The use of fintech also supports business activities because using fintech in transactions will make the transaction process easier, faster and safer. With the security, convenience and speed obtained with fintech, this will encourage business productivity to increase. Because apart from making transactions easier, fintech allows MSMEs to gain access to additional business capital. As stated by Hamzah et al., (2023) who stated that fintech can help increase financial access for MSMEs and accelerate MSME businesses.

This research also found several strategies recommended by informants to improve the performance of MSMEs. Several efforts that can be made to improve business performance in the digital era are as follows:

a) Providing discount promotions
It is common knowledge that price discounts are one of the strategies to attract potential buyers to buy products. MSME players can temporarily reduce prices but still take into account production costs so that production activities are not disrupted and do not cause losses.
b) Retain old customers
Retaining old customers is very important, because old customers will make repeat purchases because they already know the quality of the product. Old customers also have the potential to invite new customers to buy the product because they already know the quality of the product. Based on the results of observations and interviews with MSME players, researchers found that there are several ways to build good relationships with customers, including by maintaining communication, conducting campaign competitions or by giving rewards to loyal customers. Holding a campaign competition is the most effective and powerful. Because this competition requires customers to upload campaigns on social media so that it will attract other social media users to try the product.
c) Business innovation
Innovations carried out according to the circumstances and type of business can increase sales. Just like creating a new variant, it turns out that it can bring out new colors in the business. Another innovation that is sometimes considered strange and uninteresting, when added at the right time, can turn out to be an attraction in itself.
d) Develop digital marketing tactics
Tactics that can be implemented are by utilizing social media and digital advertising. Based on research, social media users in Indonesia spend three hours or more on social media activities. Apart from that, by optimizing digital-based marketing such as Google Ads, Facebook Ads, Instagram Ads, TikTok Ads, researchers assess that this can increase brand awareness and expand the market reach of MSMEs. Apart from that, advertising costs using social media are considered cheaper and more effective than manual advertising. Sales are also felt to increase after advertising on social media. This proves that increasing the progress of MSME businesses can be driven by utilizing technological advances.
e) Marketplace and e-commerce optimization
Food sales in marketplaces are not as good as clothing and cosmetic products, but there is still an increase in sales of food products in marketplaces and e-commerce.
f) Utilize delivery services
Delivery services are currently still busy for both culinary and non-culinary businesses. MSME players can also take advantage of this. Based on the results of interviews and observations, delivery services are quite helpful in the sales transaction process. Business actors can partner

with online motorcycle taxi companies if the business actor cannot deliver it himself or the business actor wants to focus more on the business.

5. Conclusion and Suggestion

Based on the research results, several advantages or disadvantages of digital marketing compared to conventional marketing were found, including lower costs, no need for marketing personnel, easier branding potential, drastic business growth potential, and very wide sales reach. The success of MSMEs is also supported by the use of financial technology which provides digital payment services specifically for MSME players to support the smooth running of MSME business transactions. Digital payment is a payment system that uses online media such as via SMS, internet banking, mobile banking, digital wallets, etc. All of these activities can be done by utilizing the functions of a smartphone. people do not need to carry cash or withdraw their money from ATMs to pay for various transactions. So transactions become safer, save energy and also save time.

MPPO Kendal MSME players continue to strive to survive and develop in an increasingly advanced era. This is done by continuing to innovate and keep up with current developments. Digital marketing currently turns out to be one of the efforts to survive and develop where business competition is also getting tighter. The role of financial technology today is also very important. because the existence of financial technology, especially digital payments, really helps sellers and buyers to make transactions more easily, safely and quickly.

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ECONOMIC EMPOWERMENT OF PERSONS WITH DISABILITIES THROUGH PRODUCTIVE ZAKAT

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ABSTRACT

Introduction/Main Objective: The research aims to determine the strategies, mechanisms and impacts of economic empowerment of people with disabilities through productive zakat at BAZNAS Wonosobo Regency. **Background of the Problem:** The existence of people with disabilities who are still considered a family disgrace or a social burden if left alone will further increase the problem of social inequality, the condition of people with disabilities who experience discriminatory behavior or discriminatory treatment will greatly impact their ability to participate in society. People with disabilities in Wonosobo are increasing every year, so this requires attention from the community or from government institutions. Baznas Wonosobo Regency has a productive economic program with its main target being the poor and poor, based on a survey in Wonosobo Regency, on average, people with disabilities come from underprivileged families, in fact many have not received any assistance from the government at all, so they fall into the category needy and poor, through this program Baznas Wonosobo Regency can empower people with disabilities through productive zakat. **Novelty:** The mechanism for economic empowerment of persons with disabilities in Wonosobo emphasizes continuous active monitoring which has a positive impact on increasing the income and social status of persons with disabilities. **Research Method:** This research uses a qualitative descriptive method with a phenomenological approach, meaning that this research is focused on exploring, understanding and interpreting phenomena, events and their relationship with ordinary people in certain situations. Data collection techniques used interview and documentation methods, after the data was collected it was analyzed using the Miles and Huberman model with stages such as data reduction, data presentation and drawing conclusions. **Findings/Results:** The strategy for economic empowerment of people with disabilities through productive zakat at Baznas Wonosobo Regency starts from the planning, implementation and control stages. Economic empowerment of people with disabilities through the productive Wonosobo program at Baznas Wonosobo Regency provides results for people with disabilities as mustahiq, namely increasing income, increasing capital, increasing independence, and increasing religious knowledge. **Conclusion:** Economic empowerment

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of people with disabilities through productive zakat shows positive and sustainable results. Through the "Productive Wonosobo" program, Baznas Wonosobo Regency succeeded in designing a mature empowerment strategy, including detailed planning, in-depth social analysis, and effective strategy implementation. The positive impacts of this program include increasing income, business capital and the number of consumers for mustahiq. This empowerment is not only momentary, but also creates a solid foundation for long-term growth and sustainability. The success of this program also lies in inclusive active monitoring, involving various related parties such as religious organizations and government institutions.

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1. Introduction

Empowerment public become solution main for overcome various problems faced by the group poor society or not yet powerless, includ disabled person disability. Amount disabled person disability keep going increased to challenge serious in development well-being social. Accessibility and inclusion disabled person disability acknowledged as right basic must protected by law. Fulfillment of rights this no only as objective end, but also as precondition for ensure fulfillment rights other.

Based on Law Number 6 of 2014 concerning villages, community empowerment is defined as an effort to develop community independence and welfare in various ways, including increasing knowledge, attitudes, skills, behavior and awareness abilities. Community empowerment, especially people with disabilities, is an integral part of village development, by providing skills training as an effort to increase their independence.

Data on people with disabilities in Wonosobo City in 2022 shows that there are various types of disabilities, such as intellectual, multi-disabled, physically disabled, blind, deaf-mute and psychotic. This data illustrates that special attention is needed to their health welfare, including accessibility, rehabilitation and free treatment for those in need.

Table 1. Data on Persons Disability Based on Gender in Wonosobo City in 2022

No.	Type of Disability	Gender		Amount
		Man	Woman	
1.	Grahita	372	295	667
2.	Multidisability	269	212	481
3.	Body Disabilities	1109	650	1759
4.	Blind	177	111	288
5.	Speech Deaf	56	32	88
6.	Psychotic	295	215	510
Total				3,793

Source : Bond Disability Wonosobo

Baznas Regency Wonosobo play role important in empowerment disabled person disability through the zakat fund distribution program. This program covers help consumptive creative, like giving cash or goods, and assistance productive such as business capital. Empowerment economy through zakat is expected can give chance to disabled person disability for involved in activity productive, improving economy family them, and reduce burden social.

Although so, still there is stigma and discrimination to disabled person disability in public. Treatment discriminatory this covers violence to disabled person disability, which is disclosed in data from System Online Information on the Protection of Women and Children (Symphony PPA) as of 19 December 2022 there were 987 reports violence experienced disabled person disabilities, of which 84 cases violence to man disability 8.5 percent and 786 cases violence to Woman disability 91.5 percent. This matter show that effort empowerment still need improved for reach inclusion more social good (Prabawati, 2023).

Incumbent disabilities, especially those of origin from family not enough able to face challenge in access to economy, education, service general, work, and health (Frichy Ndaumanu, 2020). Regulation legislation, such as Law no. 8 of 2016, protect rights well-being social disabled person disability. Although thus, the gap well-being still happen, and effort more carry on required for ensure that rights this fulfilled in a way fair and due contradictory with principle distribution that riches must distributed to entire society.

Adinda Novita Putri said that factor inhibitor empowerment disabled person disability including internal factors (budget and transportation), factors external (policy government), and factors supporter from public that alone. As for Nur Annisatul Masslah conveys that income disabled person disability through catfish cultivation increase. Aligned with Yaumul Haeriyah conveyed that utilization of zakat giving benefit free from debt consumptive, owning savings, and owning confidence in business for disabled person disability.

In context Islamic economics, principles distribution riches must evenly between public. Zakat becomes instrument important in support distribution fair wealth. As in the Al-Qur'an Surah Al-Hasyr: 7 emphasizes importance distribute treasure to all over public for reduce gap social. Therefore that, zakat institutions, like Baznas Regency Wonosobo, has role big in reach objective the with give help productive to disabled person disability.

With thus, empowerment disabled person disability through the zakat program can become step concrete in overcome challenge social, improve prosperity, and creating inclusion more social good.

2. Literature Review

2.1. Economic Empowerment

By etymology of the word empowerment originate from the word "power" which means strength or ability. Empowerment namely the process towards empowered, or the process for obtain power or strength as well as ability, or process of giving power, strength and ability the from the owning party strength to parties who have not own strength (Sulistyani, 2004). Empowerment (empowerment) is help client obtain power for take decision and determine action that will he do the related with self them, incl reduce effect obstacle personal and social in do action. This matter done through enhancement ability and confidence self for use power that he have, among other things, have power transfer from environment (Adi, 2002).

Empowerment is a central concept for the government and related parties in increasing the capacity and capability of Micro and Small Enterprises, so that their strategic role and contribution can be optimized. The basic principle of empowerment (people representing themselves) remains intact, so it is accepted that different fields of study interpret empowerment differently (Lincoln, 2002); (Joseph, 2019). Elizabeth Whitmore, identified four basic principles of empowerment (Lord, 1993), namely that individuals are assumed to understand their own needs better than other people and therefore must have the power to define and act on them, all people have strengths they can build on, the empowerment process is assumed to be a lifelong endeavor, and personal knowledge and experience are useful in dealing with problems effectively. In the Actors theory put forward by Sarah Cook and Steve Macaulay in Perfect Empowerment, people are seen as subjects who are capable of making changes if they are free from rigid control and gain the freedom to take responsibility for their ideas, decisions and actions. This perspective is in accordance with the acronym Actors, namely authority, confidence and competence, trust, opportunities, responsibilities and support (Maani, 2011). Meanwhile, Moelyarto & Pranarka stated that the concept of empowerment is giving power or strength, authority and ability to powerless groups, namely those who are far from power, including marginalized groups (poor people and women).

Empowerment public actually is a process for empowering something society, where can make public independent in a way social as well as economy (Hermansyah, T., 2018). Independence public is a conditions experienced marked society with ability in think, decide as well as do something to look at appropriate in reach solution problem faced with use power or abilities possessed (Muhtadi, 2017). Empowerment public is an effort process capable development change man or public from the weak (powerness) become man or society that has power or ability (empowerment) so own soul independence for rise from downturn.

Empowerment economy is a step to increase economy public become more good and improving dignity economy society something area (Arifin. N, 2021). Empowerment economy can done through intrapreneurship and entrepreneurship. Empowerment through intrapreneurship is how prepare power work disabled person disability to be able to accepted in the energy market work. Whereas empowerment through entrepreneurship is education how disabled person disability capable establish business in a way independent. Empowerment economy aim for give public chance development and development in well-being alive, so creation field work for independence in build a decent and sufficient life.

As for indicator success an empowerment program public according to (Istiyanto, 2019) can seen including: Decreased amount poor people, growing business enhancement income made by poor people with utilize source available resources, increasing community awareness of efforts to improve the welfare of poor families in their environment, increasing group independence which is marked by the increasing development of productive efforts of members and groups, stronger group capital, neater group administration systems, and wider group interactions with other groups. In society, and increasing community capacity and equality of opinion which is characterized by an increase in the income of poor families who are able to meet basic needs and basic social needs.

2.2. Incumbent Disability

People know term disability or disabled as someone who bears disabled. Most people interpret disabled person disability as individual who loses member or structure body such as feet, hands, paralyzed, blind, deaf and so on. According to World Health Organization (WHO) disability is limitations or lack organ capabilities so influence ability physique or mental to displays activity in accordance with the rules or still within normal limits, usually used at the individual level (Afin, 2016).

Constitution number 8 of 2016 about people with disabilities has explain in a way clear term disability that himself, the viewer disability is everyone who experiences it limitations physical, intellectual, mental and sensory in period deep long time interact with environment around can experience obstacles and difficulties for participate in a way full and effective with other citizens based on similarity right (Gerak Inklusi, 2023).

Disability is those who have limitations physical, mental, intellectual or sensory in period a long time ago when face to face with various obstacles, this can obstruct participation full and effective they in public based on equality with the others (Sholeh A, 2016). So be a bearer disability is term for refer to those who have abnormality physical and non- physical. The range of disabilities is very wide referring to article 4 of Law no. 8 of 2016 concerning incumbent disability, including the blind, the deaf, the speech impaired, the physically impaired, the mentally retarded, the mentally retarded, and the double impaired.

2.2. Productive Zakat

Reviewed from in terms of language, the word zakat has several meanings, viz al -barakatu 'blessing', al- namaa 'growth' and 'development', ath-thaharatu 'purity', and ash- shalahu ' greatness'. Whereas in a way term, even though the scholars put forward it with quite an editorial different between one with others, it will but in principle the same, that is that zakat is part from treasure with condition certain, which Allah SWT oblige to the owner, for submitted to those who are entitled accept it, with condition certain too (Didin Hafidhudin, 2002). Linkages between meaning in a way language and terms this is very close, ie every existing assets issued the zakat will become holy, clean, good, blessing, growing as well as growing, deep its use besides for wealth, growth and purity characterized for the soul of the person who pays zakat, in the meaning of zakat will grow reward someone and can purify soul somebody.

Zakat is one of the Islamic economic instruments which is characteristics about ownership treasures that are not owned by the system economy other. Productive word originate from English "productive" which means produce, give Lots results, lots produce goods valuable to have results good. By general productive means lots produce work or goods. In context this productive juxtaposed with the word zakat, so become productive zakat where in utilization the zakat is nature productive no consumer. Productive is distribution of zakat as business capital productive, whose distribution is expected open opportunity work for increase level prosperous life (Akmal, 2016).

Productive zakat defined as zakat in form treasure or funds provided to mustahiq who doesn't spent in a way direct for needs consumption certain, will but the zakat funds developed or spent for help their efforts have, so with the funds used for needs the they can fulfil need life in a way continously. In other words, productive zakat is giving zakat that can be given make the recipient produce something in a way keep going continuously with their zakat accept (Asnaini, 2008) (W, 2019). Implications productive zakat distribution is enhancement well-being mustahiq form enhancement income and income business (Furqani. N, 2018).

The indicators of business success include: capital increase, increase income, increase production and income amount consumer as well as enhancement charity jariyah mustahiq (Rachmat D, 2019).

3. Method, Data, and Analysis

This research uses a qualitative descriptive method with a phenomenological approach based on field research. Qualitative research methods are research methods based on philosophy, which are used to research scientific conditions (experiments) where the researcher is the instrument, data collection techniques and qualitative analysis emphasize meaning (Sugiyono, 2018). Approach phenomenology focused with explore, understand, and interpret the meaning of phenomena, events and their relationships with ordinary people in situation certain. Researcher do study with approach qualitative phenomenological for describe about empowerment economy disabled person disability through productive zakat.

Data collection was carried out using structured interviews with people with disabilities in Wonosobo Regency and documentation. The validity of the data using source triangulation is used to test the credibility of the data by checking data that has been obtained through several sources of productive zakat recipients and Baznas managers.

Data analysis was carried out using the Miles and Huberman analysis model with the following stages:

a. Data Reduction
Data reduction is summarizing, selecting the main things according to the research topic, looking for patterns, thus providing a clearer picture and making it easier to carry out further data collection. In the data reduction process, researchers summarize the data obtained from interviews with informants, select and classify them through coding to filter data that is relevant and needed in the research.

b. Data Presentation (Data Display)
After reducing the data, the next step is to present the data. In qualitative research, data presentation can be done in the form of short descriptions, charts, relationships between categories, flowcharts, and the like, but what is often used to present data in qualitative research is narrative text. Through the presentation of this data, the data is organized and structured systematically so that it is easy to understand.

c. Conclusion Drawing/Verification
The final step in analyzing qualitative research is drawing conclusions. According to Sugiyono conclusions in qualitative research are new findings that have never existed before and can be in the form of a description or picture of an object that was previously unclear so that after research it becomes clear (Sugiyono, 2018).

4. Result and Discussion

BAZNAS Strategy Regency Wonosobo in Empowering the Economy of People with Disabilities Disability Through Productive Zakat

Based on Law No. 23 of 2011 concerning zakat management is mentioned that for increase results efficiency, zakat is a must managed in a way institutionalized according to Islamic sharia. Zakat management is activity planning, implementation and coordination in collection, distribution and utilization of zakat. For carry out management of zakat, government form Baznas which is authorized institution do task management in a way national.

Table 2. Determination of Zakat Allocation in Baznas Wonosobo Regency

No.	Mustahiq	Information
1.	For the needy	65%
2.	For asnaf fi sabilillah	22.5%
3.	For 'amil zakat	12.5%

In accordance with Plan Annual Work and Budget (RKAT) that in allocation of zakat funds above no you may be wrong, technically officer or Amil Zakat will fill in form survey through identity every member family, after that new officer Baznas input mustahiq data the then will made informant later. Baznas Regency Wonosobo as the Zakat Amil Agency has some programs in do distribution of existing zakat funds collected. Deep goals distribution of productive zakat funds in the Wonosobo program productive this is for empowering needy and impoverished communities, such as disabled person disability to become independent society in other words no dependency with help of others, remembering amount disabled person disability in Wonosobo enough a lot, then it is very necessary attention special from institution government like Baznas for look problems faced by people with disabilities disability.

Based on interviews with informants, empowerment strategy economy disabled person disability through productive zakat at Baznas Regency Wonosobo is very necessary for overcome problems faced by people with disabilities disability like exists treatment discriminatory, presumption as burden social and economic, empowerment strategies disabled person disability through productive zakat at Baznas Regency Wonosobo is implementation from vision mission institution for increase well- being public mustahiq. As for Baznas Regency Wonosobo carry out empowerment strategies economy disabled person disability through productive zakat, as follows this:

a. Planning

   In planning strategy this is how it 's done that is do analysis social, includes problem, goal holder interests and strategies, after that compile plan activity utilization of the zakat poured out in document planning utilization of zakat.

b. Implementation

   Baznas Strategy Regency Wonosobo in its implementation has done with various way, one of them is do cooperation with organization giving community submission candidate *mustahiq*, meaning that objective Baznas Regency Wonosobo is for choose *mustahiq* appropriate recipients of zakat funds target. In implementing this program, Baznas Regency Wonosobo do program verification, candidate *mustahiq* and prospective target areas utilization of zakat. After verification successful, then Baznas Regency Wonosobo do guidance technical utilization of zakat funds and spiritual guidance to *mustahiq*, the goal is for ensure implementation appropriate zakat empowerment with program objectives.

c. Control

   Control utilization of zakat is carried out since planning until with implementation utilization of zakat, control this done in form of monitoring and evaluation carried out in a way periodic or in accordance with need.

Productive zakat distribution nor consumption by Baznas Regency Wonosobo from year to year keep going experience this increase is also a decrease caused by disbursed income muzakki to mustahiq through Baznas in Wonosobo, however outline year final these are funds distributed by Baznas Regency Wonosobo experience improvement, sure this will help government area in overcome problem gap social situations faced by people with disabilities disability.

Based on results study this related to the strategy used Baznas Regency Wonosobo in choose a strategy to use empowering economy disabled person disability, indeed need exists support from public around, because besides monitoring, party Baznas Regency Wonosobo should too thorough to target area to be aimed as place empowerment economy later, as well must get support from public around, because in empowerment no only involve mustahiq and muzakki course, will but so that it is mustahiq that can truly helpless, desperately needy support from society, as conveyed by Margayaningsih that internal and external encouragement in self someone who can interesting attention with exists desires and interests, drives and needs as well as hopes and aspirations , that is need exists motivation or support public for successing empowerment. Motivation and support public can in the form of materials or something that makes somebody will act.

Mechanism Economic Empowerment of People with Disabilities Disability Through Productive Zakat

Implementation of the work program so that it runs with good and maximum naturally there is a number of things that must fulfilled, one of them is about mechanism. Mechanism in matter this is method work used in do collection, management, utilization and administration, so obtained organized certainty in every implementation tasks and activities.

Based on interviews with informants, the role of Baznas Regency Wonosobo endeavor support enhancement economy public in a way no direct to the mustahiq, so need directed as means equality prosperity and solving the problem of poverty people, especially for improve the welfare of people with disabilities disability, fine that from facet economy nor social. With existence Baznas Regency Wonosobo as institution zakat manager , then the zakat distribution process must be maximum and precise target. Following This mechanism carried out Baznas Regency Wonosobo in empowering the economy of people with disabilities disability through productive zakat:

a. Monitoring
   Officer Baznas Regency Wonosobo do monitoring as well as plunge direct to location to use do checking condition disabled person disability as *mustahiq*.
b. Review
   Officer Baznas Regency Wonosobo do review with interview to disabled person disability as
   mustahiq, related with moderate business carried it out.
c. Act Carry on
   Officer Baznas Regency Wonosobo will carry out the action process carry on after finished collecting data in the field, and its implementation in accordance with existing schedule determined.
d. Evaluation
   Officer Baznas Regency Wonosobo do checking from start building property as well as development tools and materials before and after receive productive zakat, and will register income as well as expenditure from zakat funds already used for business productive.

One of the programs formed by Baznas Regency Wonosobo is Wonosobo Productive, namely a productive zakat distribution program for the needy, such as disabled person disability with all the type it originates from from needy and poor families, usually in the form of capital for business and form compensation in form consumer. For maximizing utilization so that it is more appropriate target so Baznas Regency Wonosobo work the same with organization society, among others Nahdlatul 'Ulama, Muhammadiyah, Rifa'iah, PKK and also work the same with institution government like service social, for give proposal who just candidate mustahiq will given productive zakat funds. District BAZNAS Commissioners and Staff Wonosobo also joined share in proposal candidate mustahiq. The aim is for people to disability can activity positive ie with own business independent and capable repair level his life, as well minimize attitude discriminatory from public.

The parameters used by the District BAZNAS are: Wonosobo in election candidate productive zakat mustahiq is:

a. Have a business (have the ability to do business).
b. Look at the state of economic income per month.
c. The size dependents house ladder.
d. The size dependents school.
e. Expenditure cost treatment per month (if there is).
f. Including in proven needy/poor *asnaf* with a proposal or SKTM.

Before candidate mustahiq receive productive zakat funds, Baznas Regency Wonosobo give coaching about productive utilization of zakat funds, that zakat funds are productive must efficient, meaning no used for need consumption and necessity others who don't there is relationship with business mustahiq.

In research this mechanism used Baznas Regency Wonosobo almost the same with what was conveyed by (Istiyanto, 2019) that the empowerment process society basically own a number of necessary steps done or passed, namely:

a. Identify and assess regional potential, problems and opportunities.
b. Make a plan activity group.
c. Apply plan activity group.
d. Monitoring processes and results activity in a way keep going continuous and participative.

From the results study this, indeed Baznas Regency Wonosobo in distribute productive zakat funds use technical or structured mechanism, so will minimize exists problem distribution, like fraud or data falsification.

Impact Economic Empowerment Incumbent Disability Through Productive Zakat

Economic empowerment of people with disabilities disability through productive zakat can walk optimally if institution zakat managers have systematic strategies and mechanisms to the target, so will give impact good for mustahiq. Indicator success a program is if the program achieve the target goal.

In the previous process of distributing zakat funds already collected from muzakki then managed by Baznas Regency Wonosobo before distributed to mustahiq, after through various management and data collection so furthermore become policy Baznas Regency Wonosobo for distribute productive zakat funds to mustahiq. As for the distribution of productive zakat funds seen in the table below this:

Table 3 . Zakat Distribution Data to Incumbent Disabilities at Baznas Regency Wonosobo 2020-2022.

No.	YEAR 2020	YEAR 2021	YEAR 2022	INFORMATION
1.	Rp. 6,000,000	Rp. 7,500,000	Rp. 10,650,000	Productive
2.	Rp. 5,700,000	Rp. 12,450,000	Rp. 15,550,000	Consumptive

From the data above that productive zakat fund assistance to disabled person disability in Wonosobo per year experience increase, in 2021 productive zakat distribution to disabled person disability experience enhancement amounting to 0.25%, and in 2022 it will also experience enhancement amounting to 0.42% of year previous, temporary based on primary data numbers income Baznas Regency Wonosobo in 2021 will experience increase amounting to 0.21% and in 2022 it will experience decline income of 0.005%. It means although zakat and infaq income will decrease in 2022 but in distribution of productive zakat to disabled person disability still increasing, deep matter this Baznas Regency Wonosobo appropriate in choose target mustahiq namely people with disabilities background disability behind the poor and destitute.

Baznas Regency Wonosobo in empowering economy disabled person disability with do monitoring moreover formerly related condition disabled person disability as mustahiq, meaning Baznas allocate productive zakat funds consider classification type disability, different with possible consumptive zakat fund assistance consumed for need everyday, and based on results research in the field, most people get it productive zakat fund assistance for develop his business is disabled person disability with type disabled body or physically disabled.

Table 4. Sample Data for Persons with Disabilities Acquiring Disabilities Productive Zakat Assistance:

No.	Name	Productive Zakat (Amount)	Income Before utilized	Income After utilized	Enhancement Amount Consumers (Percentage)
1.	Nunung SL	Rp. 5,000,000 (Shanding Batik Business)	Rp. 600,000	Rp. 1,500,000	0.60%
2.	Daroji	Rp. 750,000 (umbrella and shoe repair services)	Rp. 300,000	Rp. 700,000	0.57%
3.	Painem	Rp. 500,000. (seller vegetable)	Rp. 500,000	Rp. 900,000	0.44%
4.	Ramadhani	Rp. 5,000,000 (Channeled to IDW members)	Rp. 400,000	Rp. 900,000	0.55%
5.	Nasihun	Rp. 500,000 (trader shrimp crisp)	Rp. 300,000	Rp. 600,000	0.50%

Seen from table on that productive zakat assistance Baznas Regency Wonosobo to 5 mustahiq experience enhancement income per month, based on results study field, the average mustahiq has good skills in try, and intend for develop his business given appropriate capital application submission from mustahiq, different with those who are given consumptive zakat directly by Baznas Regency Wonosobo usually only for sufficient need just monthly.

The results of this empowerment are as follows from interviews with informants with disabilities that productive zakat assistance from Baznas Wonosobo Regency helps increase income, because previously mustahiq were still lacking in meeting household needs, and now they can meet household needs, can market their products, and can work more. freely. This productive zakat assistance also brings prosperity and empowerment to mustahiq, because friends can be more productive, improve their economy and social life, and we hope that in the future this assistance will also reach all people with disabilities in Wonosobo. Strengthened by Rachmad's theory, that indicator in determine success business that is that indicator success business covers capital increase, increase income, increase production and income amount consumers, as well enhancement charity jariyah mustahiq (Rachmat D, 2019). It means empowerment economy disabled person disability through productive zakat at Baznas Regency Wonosobo from 5 mustahiq said succeed empowered, because they succeed increase income and increase capital. So, the 5 mustahiq have status disabled person disability the successfully empowered, though Not yet status muzakki, will but those who have succeed empowered will give infaq to party Baznas Regency Wonosobo.

5. Conclusion and Suggestion

The economic empowerment of people with disabilities through productive zakat is carried out by Baznas Wonosobo Regency. The distribution of productive zakat has a mechanism so that the distribution is more systematically structured, including; (a) Monitoring, Baznas officers carry out monitoring by going directly to ensure the condition of the mustahiq, (b) Review, officers interview people with disabilities as mustahiq related to the business they are running, (c) Evaluation, Wonosobo Regency Baznas officers will check starting from the property building, additional tools and materials, and officers will record data regarding income and expenses before and after receiving productive zakat.

The economic empowerment of people with disabilities through productive zakat in Baznas Wonosobo Regency is said to be right on target, because Baznas previously carried out monitoring by selecting target areas and checking the condition of people with disabilities as mustahiq, so that the implementation and evaluation stages carried out also went well, as well as data mustahiq have also been verified, and the follow-up results of the economic empowerment of people with disabilities through productive zakat have also been said to have been successfully utilized, of the 5 mustahiq in the sample, the income from before and after being empowered succeeded in increasing independence and increasing income, increasing production and the number of consumers for mustahiq.

The positive impact of this empowerment is not only momentary, but also creates a solid foundation for long-term growth and sustainability. The success of this program also lies in inclusive active monitoring, involving various related parties such as religious organizations and government institutions. However, to ensure the sustainability and relevance of this program, it is necessary to carry out comprehensive evaluations on a regular basis and increase community participation in supporting this empowerment effort. The "Productive Wonosobo" program provides inspiration for other regions to develop similar inspiration in an effort to reduce socio-economic disparities among people with disabilities.

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WORK DISCIPLINE AND WORKLOAD: PERFORMANCE IMPACTS AND THE ROLE OF JOB SATISFACTION (A CASE STUDY)

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ABSTRACT

This investigation delves into a specific occurrence at Yogya Grand Subang, namely a reduction in absenteeism and a dip in performance assessments. The study aims to scrutinize the impact of work discipline and workload on employee output, with job satisfaction acting as a moderating variable. The research design adopted in this study is a quantitative descriptive approach. The research subjects are the employees of Yogya Grand Subang. A comprehensive sampling method was employed, ensuring the inclusion of all members in the sample. Data was amassed by disseminating questionnaires to 113 respondents, all of whom are employees of Yogya Grand Subang. The projected outcomes of this study infer that work discipline, workload, and job satisfaction have a substantial effect on employee output. As a result, it is advised that Yogya Grand Subang intensify work discipline and pay increased attention to workload and job satisfaction to augment employee output.

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Keywords:
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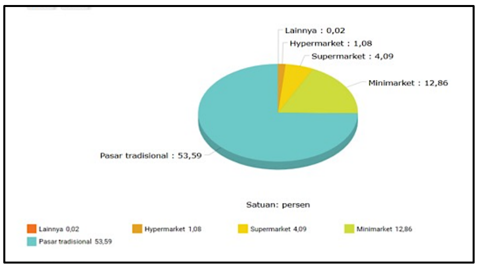
1. Introduction

In the era of rapid technological advancement, Indonesian businesses, particularly in modern retail, are experiencing accelerated growth(Astuti et al., 2019; Dewi et al., 2020). This is largely due to quality human resources, which open up market opportunities and boost manufacturing. These individuals, with their energy and creativity, aspire to drive the company's rapid progression and goal achievement. The following is a representation of the Wholesale Retail Sales Value in Indonesia, categorized by type for the year 2021, as depicted in Graph 1.1:

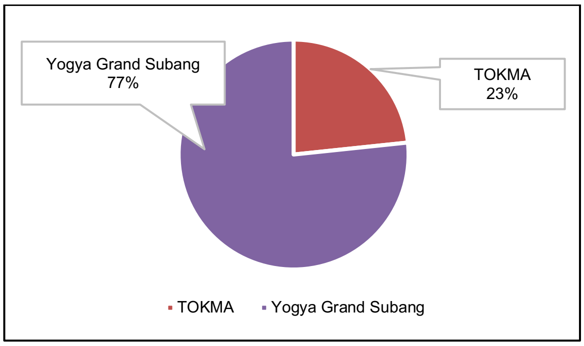
Figure 1. Graph of Classification of Wholesale Retail Sales in Indonesia for 2021



Source: Databoks, 2022

Despite the presence of numerous modern retail corporations in Subang, such as Alfamart, Indomaret, Yomart, Amandamart, and Tokma, Yogya Grand Subang continues to be a popular retail destination for the local community and beyond. This is evidenced by the following survey results:

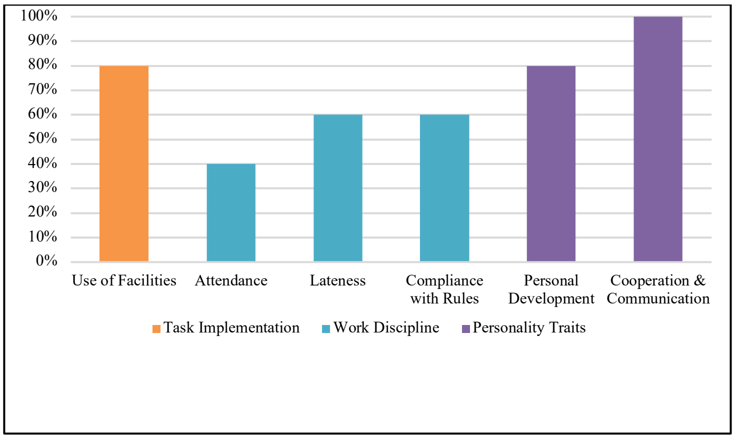
Figure 2. Graph of Survey Outcomes: Preferred Comprehensive Shopping Destination for Daily Needs.



Source: Compiled Data, 2023

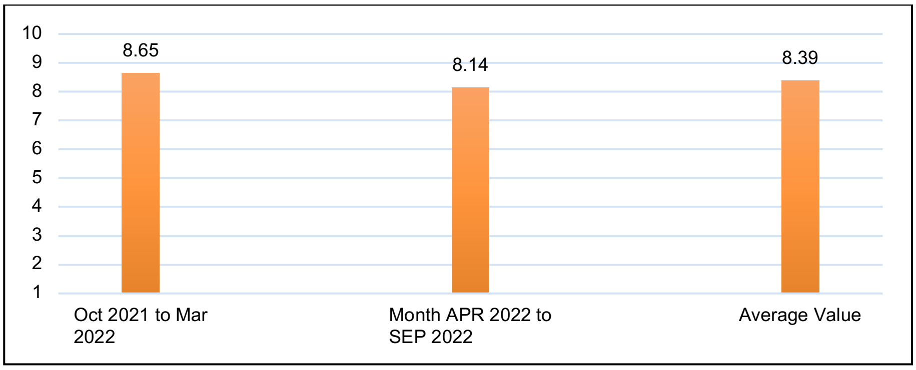
Yogya Grand Subang, located in Subang, is the city's premier shopping destination offering a vast array of competitively priced products. It caters to the daily needs of the local community. Employee performance here is gauged by the quality and quantity of work aligned with their responsibilities. Performance evaluation at Yogya Grand Subang is conducted through a variety of predefined criteria, as illustrated in the subsequent graph:

Figure 3. Graph of Employee Performance Evaluation Data of Yogya Grand Subang (From October 2021 to September 2022) Source: Yogya Grand Subang, 2023.



The graphical representation of the performance evaluation data for Yogya Grand Subang employees in 2022 indicates a downward trend in several aspects. The following elucidates the various aspects of performance evaluation at Yogya Grand Subang: 1) Task Execution: Employees at Yogya Grand Subang in 2022 showed a decline in task proficiency, both in quality (40%) and quantity (40%), but maintained good responsibility (80%) and effective use of facilities (80%).2) Work Discipline: Attendance was suboptimal (40%), punctuality was lacking with late arrivals and early departures (60%), and adherence to company regulations was insufficient (60%). 3) Personality Traits: Employees showed a strong willingness for self-improvement (80%) and excellent cooperation and communication skills (100%). The performance appraisal at Yogya Grand Subang indicates suboptimal results across all evaluative aspects over the past year, as evidenced by the data.

Figure 4. Graph of Yogya Grand Subang Employee Performance Appraisal Data for 2021-2022. Source: Yogya Grand Subang, 2022



In 2022, Yogya Grand Subang employees' performance ratings declined from 8.65 (Oct 2021 - Sep 2022) to 8.14 (Apr-Sep 2022), both above the standard range of 8.00-9.09. Despite the decline, the biannual performance appraisal of all 113 employees remains above standard. The evaluated employees hold various positions, and a preliminary survey involving 30 respondents was conducted for validation.

Work discipline at Yogya Grand Subang, evidenced by attendance data, is crucial for high organisational performance. However, with 86 employees often late and 5 leaving early, discipline is suboptimal. Enhanced discipline correlates with improved performance, encouraging employees to strive for organisational goals. Performance appraisals reveal these insights, aiming for each employee's positive contribution(Sitopu et al., 2021).

As per the viewpoint of(Sularmi & Stifanny, 2021), it is incumbent upon every company to enhance its performance to realise its objectives. Consequently, the role of human resources becomes pivotal and warrants the company's attention. The company's potential for a substantial workload and work discipline can pave the way for its success, underscoring the importance for companies to monitor each employee's workload and discipline.

Previous research by (Nair et al., 2020) revealed that work discipline positively and significantly impacts employee performance, and job satisfaction can moderate work discipline, which in turn positively and significantly affects employee performance.

Another study conducted in Bali (Bhavnani & Bhogale, 2022) employed work stress variables, workload, and employee performance with a quantitative approach. The research findings indicated that work stress and workload positively and significantly influence employee performance.

Given the aforementioned phenomena, the authors are intrigued to undertake research titled " Work Discipline and Workload: Performance Impacts and the Role of Job Satisfaction (A Case Study at Yogya Grand Subang) ".

1.1. Problem Identification

Based on the preceding background, the identified problems in this study are: (1) What is the state of work discipline, workload, job satisfaction, and employee performance among Yogya Grand Subang employees? (2) Does work discipline influence employee performance? (3) Does workload impact performance? (4) Do work discipline and workload affect employee performance both partially and collectively? (5) Does job satisfaction moderate the effect of work discipline on employee performance? (6) Does job satisfaction moderate the impact of workload on employee performance? (7) Does job satisfaction moderate the effect of work discipline and workload on employee performance?

1.2. Research Objectives:

he objectives of this study are: (1) To ascertain the state of work discipline, workload, job satisfaction, and employee performance among Yogya Grand Subang employees (2) To determine if work discipline influences employee performance (3) To ascertain if workload impacts performance. (4) To establish if work discipline and workload affect employee performance both partially and collectively (5) To determine if job satisfaction moderates the effect of work discipline on employee performance (6) To ascertain if job satisfaction moderates the impact of workload on employee performance (7) To establish if job satisfaction moderates the effect of work discipline and workload on employee performance.

2. Literature Review

Work Discipline Discipline, a key aspect of human resource management, leads to improved work performance (Gowan et al., 2023; Trinugroho & Lau, 2019). Dimensions and Indicators of Work Discipline (Schwab, 2018) identifies several dimensions and indicators of discipline, including Goal Capability, Vigilance Level, Adherence to Work Standards, Adherence to Work Rules, and Work Ethics.

Workload Workload is a job condition that must be completed within a certain time limit. Dimensions and Indicators of Workload identifies two dimensions of workload: Physical Demands and Task Demands (Nof, 2023).

Job Satisfaction Job satisfaction influences the level of employee discipline. Dimensions and Indicators of Job Satisfaction Job satisfaction dimensions include Mentally Challenging Work, Adequate Rewards, Supportive Working Conditions, and Supportive Colleagues(Endang, 2021; Maartje, 2021).

Employee Performance Performance is the willingness of an individual or group of people to carry out an activity and complete it according to their responsibilities Dimensions and Indicators of Employee Performance identify five dimensions in determining a person's performance: Ability to do the job, Quantity speed of completing work, Precision/Accuracy, Loyalty, and Cooperation (Schwab, 2018).

2.1. Theoretical Framework and Hypothesis

The pursuit of organizational goals characterizes human resource management as the orchestration and oversight of labour acquisition, development, compensation, integration, preservation, and disengagement through strategic planning, organization, coordination, and execution (Gede Riana et al., 2020; Moid Siddiqui, 2014).

(Wisetrotomo, 2020) posits that employee relations are a vibrant and evolving entity, cultivated and maintained through interpersonal interactions, given the invaluable nature of a company's human resources. (Drucker, 2017)describes work discipline as an individual's cognizance and readiness to comply with all organizational regulations and prevailing norms.

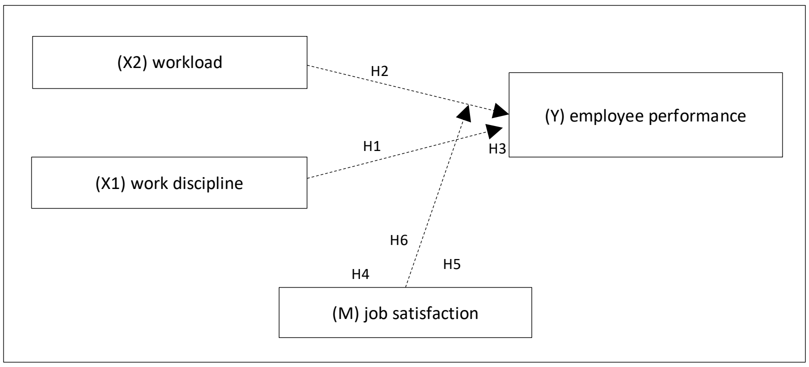
(Suwibawa et al., 2018; Roger et al., 2020) defines organizational behaviour as the examination, prediction, and management of human behaviour within organizational settings. The practical application of this knowledge lies in discerning how individual conduct contributes to the attainment of organizational goals. (Liker, 2021) delineates workload as a work obligation with a defined job description that must be completed within a specified timeframe. An employee's efficiency is enhanced when they perceive their workload as manageable rather than burdensome.

(Emmanuel D. Jadhav. et al., 2015) asserts that the ability to inspire individuals and organizations to collaborate effectively to achieve both personal and organizational goals concurrently is a critical competency. (Gaol & Hutagalung, 2016) refers to job satisfaction as an individual's comprehensive appraisal of their employment.

(Drucker, 2017) conceptualizes organizational performance as the capacity of individuals, groups, or organizations to realize pre-established strategic objectives while demonstrating anticipated behaviour. (Drucker, 2017; Schwab, 2018) defines performance as an individual's or a group's commitment to undertake and excel in an activity under their responsibilities, leading to expected outcomes.

H1: Employee performance is influenced by work discipline. H2: Employee performance is impacted by workload. H3: Work discipline and workload partially and collectively affect employee performance. H4: The influence of work discipline on employee performance is moderated by job satisfaction. H5: The impact of workload on employee performance is moderated by job satisfaction. H6: Job satisfaction moderates the effect of both work discipline and workload on employee performance.

Figure 5. Hypothesis Flow Chart Source: Processed by the author, 2022



3. Method, Data, and Analysis

Research Objective This research aims to explore Work Discipline, Workload, Employee Performance, and Job Satisfaction, Unit of Analysis The unit of analysis in this study is the employees of Yogya Grand Subang. Research Methodology This study employs a quantitative descriptive research approach to ascertain the influence of independent variables on the dependent variable(Adu & Miles, 2024).

Data Types and Sources This research utilises quantitative data. Data Collection Techniques Data was collected through questionnaires, interviews, and literature studies (Adu & Miles, 2024; Aranda, 2020). Population and Sample The population in this study was 113 employees of Yogya Grand Subang, Sampling Technique The sampling technique used in this study is a saturated sampling technique(Raihan, 2017).

Research Variables Variables are terms used to refer to concepts dimensions or indicators used to solve research problems (Leavy, 2023). Variable Measurement Each variable is measured using the Likert Scale(Marans et al., 2024).

Data Analysis, Various tests were conducted including a Validity Test, Reliability Test, Normality Test, Multicollinearity Test, Heteroscedasticity Test, Simple Linear Regression Test, Partial T-Test), F Test, Coefficient of Determination Test, and Moderated Regression Analysis (MRA) Test (Babbie, 2021; Leavy, 2023).

4. Result and Discussion

Double Linear Regression Test

Table 1. Double Linear regression test results

Coefficients[a]						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	15.658	2.936		5.334	.000
	Disiplin_Kerja	.475	.072	.533	6.634	.000
	Beban_Kerja	.100	.126	.064	.796	.428
a. Dependent Variable: Kinerja_Karyawan						

Sources: data processed 2023

Based on the data in Table 1, the results of the multiple regression equation are obtained as follows:

$$Y = a + b1X1 + b2X2 + e \quad (2)$$

$$Y = 15.658 + 0,475\ (X) + 0,100\ (X2)$$

Based on the regression equation above, it can be concluded that:

1. The Constant value obtained 15,658 states that if Discipline (X1) and Workload (X2) are cons, then the average Employee Performance is 15,658.
2. The coefficient of Regression of Work Discipline (X1) shows a value of 0.475 so it is stated that every addition of 1 value of Work Discipline, adds to the value of employee performance by 0.475.
3. The Workload Regression Coefficient (X2) shows a value of 0.100 so it is stated that for every additional 1 workload, it increases the value of employee performance by 0.100.

Test T Results (Partial)

Table 2. Partial T Test

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	15.658	2.936		5.334	.000
	Disiplin_Kerja	.475	.072	.533	6.634	.000
	Beban_Kerja	.100	.126	.064	.796	.428
a. Dependent Variable: Kinerja_Karyawan						

Sources: data processed 2023

Based on the table that has been presented above with a calculation of the T table of 1.848 and a significance value of 0.05, the following conclusions are obtained:

1. The results of testing the Work Discipline hypothesis based on table 4.23 show that t count > t table is 6.634 > 1.848 with a signification level of 0.00 < 0.05 which means the hypothesis is accepted. So it can be stated that Work Discipline (X1) has a positive effect and significance on Employee Performance (Y).

2. The results of testing the Workload hypothesis based on table 4.23 show that t calculate < t table is 0.796 < 1.848 with a signification level of 0.428 > 0.05 which means that the hypothesis is rejected. Then it can be concluded that Workload (X2) does not affect the variable Employee Performance (Y).

F Test (Simultaneous)

Table 3. F Test Results (Simultaneous)

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	735.058	2	367.529	22.850	.000[b]
	Residual	1769.289	110	16.084		
	Total	2504.347	112			
a. Dependent Variable: Kinerja_Karyawan						
b. Predictors: (Constant), Beban_Kerja, Disiplin_Kerja						

Sources: data processed 2023

The Anova or F-test value generated by Fcalculate of 22,850 > Ftable, or 3.083, with a significance level of 0.000 lower than α 0.05, is displayed in Table 3 Therefore, it may be said that work discipline and workload have a simultaneous impact on employee performance.

Coefficient of Determination Test

Table 4. Test Results of Coefficient of Determination (R^2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542[a]	.294	.281	4.01054
a. Predictors: (Constant), Beban_Kerja, Disiplin_Kerja				

Sources: data processed 2023

The value of the R Square (coefficient of determination) is 0.294, as indicated by Table 4. However, the Adjusted R Square value utilized in this study is 0.281 because it involves two independent variables. Therefore, it can be said that both work discipline and workload, together accounting for 28.1 per cent of the difference in purchasing decisions, have an impact. However, 71.9 per cent of the remainder (100 per cent – 28.1 per cent = 71.9 per cent) were impacted by additional factors outside the scope of this investigation.

Moderated Regression Analysis Test (MRA)

Table 5. Results of *Moderated Regression Analysis (MRA) Test* Stage 1 Variable X1

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	14.765	2.945		5.014	.000
	Disiplin_Kerja (X1)	.446	.075	.501	5.925	.000
	Kepuasan_Kerja (M)	.121	.092	.111	1.315	.191
a. Dependent Variable: Kinerja_Karyawan						

Sources: data processed 2023

$Y = a + b_1X1 + b_2Mi + e$ (3)

$Y = 14.765 + 0,446 + 0,121$

Based on the aforementioned results, which demonstrated significance below 0.05 with a t table on Job Satisfaction of 1,315 and Work Discipline of 5,925, the moderating variables Job Satisfaction (M) and Work Discipline (XI) interact with each other.

Table 6. Results of *Moderated Regression Analysis (MRA) Test* Stage 2 Variable X1

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	55.746	15.910		3.504	.001
	Disiplin_Kerja (X1)	-.792	.478	-.889	-1.655	.101
	Kepuasan_Kerja (M)	-1.419	.595	-1.309	-2.386	.019
	Disiplin Kerja (X1) * Kepuasan Kerja (M)	.046	.018	2.303	2.619	.010

a. Dependent Variable: Kinerja_Karyawan

Sources: data processed 2023

$$Y = \alpha + \beta 1X1 + \beta 2Z + \beta 3X1 * \text{M1} + \varepsilon \ (4)$$

$$Y = 55{,}746 + (-0{,}792X1) + (-1.419Z) + 0{,}046\ (X1*\text{M1})$$

As can be seen from the above table, the variables of Work Discipline and Job Satisfaction were tested using Moderated Regression Analysis (MRA) before an interaction occurred. The Work Discipline variable had a calculated T value of 5.929 and was significant at 0.000, while the Job Satisfaction variable had a calculated T value of 1.315 and was significant at 0.119. The t value calculates < T table 1.848 and for significant value > 0.05. Then, the moderation interaction between job satisfaction and work discipline on employee performance produced a significant value with a Sig 0.01 smaller than alpha 0.05 and a calculated T value of 2.619, higher than the table T of 1.848. The moderation variable in stage 1 is not significant, while the interaction variable between work discipline and job satisfaction at stage 2 is significant, which is why the results of this moderation study are included in pure moderation (pure moderation). Given that Job Satisfaction can mitigate the impact of Work Discipline on Employee Performance, it is accepted that Job Satisfaction serves as a moderating variable in the relationship between Work Discipline and Employee Performance.

Table 7. Results of *Moderated Regression Analysis (MRA) Test* Stage 1 Variable X2

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	24.285	3.112		7.804	.000
	Beban_Kerja (X2)	.061	.148	.039	.411	.682
	Kepuasan_Kerja (M)	.291	.102	.268	2.844	.005

a. Dependent Variable: Kinerja_Karyawan

Sources: data processed 2023

$$Y = a + b1X2 + b2Mi + e\ (5)$$

$$Y = 24.285 + 0{,}061 + 0{,}291$$

Based on the above results before the Job Satisfaction moderation variable (M) interacts with the Workload variable (X2) the above results show significance above 0.05 with t table on Job Satisfaction of 2,844 and Workload of 0.411.

Table 8. Results of *Moderated Regression Analysis (MRA) Test* Stage 2 Variable X2

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	59.885	12.679		4.723	.000
	Beban Kerja (X2)	-2.580	.925	-1.644	-2.790	.006
	Kepuasan Kerja (M)	-1.016	.463	-.937	-2.195	.030
	Beban Kerja (X2) * Kepuasan Kerja (M)	.096	.033	2.310	2.891	.005

a. Dependent Variable: Kinerja_Karyawan

Sources: data processed 2023

$$Y = \alpha + \beta 1X2 + \beta 2Z + \beta 3X2 * \mathrm{M1} + \varepsilon \ (6)$$

$$Y = 59.885 + (-2.580(X2) + (-1{,}016)\ \mathrm{M}) + 0{,}096\ (X2 * \mathrm{M1})$$

The workload variable had a calculated T value of 0.411 < T table 1,848 and was insignificant at 0.682 > 0.05, according to the above table, which displays the results of Moderated Regression Analysis (MRA) testing on the variables before the interaction occurred. The job satisfaction variable had a calculated T value of 2.844 > 1,848 with a significant value of 0.005 < 0.05. The computed T value of 2.891 > a table of 1,848 was then produced for the moderation interaction between Workload and Job Satisfaction on Employee Performance, and it was significant with a Sig of 0.005 < from alpha 0.05. There is quasi-moderation in these findings. In this instance, H5 is accepted because job satisfaction can moderate the workload on employee performance. Job satisfaction is thought to have a partial and significant influence as a moderation variable. the effect of Work Discipline on Employee Performance.

Table 9. Hasil Uji F *Moderated Regression Analysis (MRA)*

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	735520687.671	3	245173562.557	15.108	.000[b]
	Residual	1768826489.604	109	16227765.960		
	Total	2504347177.274	112			

a. Dependent Variable: Kinerja_Karyawan

b. Predictors: (Constant), Disiplin Kerja*Beban Kerja, Disiplin Kerja*Beban_Kerja

Sources: data processed 2023

Based on the F Moderated Regression (MRA) test findings displayed in the above table, an estimated F value of 15,108 with a significant value of 0.000 was obtained. When the computed F value is obtained, it is classified as a value larger than the F of the table, which is 3.083, with a probability of significance less than 0.05. In this instance, the F Test (Simultaneous) indicates that Work Discipline (X1) and Workload (X2) jointly moderate Employment Performance (Y).

Table 10. Results of Coefficient of Determination (R2*) Moderated Regression Analysis (MRA) Test*

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542[a]	.294	.274	4028.370

a. Predictors: (Constant), Disiplin Kerja*Beban Kerja, Disiplin Kerja*Beban_Kerja

Sources: data processed 2023

The table presented indicates that the Moderated Regression Analysis (MRA) testing results for the termination coefficient (R) yielded a correlation result of 0.274. This indicates that the results of Job Satisfaction, which modifies the relationship between Work Discipline and Workload on Employee Performance, contributed a correlation of 27.4 per cent to the correlation. This is less than the multiple regression test coefficient of determination result obtained with a gain of 28.1 per cent before the use of moderation factors. In this instance, the impact of workload and work discipline on employee performance is mitigated by job satisfaction.

4.1. Discussion

Work Discipline Based on respondents' feedback, work discipline at Yogya Grand Subang is rated as Very Good (Hasibuan, 2012: 194).

Workload Respondents rated the workload at Yogya Grand Subang as excellent (Munandar, 2016: 59).

Job Satisfaction Job satisfaction at Yogya Grand Subang is perceived as good by respondents (Stephen Robbins, 2003: 91).

Employee Performance Employee performance at Yogya Grand Subang is perceived as good by respondents (Rivai, 2010: 532).

Effects on Employee Performance Work discipline influences employee performance (Ghozali, 2013: 98). Workload does not affect employee performance. However, when job satisfaction is high, the impact of workload and work discipline on employee performance is lessened (Ghozali, 2013: 223).

5. Conclusion and Suggestion

The research conducted at Yogya Grand Subang studied the impact of Work Discipline (X1) and Workload (X2) on Employee Performance (Y), with Job Satisfaction (M) as a moderating variable. Here's a concise summary:

Work Discipline (X1): Scored 87.4% on the questionnaire, indicating very good work discipline. The highest score was for vigilance at work (92%), while the lowest was for understanding of work regulations (64.6%).

Workload (X2): Scored 84.3%, indicating a very good workload balance. Physical health conditions scored the highest (87.4%), while psychological conditions scored the lowest (82.3%).

Job Satisfaction (M): Scored 80.5%, indicating good job satisfaction. The highest score was for an opportunity to use abilities and skills (85.1%), while the lowest was for salary meeting personal and family needs (76.1%).

Employee Performance (Y): Scored 87.4%, indicating very good performance. The highest score was for the amount of work completed (92%), while the lowest was for prioritizing company interests (64.6%).

The study found that: Work Discipline (X1) has a significant positive impact on Employee Performance (Y), and Workload (X2) does not significantly impact Employee Performance. Both Work Discipline and Workload together influence 28.1% of Employee Performance, with the remaining 71.9% influenced by other factors.

Job Satisfaction (M) significantly strengthens the impact of both Work Discipline and Workload on Employee Performance. However, when used as a moderating variable, it weakens the combined effect of Work Discipline and Workload on Employee Performance, contributing only 27.4% to the correlation.

In conclusion, while Work Discipline and Workload do impact Employee Performance, Job Satisfaction plays a crucial role in moderating this impact.

5.1. Suggestion

1. Work Discipline: Improve understanding of work regulations through training.
2. Workload: Address psychological conditions by improving the work environment and providing mental health support.
3. Job Satisfaction: Review compensation structure to ensure it meets employees' needs.
4. Employee Performance: Foster a sense of ownership and alignment with company goals.
5. Job Satisfaction's Role: Enhance job satisfaction through recognition programs and work-life balance initiatives.
6. Further Research: Conduct additional research to understand other factors influencing employee performance.

These suggestions are based on the research findings at Yogya Grand Subang. Tailoring them to the specific needs of the organization is recommended.

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INFLUENCE OF FINANCIAL LITERACY, FINANCIAL ATTITUDE, AND SAVINGS MOTIVATION ON FINANCIAL MANAGEMENT BEHAVIOR AMONG MILLENIAL UNIVERSITY STUDENTS

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ABSTRACT

Introduction/Main Objectives: This study aims to analyze the influence of financial literacy, financial attitude, and savings motivation on financial management behavior among millennial university students.. **Background Problems** : Millennials navigate a financial landscape shaped by digital evolution and economic challenges, marked by low financial literacy, impacting attitudes towards money and savings motivations, crucial for managing complex financial behaviors and options. **Novelty** : Financial Literacy, Attitude, and Motivation as Architects of Millennial Financial Management Behavior in Higher Education. **Research methods**: This research was carried out on financial management actors or implementers specifically for students at the Faculty of Economics, Slamet Riyadi University, Surakarta. the data analysis applied multiple linear regression analysis, F-test, t-test, and coefficient of determination. **Finding/ Results** : The findings indicate that financial literacy significantly affects financial management behavior, financial attitude has a significant influence on financial management behavior, and saving motivations also has a significant role in shaping financial management behavior among millennial university students. **Conclusion**: this research provides insights into the effectiveness of different strategies in promoting financial well-being among millennials, thereby informing policymakers, educators, and financial institutions in designing more tailored and effective financial literacy initiatives for this demographic group.

ARTICLE INFO

Keywords:
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1. Introduction

Millennials, born between the early 1980s and the mid or late 2000s, constitute a demographic group shaped by the influences of digital technology and the internet. They enter higher education at a unique juncture in global economic history, facing complex financial challenges such as student debt, high cost of living, and job uncertainty(Sholahuddin et al., 2024). The importance of financial literacy becomes increasingly prominent amidst these complexities, encompassing understanding basic financial concepts like budgeting, investing, and risk management, which are highly relevant for students managing their own income for the first time(Aisah et al., 2022). However, previous studies indicate that financial literacy levels among students are often low, negatively impacting their financial management behaviors.

In addition to financial literacy, financial attitude also plays a crucial role in shaping the financial behaviors of millennial students(Rahmawati & Putra, 2022b). A positive attitude towards money can encourage students to adopt responsible financial management habits, while a negative or indifferent attitude may lead to unstable or impulsive financial behaviors. Financial literacy plays a key role in shaping wise financial behavior(Nemeth et al., 2022). Students with a strong understanding of financial concepts, such as budgeting, investing, and financial risk, are likely to make better financial decisions and manage their financial resources more effectively.

Equally important, savings motivation is also a key factor in managing the finances of millennial students(Putri & Lestari, 2023). Students with high savings motivation tend to be more disciplined in planning and allocating their income, as well as more prepared to face future financial challenges. Savings motivation is an internal drive that prompts individuals to save a portion of their income for the future(Rahmawati, 2024). Students with high savings motivation tend to be more disciplined in planning and managing their finances, as well as more prepared to face future financial challenges(Syed Yusuf et al., 2024). Savings are an alternative means of accumulating funds for everyday life, emergencies, or future needs, such as business capital, vehicle purchases, vacations, retirement planning, education, and other urgent needs(Verawati et al., 2021). A good understanding of financial management is a way out of various problems, including reducing poverty rates(Lin, 2022). Higher financial literacy will have an impact on prosperity. Knowledge and understanding of personal finance are needed for individuals to make correct financial decisions, so it is essential for everyone to optimally use the right financial instruments and products.

In the context of this research, observed phenomena include low levels of financial literacy and common financial behavior patterns among millennials, as well as the income management strategies used by them(Kymäläinen et al., 2021). Initial observations indicate that many individuals in the millennial group struggle to balance their lifestyle and personal consumption habits due to tendencies toward impulsive spending and a lack of understanding of balanced financial needs(Rahmawati & Putra, 2022a). Additionally, in managing their financial resources, they are faced with various complex financial options, including but not limited to expenditures for primary, secondary, and tertiary personal needs, which are often difficult to distinguish.

Previous research explains the influence of financial literacy, financial attitude, and savings motivation on management behavior. This research is supported by a study conducted by Mawalia and Nadia (2022), which states that financial literacy has an influence on financial management behavior, while according to Eni, Ika, and Faridhatun (2021), financial knowledge does not affect management behavior. The research findings of Maidina, Cici, and Tri Darma (2022) state that there is a positive influence of financial attitude on financial management behavior, while according to Marjono and Rahmadani (2022), financial attitude negatively affects financial management behavior.

2. Literature Review

Financial Literacy

Financial literacy refers to individuals' understanding of basic financial concepts, including money management, budgeting, investments, comprehension of financial products such as savings, loans, and credit cards, as well as understanding financial risks. Individuals with higher levels of financial literacy tend to make wiser financial decisions and manage their personal finances more effectively. Chen and Volpe (1998; Mendari and Kewal, 2013) propose four aspects of financial literacy: General Personal Finance Knowledge, covering basic knowledge of personal finance; Saving and borrowing, including knowledge related to savings and loans such as credit card usage; Insurance, comprising basic knowledge of insurance and insurance products like life and vehicle insurance; and Investment, involving knowledge of market interest rates, mutual funds, and investment risks(Wei et al., 2024).

Financial Attitude

Financial attitude refers to individuals' attitudes, beliefs, and perceptions towards money and finance in general, encompassing attitudes towards savings, investments, debt management, and spending behavior (Chen et al., 2024). A positive financial attitude tends to encourage individuals to make more responsible and wise financial decisions(Gungor et al., 2024). Financial attitude plays a crucial role in determining the success or failure of individuals in financial aspects as it is considered a psychological inclination expressed when evaluating recommended financial management practices with varying degrees of agreement or disagreement (Arifin et al., 2019; Listiani & Kurniawati, 2017). Indicators of financial attitude according to Herdjiono et al. (2016) are include obsession, power, retention, security, inadequacy, and effort.

Savings Motivation

Savings motivation refers to the drive or desire of individuals to save a portion of their income or financial resources for future use(Yilmaz, 2024). It reflects an internal motivation that prompts someone to allocate a portion of their money for savings, both for short-term and long-term goals (Gough & Sozou, 2005; Zakpaa & Dana, 2024). Savings motivation can arise from various factors, including awareness of the importance of planning for future financial stability, the desire to achieve specific financial goals, or concerns about uncertain financial conditions in the future (Clubbs et al., 2021). Savings motivation also involves understanding how individuals manage and allocate their income to achieve their savings goals, including budgeting, financial planning, and making wise financial decisions to prioritize savings and investments.

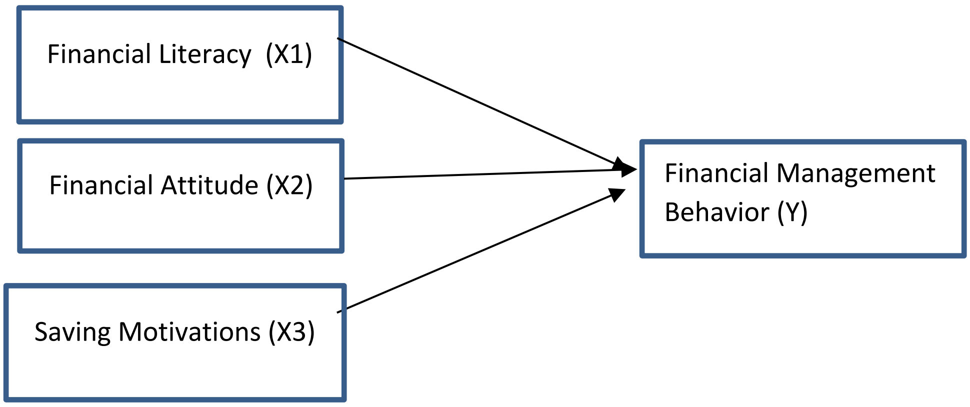
Financial Management Behavior

Financial management behavior encompasses a series of actions and decisions individuals take in managing their finances (Shlykova, 2019). This includes budgeting, short-term and long-term financial planning, regular saving, wise investing, avoiding unnecessary debt, and evaluating financial decisions made to improve the effectiveness of personal financial management (Hossain & Thakur, 2024). Financial management knowledge plays a crucial role in shaping wise financial behavior (Indriyani et al., 2021). Students with a strong understanding of financial concepts, such as budgeting, investing, and financial risk, are likely to make better financial decisions and manage their financial resources more effectively (Wang et al., 2024). Financial management behavior also involves understanding how external factors, such as social and cultural environments, can influence individual financial decisions(Ibrohim Abdul & Sulistyo Nugroho, 2024). For example, peer pressure or specific social norms can influence someone's lifestyle and spending habits.

2.1. Millennial Generation

According to Scheresberg (2013), the Millennial generation, also known as Generation Y, comprises a group of young people born from the early 1980s to the early 2000s. This generation is comfortable with diversity, technology, and online communication to stay connected with their peers. Choi et al. (as cited in Ningtyas, 2019) suggest that this generation is more flexible towards new things and all possible occurrences, often depicted as a generation very comfortable with change.

Figure 1. Research Framework



2.2. Hypothesis

The Influence of Financial Literacy on Financial Management Behavior

According to Susan (2017: 151), financial literacy is the ability of an individual to manage their finances, as well as the skills and competence designed to utilize the intended resources to achieve a goal. According to Mailani (2018), Humaira and Sagoro (2018), Pradiningtyas and Lukiastuti (2019) in their research, they state that financial literacy significantly influences financial management behavior.

H1 : Financial Literacy has significant influence on Financial Management Behavior

The Influence of Financial Attitude on Financial Management Behavior

According to Mankiw (2003: 55), financial attitude can be defined as the application of financial principles in making appropriate decisions. According to Andasari Ika (2018), Humaira and Sagoro (2018) in their research, they state that financial attitude has a significant influence on financial management behavior.

H2 : Financial Attitude has significant influence on Financial Management Behavior

The Influence of Saving Motivations on Financial Management Behavior

saving motivations is an individual's ability to manage their money carefully to avoid wastefulness (Hurlock, 2011:451). According to the research of Pradiningtyas and Lukiastuti (2019) and Herlindawati (2015), they state in their research that saving motivations has a significant influence on financial management behavior.

H3 : Saving Motivations has Significant Influence on Financial Management Behavior

The Influence of Financial Literacy, Financial Attitude, and Saving Motivations on Financial Management Behavior

According to Susan (2017: 151), financial literacy is the ability to manage an individual's finances and is the competence and skills designed to use natural resources to achieve a goal. In the research by Humaira and Sagoro (2018), they state that financial literacy, financial attitude, and saving motivations significantly influence financial management behavior.

H4 : Financial Literacy, Financial Attitude, and Saving Motivations has Significant Influence on Financial Management Behavior

3. Method, Data, and Analysis

This type of research is survey research on students at the Faculty of Economics, Slamet Riyadi University, Surakarta, Class of 2020-2023. This research was carried out on financial management actors or implementers specifically for students at the Faculty of Economics, Slamet Riyadi University, Surakarta. Research was conducted to determine the influence of financial literacy, financial attitude and desire to save on the financial management behavior of students at the Faculty of Economics, Slamet Riyadi University, Surakarta. Students from the Faculty of Economics who definitely understand Financial Management because they have gained knowledge and understanding during their studies. So that researchers can find and analyze how students from the Faculty of Economics can carry out and apply Financial Management in their daily lives by looking at several factors, namely financial literacy, financial attitude and the desire to save..

4. Result and Discussion

Financial Literacy

This refers to the knowledge and understanding of financial concepts and products, such as budgeting, saving, investing, and managing debt(Nemeth et al., 2022). A financially literate individual is equipped with the skills to make informed and effective decisions about their finances.

Financial Attitude

This encompasses an individual's beliefs, feelings, and perceptions towards money, wealth, and financial activities(Şencal, 2021). Attitudes can influence behavior, such as spending habits, saving patterns, and investment choices. Positive financial attitudes typically involve characteristics like prudent spending, long-term planning, and risk awareness.

Saving Motivations

These are the reasons why individuals choose to save money. Motivations can vary widely depending on personal circumstances, goals, and values(Rahmawati, 2024). Common saving motivations include building an emergency fund, achieving financial independence, purchasing a home, funding education, or preparing for retirement.

Financial Management Behavior

This refers to the actions and decisions individuals take in managing their finances, including budgeting, saving, investing, borrowing, and spending(Susilo et al., 2020). Financial management behavior is influenced by factors such as financial literacy, attitudes towards money, personal goals, and external circumstances.

4.1. Indicator Variable's

There are some examples of indicators that can be used to construct a questionnaire for the four concepts:

Financial Literacy are 1) Understanding how to create and follow a monthly budget; 2) Knowledge of the concept of interest and how it affects savings or loans; 3) Understanding of investments, such as stocks, bonds, and mutual funds; 4) Knowing the risks and benefits of various financial products, such as credit cards, loans, and insurance.

Financial Attitude are 1) Attitude towards managing debt, whether to avoid or accept debt as a normal part of financial life; 2) Approach to spending, whether inclined to save or spend money impulsively; 3) Attitude towards long-term savings and investments, whether seeing it as a priority or neglecting it for instant gratification.

Saving Motivations are 1) Desire to prepare an emergency fund to deal with unexpected events; 2) Short-term goals, such as vacations or buying luxury items; 3) Desire to achieve financial freedom or a comfortable retirement in the future; 4) Motivation to provide a good education for children or set aside funds for further education.

Financial Management Behavior are 1) Habit of budgeting and following a financial plan; 2) Spending patterns, including how often one shops, types of items purchased, and whether they compare prices before buying; 3) Consistency in saving or investing, whether regularly saving every month or only occasionally.

4.2. Data Analyzis Technique

Multiple linear regression analysis accompanied by various measurements such as validity test, reliability test, classic assumptions (normality, heteroskedasticity, and multicollinearity), t-statistics, and lastly, the determination coefficient test through the SPSS application (Robinson, 2024). Multiple linear regression analysis is one of the regression models with more than one type of independent variable aimed at measuring the influence of these variables. Ghozali (2013) states that the form of the regression equation he developed according to his hypothesis is $Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \varepsilon$. Before distributing the questionnaire to respondents, the questionnaire items representing financial literacy, financial attitude, and savings motivation, which have been structured and listed, underwent validity and reliability testing, indicating the instrument's validity for use (Wahyuningsih & Nurzaman, 2020). Meanwhile, income did not undergo validity and reliability testing because this variable did not use questions to test it; it only indicated the amount of income possessed by the respondents, which was recorded in the questionnaire so that the income of each respondent could be determined.

5. Conclusion and Suggestion

5.1. Result

Multiple Linear Regression Analysis

The results of multiple linear regression in table 1.

Table 1. Results of Multiple Linear Regression Analysis

Variable	Regression Coefficient	t	Sig
(Constant)	1,823	4,186	0,000
Financial literacy (X1)	0,835	28,976	0,000
Financial attitude (X2)	0,192	2,314	0,018
Saving Motivations (X3)	0,325	3,381	0,001

Source: Data primer diolah, 2024

Y= 1,823 + 0,835 X1 + 0,192 X2 + 0,325 X3

The constant value is 1.823 (positive), meaning that if X1 (Financial Literacy) = 0 X2 (Financial Attitude) = 0 and X3 (Desire to save) = 0 then Y (Financial Management Behavior). The financial literacy variable (b1) regression coefficient value is 0.835 (positive), meaning that if financial literacy (X1) increases then financial management behavior (Y) will increase, conversely if financial literacy (X1) decreases then financial management behavior (Y) will decrease . The financial attitude variable (b2) has a regression coefficient value of 0.192 (positive), meaning that if financial attitude (X2) increases then financial management behavior (Y) will increase, conversely if financial attitude (X2) decreases then financial management behavior (Y) will decrease .Variable Desire to save (b3) regression coefficient value is 0.325 (positive), meaning that if desire to save (X3) increases then financial management behavior (Y) will increase, conversely if desire to save (X3) decreases then financial management behavior (Y) will decrease.

The results of the t test on the financial literacy variable obtained a p-value of 0.000 < 0.05, so Ho is rejected and Ha is accepted, meaning that there is a significant influence of financial literacy on the financial management behavior of students at the Faculty of Economics, Slamet Riyadi University, Surakarta in 2024. Results of the t test on the financial variable Attitude obtained a p-value of 0.018 < 0.05, so Ho is rejected and Ha is accepted. This means that there is a significant influence of financial attitude on the financial management behavior of students at the Faculty of Economics, Slamet Riyadi University, Surakarta in 2024. The results of the t test on the variable desire to save obtained a p-value of 0.001 < 0.05, so Ho is rejected and Ha is accepted, meaning there is a significant influence of desire to save. saving on financial management behavior of students at the Faculty of Economics, Slamet Riyadi University, Surakarta in 2024.

The results of the F test obtained a calculated F value of 2097.815 with a significant p-value of 0.000 < 0.05. So Ho is rejected and Ha is accepted, meaning that the model used is correct in predicting the influence of the independent variables financial literacy, financial attitude and saving motivation on the dependent variable financial management behavior of students at the Faculty of Economics, Slamet Riyadi University, Surakarta in 2024.

5.2. Discussion

Financial literacy significantly influences the financial management behavior of millennial university students.

The regression coefficient value for the Financial literacy variable (X1) has a positive value of 0.835. This shows that financial literacy has increased by 1%, so financial management will increase by 0.835 assuming other independent variables are considered constant. A positive sign means that it shows a unidirectional influence between the independent variable and the dependent variable.

Research by Nemeth et al., (2022) conducted a study on university students and found that higher levels of financial literacy were positively associated with better financial management behaviors, such as budgeting, saving, and investing. This study supports the positive coefficient for financial literacy in the regression analysis.Financial literacy plays a significant role in shaping the financial management behavior of millennial university students as it constitutes the fundamental understanding necessary for them to manage finances effectively. With a high level of financial literacy, millennial students have better abilities to make wise financial decisions aligned with their goals. They can plan and allocate their income more effectively, avoid unnecessary debt, and select investments that match their risk profile and financial needs.

Moreover, financial literacy also aids millennial students in understanding the financial risks associated with their financial decisions. With knowledge of risk management, millennial students can take preventive measures to protect their finances from unwanted risks. This enables them to build strong financial independence, where they can manage their finances independently without relying on assistance from others and achieve greater financial well-being in the future

Financial attitude significantly influences the financial management behavior of millennial university students.

The regression coefficient value for the Financial attitude variable (X2) has a positive value of 0.192. This shows that financial attitude has increased by 1%, so financial management will increase by 0.192 assuming other independent variables are considered constant. A positive sign means that it shows a unidirectional influence between the independent variable and the dependent variable.

A study by Permatasari et al., (2024) explored the influence of financial attitudes on financial behaviors among college students and found that positive attitudes towards money management were correlated with responsible financial practices. Their findings align with the positive coefficient for financial attitude in the regression analysis. Attitude towards finances plays a crucial role in shaping the financial management behavior of millennial university students. A positive attitude towards money tends to encourage students to make wise financial decisions, such as budgeting, prioritizing savings, and considering long-term financial goals(Aisah et al., 2022). Students with a positive attitude also tend to be more cautious in their spending, weighing the value and benefits of each purchase, and opting to manage debt more wisely. On the other hand, a negative attitude towards finances can lead to irresponsible spending behavior, reluctance to save, and less careful debt management, which can result in financial problems in the future.

A deeper understanding of how financial attitudes affect the financial management behavior of millennial university students is essential for the development of effective financial education programs. By targeting changes in financial attitudes, educational institutions and stakeholders can help students adopt a more positive attitude towards money, strengthen their financial management skills, and achieve greater financial well-being in the future.

Savings motivation significantly influences financial management behavior.

The regression coefficient value for the Savings motivation variable (X3) has a positive value of 0. 0,325. This shows that Savings motivation has increased by 1%, then financial management will increase by 0,325 assuming other independent variables are considered constant. A positive sign means that it shows a unidirectional influence between the independent variable and the dependent variable.

Recent research by Rahmawati, (2024) investigated the role of saving motivations in shaping the saving behaviors of university students. They found that individuals with strong saving motivations, such as saving for future goals or emergencies, exhibited more disciplined saving habits. This study supports the positive coefficient for saving motivations in the regression analysis. Savings motivation has a significant positive influence on the financial management behavior of millennial university students. When students have a strong desire to save, they tend to be more disciplined in planning and managing their finances. Savings motivation encourages students to allocate a portion of their income for savings rather than spending it impulsively. This can result in wiser financial management habits, such as budgeting, controlling expenses, and prioritizing savings for the future.

Moreover, savings motivation also strengthens students' motivation to achieve long-term financial goals, such as saving for further education, buying a home, or retirement preparation. By having clear goals and strong motivation to save, students are more likely to follow their financial plans and take necessary steps to achieve those goals(Rahmawati & Putra, 2022b). Savings motivation can also help students overcome consumptive temptations and prioritize expenses in line with their financial priorities. Thus, savings motivation plays a crucial role in shaping responsible and sustainable financial management behavior among millennial university students.

5.3. Conclusion and Suggestion

In conclusion, financial literacy, financial attitude, and savings motivation play significant roles in shaping the financial management behavior of millennial university students. Students with high levels of financial literacy, positive attitudes towards money, and strong savings motivation tend to make wiser financial decisions, effectively manage their financial resources, and achieve greater financial well-being in the future. Therefore, a deep understanding of these factors is key to developing effective financial education programs and providing support to students in developing healthy financial habits and achieving their financial goals more successfully. To enhance the financial management of millennial university students, educational institutions can provide comprehensive financial education programs, including seminars, workshops, and online courses designed to improve financial literacy, promote positive attitudes towards money, and encourage strong savings motivation. Additionally, regular practical financial management skills training can assist students in budgeting, debt management, and making smart financial decisions. Educational institutions can also offer individual support and guidance to students experiencing difficulties in financial management, such as financial counseling or mentoring programs, to help them overcome obstacles and achieve greater financial well-being.

There are some suggestions for future research development: 1) Exploring Cultural Influences on Financial Behavior: Investigate how cultural norms, values, and beliefs impact financial decision-making and management across different societies. This research could provide valuable insights into tailoring financial education programs to specific cultural contexts; 2) Long-Term Financial Outcomes: Conduct longitudinal studies to assess the long-term impact of financial education programs on students' financial outcomes post-graduation. This could involve tracking financial behaviors, saving habits, debt levels, and overall financial well-being over an extended period; 3) Digital Financial Inclusion: Investigate strategies to promote digital financial inclusion among university students, particularly those from underserved or marginalized communities. This could include assessing barriers to access, exploring the effectiveness of digital financial literacy programs, and identifying opportunities for collaboration with financial service providers; 4) Cross-Disciplinary Approaches: Foster collaboration between disciplines such as psychology, sociology, economics, and education to gain a comprehensive understanding of financial behavior among university students.

Interdisciplinary research could shed light on the complex interplay of individual, social, and institutional factors influencing financial decision-making; 5) Impact of Financial Stress on Academic Performance: Explore the relationship between financial stress and academic performance among university students. This research could examine how financial worries affect cognitive functioning, mental health, and overall academic success, and identify support strategies to mitigate these effects; and 6) Evaluation of Innovative Financial Tools: Evaluate the effectiveness of innovative financial tools, such as financial wellness apps, gamified savings platforms, or peer-to-peer lending networks, in promoting positive financial behaviors among university students.

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