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The Influence of Promotion and Product Innovation on
Increasing Sales Volume at UMKM Chips in Kalierang Village,
Selomerto Sub-District, Wonosobo District

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Abstract: This study aims to analyze the effect of promotion and product innovation on sales volume in MSME chips in Kalierang Village, Selomerto District, Wonosobo Regency. The increasingly tight competition in the snack food industry requires business actors to implement effective marketing strategies, including optimizing product promotion and innovation, in order to increase competitiveness and sales volume. This study uses a quantitative method with a descriptive and causal approach. The analysis technique used is multiple linear regression. Data were obtained from 35 MSME chip owners in Selomerto District through a questionnaire that had been tested for validity and reliability. The sampling technique used was saturated sampling, where the entire population was used as a research sample. The results of the analysis showed that the t-test calculation showed that promotion has a significant positive effect on sales volume. So, it can be concluded that innovation has a significant positive effect on sales volume. independent variables together on the dependent variable it can be concluded that the independent variables, namely promotion (X1) and innovation (X2) affect the dependent variable, namely sales volume (Y) by 90.9%, while the remaining 9.1% is influenced by other factors not examined in this study.

Keywords: Promotion, Product Innovation, MSME, Sales

A. Introduction

Chips are one of the most popular traditional snacks in Indonesia, including in Kalierang Village, Selomerto Sub-district, Wonosobo Regency. This product is not only favored by various groups, but also has a high

economic value, especially in rural areas that become production centers. Kalierang Village is known as one of the production centers of various kinds of chips, where this product is processed by many household industries. However, the increasingly fierce competition in

the snack food industry requires producers in this village to implement effective marketing strategies to remain competitive and attract consumers. One strategy that can be adopted is to utilize promotion and product innovation.

Promotion is an important element in attracting consumers to buy a product. Through various promotional media, producers can convey information about product advantages, prices, and other aspects that are important to consumers. In today's digital era, promotion has many channel options, both online and offline. However, in Kalierang Village, most producers still use traditional promotional methods such as word-of-mouth marketing. This method is limited in its reach and effectiveness, especially compared to digital-based promotions that can reach a wider range of consumers. Therefore, it is necessary to evaluate the extent to which the current promotions are able to influence consumer sales volume.

Apart from promotion, product innovation also plays an important role in influencing the increase in sales volume. Product innovation can be in the form of quality improvement, flavor variations, or attractive packaging, all of which aim to meet the evolving needs of consumers. In Kalierang Village, innovation in chips is generally limited to standard flavors such as original. Meanwhile, modern consumers tend to look for variety in the products they buy, so there is a great opportunity to develop chips with new flavors such as spicy, cheese, or barbecue. These innovations not only add value to the product, but can also increase the appeal of the chips in the market.

The effect of promotion and product innovation on sales volume has been widely studied in various other snack products. However, studies on the impact of these two factors on chip products in rural areas such as Kalierang Village are still very limited. In fact, an in-depth understanding of how promotion and innovation can affect consumer sales volume is very important for local producers. This study attempts to further explore the effect of promotion and product innovation on increasing sales volume, as well as identifying the most effective marketing strategies for chip producers in the village.

The chips industry in Kalierang Village, Selomerto Sub-district, Wonosobo District, plays an important role in the local economy. The village is known as one of the centers that produce various kinds of chips, the main raw material for chips, which are processed into traditional snacks that are popular in Indonesia. Kalierang's chips are not just a local snack, but also have potential economic value to support the welfare of rural communities. The production of chips in Kalierang is managed by a household industry that contributes greatly to family income, so many people in the village depend on the business for their livelihood. In recent years, the industry has begun to grow in line with the increasing demand for chips in the local market and surrounding areas.

However, the chips industry in Kalierang Village faces various challenges. Increasing competition from similar products from other regions and limited innovation in product variations are some of the main obstacles. In addition, most producers still rely on traditional promotion methods such as word-of-mouth marketing and direct sales in local markets. On the other hand, technological advancements and digital marketing trends provide opportunities that should be utilized by producers to reach a wider market. With the limitations in terms of promotion and innovation, many chips products from Kalierang Village have not been able to compete in a larger market or attract new consumers optimally.

Besides being a source of income, the chips industry in Kalierang Village also has significant social impacts. Many villagers, especially housewives and youths, are involved in the chips production process, from collecting ingredients, washing, processing, to packaging. As such, the industry plays a role in absorbing local labor, reducing unemployment rates and improving community skills. Therefore, the development of the chip industry in Kalierang Village is not only important from an economic perspective but also from a community empowerment perspective. Continued support from the government, organizations, and the local community can help the chip industry in Kalierang to grow more competitive and provide a wider positive impact to the village community.

One way to improve the competitiveness of chips in Kalierang Village is to strengthen promotion through digital media. By utilizing platforms such as social media and marketplaces, producers can reach a wider range of consumers and introduce their products more effectively. Through proper promotion, information on product advantages and innovations offered can be conveyed more easily to potential consumers. In addition, this strategy allows manufacturers to build a strong brand image in a more competitive market.

Product innovation can also be an effective strategy to deal with competition. Producers in Kalierang Village can explore various flavors, package products with more attractive designs, or add functional values such as better nutritional content. With these innovations, chip products can have a higher appeal to consumers, while providing a different experience compared to competitors' products. The combination of appropriate promotion and relevant product innovation is expected to increase consumer sales volume and strengthen the position of chips products in the market.

In addition to product promotion and innovation, sustainability aspects such as the use of local raw materials and environmentally friendly packaging are important factors in increasing sales volume for small and medium-sized enterprises (SMEs) producing chips in Kalierang Village. The use of local ingredients such as cassava or bananas from local farmers not only adds value in the form of authentic flavor but also supports the local economy and reduces the carbon footprint due to minimal raw material transportation. Meanwhile, the use of eco-friendly packaging, such as biodegradable materials or recycled paper, can enhance the product's image in the eyes of consumers, attract new market segments that are more environmentally conscious, and strengthen the product's competitive edge in both regional and national markets.

B. Materials and Methods

This research is quantitative descriptive research, namely research that describes

phenomena, relationships, hypotheses proposed by the scientific rules, namely empirical, objective, measurable, rational and systematic Sugiyono, (2016) This research was conducted online using a questionnaire as a data collection method. The focus of this research aims to determine the extent of the influence of promotional variables and product innovation on the sales volume of chips in Kalierang Village, Wonosobo District, so researchers use statistical calculations to answer specific questions or research hypotheses.

There are 2 variables in this research, among others:

1. Free Variable

Is a variable that is able to stand independently, because it has the ability to be independent. The independent variables in this study are: Promotion (X1) and, Product Innovation (X2).

2. Dependent Variable

Is a variable that is not independent and has a dependence on other variables, namely the independent variable. The dependent variable in this study is Sales Volume (Y).

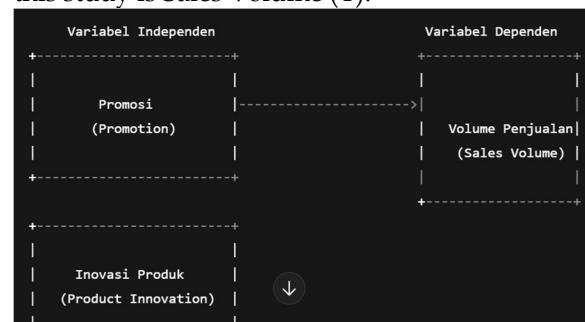


Figure 1. Framework Explanation

The framework above shows two independent variables, namely Promotion and Product Innovation, which directly influence one dependent variable, namely Sales Volume.

The arrows in the diagram indicate the direction of the relationship, indicating a direct influence of the independent variables on the dependent variable.

Using this framework, statistical analysis can be conducted using multiple linear regression to measure the significance and magnitude of the influence of each independent variable on the increase in sales volume of MSME's chip products in Kalierang Village.

The research population refers to all units of analysis that have identical characteristics or

have a meaningful relationship with research issues (Candra Susanto, 2024). In this study, to measure the effect of promotion and innovation on the sales volume of chips. So the population is MSMEs of chips in Kalierang Village, Solomerto District, Wonosobo Regency, totaling 35 MSMEs.

The sampling technique in this study used the Saturated Sampling Technique, where all the population in this study was sampled. Saturated samples were taken from all chip MSMEs in Selomerto Village, Wonosobo Regency, the population of which was 35 people.

C. Result and Discussion

Based on the results of statistical testing, it can be seen that partially all independent variables affect the dependent variable. The explanation of each indicator is as follows:

1. Promotion relationship with sales volume. The results showed that promotion has a positive and significant effect on sales volume. This can be proven by the t value of 3.769 which is greater than t table 1.67469 with a significance value of 0.001 smaller than 0.05. Sales promotion will be able to influence a product if the product has a high level of sales.
2. The relationship between product innovation and sales volume. The results showed that product innovation has a positive and significant effect on sales volume. This can be proven from the t value of 2.784 which is greater than the t table 1.67469 with a significance value of 0.009 smaller than 0.05. Product innovation has an important role in increasing sales volume, especially for Micro, Small and Medium Enterprises (MSMEs). Through innovation, MSMEs can offer products that are more in line with consumer needs and preferences, thereby increasing competitiveness and attracting more customers.
3. The relationship between promotion and innovation together on sales volume. The results showed that promotion and innovation together had a positive and significant effect on sales volume. This can be proven by the amount of F value obtained 171.668 greater than F table 3.29 and the

significance value obtained 0.000 smaller than 0.05.

Tabel 4.55 Hasil Uji Normalitas

One-Sample Kolmogorov-Smirnov Test				
	Promosi	Inovasi	Volume Penjualan	
N	35	35	35	
Normal Parameters ^{a,b}	Mean	62.11	69.77	56.29
	Std. Deviation	7.423	7.616	6.892
Most Extreme Differences	Absolute	.126	.099	.117
	Positive	.126	.099	.117
	Negative	-.085	-.061	-.086
Test Statistic	.126	.099	.117	
Asymp. Sig. (2-tailed)	.172 ^c	.200 ^{c,d}	.200 ^{c,d}	

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Sumber: data primer yang di olah, 2025

Based on Table 4.55 above, we can see that the test statistic values for each research variable are greater than 0.05. Therefore, we can conclude that the population is normally distributed.

Tabel 4.56 Hasil Uji Multikolinieritas

Coefficients ^a							
Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance VIF
1	(Constant)	-1.993	3.286		-.607	.548	
	Promosi	.519	.138	.559	3.769	.001	.121 8.247
	Inovasi	.373	.134	.413	2.784	.009	.121 8.247

a. Dependent Variable: Volume Penjualan

Sumber: data primer yang diolah, 2025

Based on the results of the multicollinearity test in Table 4.56, it can be explained that the VIF value of the independent variable is < 10 and the tolerance value is > 0.10. Thus, there is no correlation between the independent variables, and it can be concluded that there is no multicollinearity between the independent variables in the regression model.

Tabel 4.57 Hasil Uji Heteroskedastisitas

Coefficients ^a							
Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance VIF
1	(Constant)	-1.529	2.174		-.703	.487	
	Promosi	.055	.091	.294	.600	.553	.121 8.247
	Inovasi	-.006	.089	-.033	-.068	.946	.121 8.247

a. Dependent Variable: ABSRESID

Sumber: data primer yang diolah, 2025

Based on the results of the heteroscedasticity test using the Glejser test in Table 4.57, it can be explained that the significance level of all independent and dependent variables is > 0.05. Thus, it can be concluded that the regression model in this study is free from heteroscedasticity

Research that can be conducted in the future to continue or deepen the study of the influence of promotion and product innovation on the sales

volume of MSMEs, especially in the chips sector in Kalierang Village or other areas:

1. Addition of Research Variables

Future research can include additional variables such as price, product quality, distribution strategy, customer service, or consumer satisfaction to get a more holistic understanding of the factors that influence sales volume.

2. Inter-regional Comparative Study

The research can be expanded by comparing chip MSMEs in Kalierang Village with MSMEs in other regions. This aims to see whether there are differences in promotional strategies and product innovations applied and their impact on sales volume.

3. Use of Longitudinal Method

Future research can use the longitudinal method to observe long-term changes or trends related to the effectiveness of promotion and product innovation on increasing sales volume.

4. Analysis of Digital Marketing

With the increasingly important role of digital technology, research can focus on analyzing the effectiveness of digital marketing strategies (such as social media, marketplaces, or e-commerce) on the sales performance of MSMEs.

5. Influence of External Factors

Future research agendas could explore the influence of external factors such as economic conditions, government policies related to MSMEs, the level of market competition, or consumer preferences on sales volume.

6. Study on Sustainable Innovation

Future research could assess the impact of sustainable innovation, such as the use of local raw materials, environmentally friendly packaging, or product diversification, on MSME competitiveness and sales growth.

7. Analysis of Overall MSME Performance

In addition to focusing on sales volume, research can expand the scope by analyzing the impact of promotion and product innovation on other aspects such as profitability, customer loyalty, or market share.

8. MSME Business Model Development

Further research could develop innovative and sustainable business models for chip MSMEs, taking into account social, economic and environmental aspects.

9. Evaluation of the Effectiveness of Government Support Programs

Research could evaluate the effectiveness of government programs, such as capital assistance or training, in supporting product innovation and promotion in MSMEs.

10. Consumer Behavior Studies

Future studies could further explore consumer behavior, including their preferences, purchasing patterns, and perceptions of product promotion and innovation, to provide more targeted guidance for MSMEs.

Tabel 4.58 Hasil Analisis Regresi Linier Berganda

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance VIF
1	(Constant)	-1.993	3.286		-.607	.548	
	Promosi	.519	.138	.559	3.769	.001	.121 8.247
	Inovasi	.373	.134	.413	2.784	.009	.121 8.247

a. Dependent Variable: Volume Penjualan

Sumber: data primer yang diolah, 2025

The equation can be explained as follows:

1. The constant value is -1.993, which indicates that if there is no influence of promotion and innovation, sales volume will decrease by 1.993 or 1.9%.
2. The promotion variable (X1) has a positive and significant effect on sales volume (Y) with a coefficient value of 0.519. Thus, the regression coefficient means that the better the promotion variable, the more it will increase sales volume by 51.9%, assuming that other variables remain constant or unchanged. The innovation variable (X2) has a positive and significant effect on purchase decisions (Y) with a coefficient value of 0.373. The regression coefficient implies that the better the innovation variable, the greater the increase in purchase decisions by 37.3%, assuming other variables remain constant or unchanged.

D. Conclusion

Based on the formulation of the research problem posed, the data analysis that has been carried out and the discussion that has been stated in the previous chapter, the following conclusions can be drawn:

1. The results of the t test calculation show that the t value of 3.769 is greater than the t table 1.67469 with a significance value of 0.001 less than 0.05. So it can be concluded that promotion has a significant positive effect on sales volume. Then hypothesis 1 is accepted

2. The results of the t test calculation show that the t value of 2.784 is greater than the t table 1.67469 with a significance value of 0.009 smaller than 0.05. So it can be concluded that innovation has a significant positive effect on sales volume. Then hypothesis 2 is accepted
3. The effect of independent variables together on the dependent variable by showing F count of 171.668 and a significance value of 0.000. By using a significance limit of 0.05, the significance value obtained is 0.000 less than 0.05. And the calculated F value obtained 171.668 is greater than F table 3.29. Then hypothesis 3 is accepted
4. the result of the coefficient of determination (Adjusted R Square) of 0.909. So it can be concluded that the independent variable, namely promotion (X1) and innovation (X2), affects the dependent variable, namely sales volume (Y) by 90.9%,

Some of the limitations of researchers in research on the influence of promotion and product innovation on the sales volume of chips in MSMEs in Kalierang Village, Selomerto District, Wonosobo Regency:

1. Limited Location Coverage
This research only focuses on MSMEs in Kalierang Village, so the results may not be generalizable to MSMEs in other areas with different market conditions and consumer characteristics.
2. Relatively Small Number of Respondents
The limited sample size may affect the representation of the population as a whole, so the research results may not reflect all MSME players in the chips sector.
3. Limited Variables
This study only analyzes two main variables, namely promotion and product innovation, without considering other factors such as price, distribution, or customer satisfaction that can also affect sales volume.
4. Short Research Time
The limited research time may lead to a lack of longitudinal data to observe long-term trends or changes related to promotion, product innovation, and sales volume.
5. Limitations of Primary Data
Data obtained from questionnaires or interviews may be affected by the subjectivity of respondents, which may

reduce the accuracy and validity of the information collected.

6. Influence of External Factors
This research may not fully account for the influence of external factors, such as economic conditions, market competition, or consumption trends, which may affect the research results.
7. Limitations of Analytical Tools
The analytical tools or methods used in this study may have limitations in describing the complex relationship between promotion, product innovation, and sales volume. while the remaining 9.1% is influenced by other factors not examined in this study.

In addition to analyzing the impact of product innovation on sales volume growth, this study will also explore whether product innovation can create efficiency in the production process at Kalierang Village Chip MSMEs. Production efficiency can be reflected through the optimal use of resources, such as more efficient use of raw materials, reduced energy consumption, or increased production capacity in a shorter time. Thus, product innovation not only enhances consumer appeal but can also provide additional benefits in the form of operational cost savings. Furthermore, the study will examine whether the implemented product innovations can significantly contribute to reducing production waste. For example, the use of new processing technologies or more minimalist packaging designs can effectively reduce the amount of waste generated.

This study will also examine the aspect of local empowerment as a positive impact of product innovation in Kalierang Chip MSMEs. Product innovation that utilizes local materials, such as cassava or other agricultural products from local farmers, can indirectly improve the welfare of the local community by creating new markets for their products. In addition, product innovation also has the potential to open up additional job opportunities for villagers in the production and distribution processes. This not only strengthens the local economy but also fosters stronger social bonds within the community, as villagers feel involved and have a tangible contribution to the success of the SME. Therefore, this study will comprehensively

evaluate the broader impacts of product innovation on production efficiency, waste reduction, and local community empowerment in Kalierang Village.

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