

Optimizing Digital Marketing to Support MSME Promotion and Marketing Activities

Eryansya Alga Fernanda^{1*}, Didik Hariyanto²

^{1,2}Faculty of Business Law and Social Science, Universitas Muhammadiyah Sidoarjo, Indonesia

algafernanda8111@gmail.com

Abstract. *In an ever-evolving digital era, Micro, Small, and Medium Enterprises (MSMEs) in Indonesia face challenges in optimally leveraging digital marketing potential. Despite approximately 77% of the population having internet access, many MSMEs still rely on conventional methods, limiting their market reach and visibility. This study aims to explore the importance of optimizing digital marketing for MSMEs, particularly in Jedongcangkring Village, to support promotional and marketing activities. A qualitative approach was employed, utilizing in-depth interviews to gather data. The findings indicate that the implementation of digital marketing strategies, such as the use of social media platforms and data analysis, can enhance campaign effectiveness, expand market share, and strengthen MSMEs' presence in the digital business ecosystem. Furthermore, understanding the Technology Acceptance Model (TAM) is crucial in encouraging the adoption of new technologies. Recommendations from this research include enhancing education and support for MSMEs in implementing digital marketing strategies, enabling them to compete more effectively in an increasingly interconnected digital marketplace.*

Keywords : *Digital Marketing, MSMEs, Promotion, Marketing, Digital Era, Jedongcangkring Village.*

I.INTRODUCTION

In today's digital era, it is important for MSMEs to take advantage of digital marketing in order to compete. MSMEs are a business category that has criteria for the number of employees, turnover, and total assets. MSMEs play an important role in a country's economy, especially in Indonesia, where they are considered the backbone of the economy. Digital marketing has proven to be an effective and affordable way to promote products or services and increase sales. However, there are still many MSMEs that have not taken advantage of digital technology to improve their business. Digital marketing is a marketing strategy that utilizes digital platforms such as social media, websites, emails, and search engines to achieve marketing goals. Through various techniques such as online advertising, content marketing, SEO, and social media marketing, digital marketing is an effort to promote a brand or product using digital media. In Indonesia, around 77% of the population already has technological knowledge and access to the internet, affecting various levels of society from villages to cities.

According to data from the Indonesia E-commerce Association (idEA) in May 2021, around 13.7 million MSME actors, or around 21%, have tried to get involved in the digital ecosystem (Rianto, 2021). This shows that more than 70% of other MSME actors still maintain conventional methods in running their businesses. Most MSME businesses today are managed by individuals who are generally elderly, who tend to be skeptical of technology and slow to adopt digital services. Although some businesses have managed to adapt, many have failed and had to close their businesses. Therefore, it is important to continue to increase awareness of business digitalization in order to create effective methods in retaining customers. The trend of digitalization in the business world continues to grow, especially after the emergence of the Covid-19 pandemic. Many business people, both

MSMEs and large companies, have begun to carry out digital transformation to improve service to consumers and maintain their business. This is inseparable from the various benefits obtained from business digitalization. Based on several previous studies, there are still certain aspects that need to be studied more deeply through the maximum application of digital marketing.

This is in line with the findings of research conducted by *Hardilawati (2020) regarding the strategies implemented by MSMEs in the midst of the Covid-19 pandemic*. Based on the observations made, not all MSMEs have experienced significant losses so they have to close their businesses. On the contrary, some MSMEs managed to survive and even experienced an increase in income because they were able to adapt to the situation and implement new marketing strategies. Some of the steps that MSMEs can take include introducing new products or updating their marketing strategies, as success in business requires quick response and adaptation to changing environments. Some of the strategies that can be implemented by MSMEs include utilizing e-commerce platforms, improving service quality, using digital marketing, and strengthening relationships with customers. Thus, it is hoped that MSMEs can increase their sales even though they must still comply with the health protocols set by the government during this pandemic (Rahardjo, 2010).

Research conducted by Izaak (2022) with the title "*Optimizing Digital Marketing Through Instagram as a Marketing Strategy for MSME Products in Medokan Semampir Village, Surabaya City*". This research explains that the problem faced by MSMEs is the difficulty of MSMEs selling their products online. The difficulty of marketing is carried out on the object of the research, so the marketing method by utilizing digital marketing through *Instagram* is the main strategy in promoting these MSME products.

Finally, research conducted by Harini (2023) titled "*Optimization of Digital Marketing in Peci Assagofah MSMEs in Banjarwangi Village, Bogor Regency*". This research discusses community service carried out at Peci Assagofah MSMEs in Banjarwangi Village, Bogor Regency. The main focus of this study is to optimize the use of digital marketing in the marketing of MSME products. The author explained that many MSME actors are still using conventional marketing strategies and have not made full use of technology. Therefore, training and assistance are carried out on the importance of digital marketing, creating social media accounts, and product branding to increase the market reach and competitiveness of MSMEs.

Based on previous research that discussed digital marketing for MSMEs. So in this study, it has the same research focus, namely the use of digital platforms as a medium for promoting products in Jedongcangkring Village. The observation site is located around the Jedongcangkring Village neighborhood, Prambon District, Sidoarjo Regency. Jedongcangkring Village is located in Prambon District, Sidoarjo Regency, with direct boundaries with Tulangan and Wonoayu Districts. The Jedongcangkring Village area is bordered by Jabon Village in the north, Jati Alun-Alun Village in the south, Kepunten in the east, and Kedung Kembar Village in the west. This village is a clear example of how MSMEs can develop in rural areas, become the backbone of the local economy, and contribute to national economic growth.

Currently, the majority of economic actors, around 99%, are micro, small, and medium enterprises (MSMEs) that continue to experience significant growth, becoming one of the main pillars in maintaining national economic stability. MSMEs show high resilience and remain optimistic despite facing a crisis. In fact, when there is a global crisis, MSME actors are still actively moving. The government has made various empowerment efforts, such as policies, programs, and activities, to strengthen this MSME sector. However, these efforts have not fully produced maximum impact and have not provided a strong encouragement for MSME actors in particular, as well as the community in general.

After significant observations, by relating the phenomenon of "Digital Transformation" for MSMEs in Jedongcangkring Village, the marketing aspect is easy to access widely. The use of digital marketing in the use of digital marketing among Micro, Small, and Medium Enterprises (MSMEs). This is in accordance with the conditions experienced by MSME actors in the village where they face a number of gaps in the progress of their business. Obstacles such as lack of initial capital, skills, and knowledge are the main obstacles. Ironically, this village has great potential with a strategic location. With good road access and close to the Banjarmasin City trade center, residents should be able to develop their businesses better. However, the lack of knowledge about effective marketing and promotion makes them unable to take full advantage of this potential.

Even though the infrastructure is supportive, further efforts are still needed to provide good marketing methods that are easy for them to do in running MSMEs. Therefore, modern marketing management strategies and efficient business management are the main keys in getting good opportunities and income. In this way, residents can optimize the available opportunities and improve their economic well-being in the midst of increasingly fierce competition by integrating technology in marketing strategies is a very important aspect for the sustainability of Micro, Small and Medium Enterprises (MSMEs). MSMEs basically have a great desire to adopt technology to expand the marketing reach of their products. However, they are faced with a number of challenges that hinder the optimization of the use of this technology (Alford & Page, 2015).

Therefore, more attention is needed to the development of MSMEs, especially in implementing online marketing strategies that can have a positive impact on increasing the profitability of MSME businesses (Setiawati & Widyartati, 2017). National economic growth is highly dependent on economic dynamics at the regional level, where most economic activities at the regional level are supported by MSMEs. MSMEs are considered the backbone of the regional and national economy. The MSME sector has shown extraordinary resilience, especially in the face of economic crises. MSMEs have a very significant role in supporting economic growth and providing job opportunities for the wider community (Sugiarti et al., 2019). The development of MSMEs in Indonesia is expected to reduce the unemployment rate and provide job opportunities for more people. It is also hoped that people's creativity through MSMEs can help increase the country's exports and reduce dependence on imports.

Based on the explanation above, it has been shown that although some MSMEs have successfully adapted to digitalization, many still have difficulty implementing digital marketing strategies effectively. This gap is important for further research, especially in local contexts such as Jedongcangkring Village, where MSME actors face unique challenges that may not be identified in broader studies. Thus, this study aims to provide training on how to optimize the marketing of a product through social media such as WhatsApp Business and Tiktok. The use of this strategy is to gain knowledge on how to attract consumer interest and how to market products to look mean. This will have an impact in filling these knowledge gaps by exploring the challenges, needs, and impacts of digital marketing training for MSMEs, as well as providing recommendations that can help them adapt and thrive in the ever-changing digital era.

II.METHODS

In this study, the method used is a qualitative approach with in-depth interview techniques as the main instrument for data collection (Suggestion, 2013). This research involved MSME Business actors in Jedongcangkring Village, as many as 5 who were selected purposively to get relevant information about their experiences and challenges in implementing digital marketing. The operationalization of the method was carried out by designing an interview guide that included questions about their understanding of digital marketing, the strategies that have been implemented, and the obstacles faced. The data obtained is then analyzed thematically to identify patterns and insights that can be used to optimize digital marketing strategies for MSMEs in the area.

III.FINDINGS AND DISCUSSION

In today's digital era, marketing and promotion through digital media are the main strategy for many businesses, including Micro, Small, and Medium Enterprises (MSMEs). One of the popular digital platforms that can be leveraged for promotion and marketing is TikTok and WhatsApp Business. TikTok is currently one of the social media platforms with the fastest user growth, especially among young people and teenagers. Millions of people post creative short videos every day, which can be an opportunity for MSME actors to introduce their products to a wider audience. This is based on the latest data from DataIndonesia.id, even Indonesia country is in the first position as a user of the Tiktok platform. Based on the We Are Social and Meltwater reports, the number of TikTok users in the world is estimated to reach 1.58 billion users in April 2024. The majority of its users are people aged 18-34 years (dataindonesia.id, 2024). This can be seen based on the following diagram:

8 Negara dengan Pengguna Tiktok Terbesar di Dunia
(per April 2024)

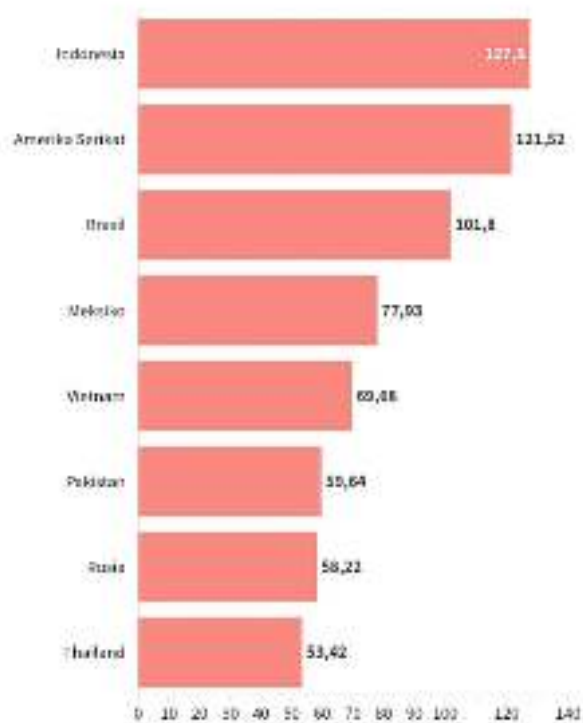


Figure 1: Tiktok User Diagram
Source: *DataIndonesia.id* (2024)

Based on the data above, the use of the Tiktok platform in Indonesia is so high, this creates opportunities for MSME actors in Jedongcangkring Village. In using the TikTok platform as a marketing medium, this can first determine the type of content that suits the target audience. After that, you can make short videos about the products or services you offer, do creative and interesting content, and visualize the uniqueness of the product. In addition, TikTok has a duet feature that allows users to record videos together and showcase their products or services into the larger TikTok community.

One of the advantages of using TikTok is the ease of promoting products organically and for a fee. In organic view, the video will be shown to the right audience based on their interests and preferences for similar products. As for paid promotions, TikTok provides advertising features that are very effective in introducing products to a wider audience.

In addition to TikTok, MSME businesses can also take advantage of the WhatsApp Business platform to support marketing and promotional activities. With WhatsApp Business, you can send messages to your customers individually or in groups. The chart below shows the level of social media users from lowest to highest, as follows:

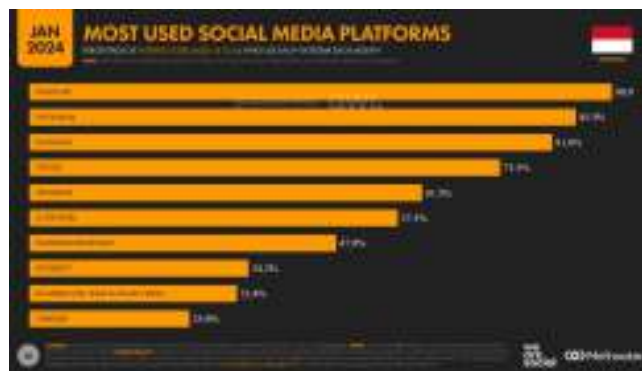


Figure 2: Diagram of Social Media Users in Indonesia
Source: *databoks.katadata.co.id* (2024)

The diagram above is based on the latest report We Are Social, WhatsApp became the most widely used social media application in Indonesia in January 2024. Of all internet users in Indonesia aged 16-64 years, the majority or 90.9% are recorded to use the application.

This also includes the use of WhastApp Business, where Indonesia itself is among the countries with the second highest number of WhatsApp business downloads globally, reaching 73 million downloads as of June 2022. The Indonesia position is only beaten by India who have 291.58 million downloads (*databoks.id*, 2024). This data is still calculated in 2024, the possibility of using WhastApp Business is increasing until now.

Based on the results of the diagram above, if you look at the situation faced by MSME actors in Jedongcangkring Village, there are various complaints and challenges that hinder their business growth. Some of the main complaints that are often submitted by MSME actors in this village include:

- a. **Lack of Knowledge about Digital Marketing:** Many MSME actors do not have a sufficient understanding of digital marketing concepts and strategies. They find it difficult to utilize digital platforms effectively to promote their products.
- b. **Limited Access to Technology:** Although most people have internet access, not all MSME actors have adequate devices or technical skills to use digital technology. This causes them to fall behind in market competition.
- c. **Difficulties in Building Networks:** MSME actors often feel isolated and find it difficult to reach new customers. They rely on traditional marketing methods that are ineffective in attracting consumers' attention in the digital age.
- d. **Obstacles in Branding and Promotion:** Many MSMEs do not have a clear branding strategy, so their products are less known to the public. They also have difficulty in creating engaging and relevant promotional content.

Some of these complaints were collected from two informants as MSME actors in Jedongcangkring Village. So, if you take advantage of digital growth, this is a marketing opportunity for MSME actors in Jedongcangkring Village. Starting marketing through WhatsApp Business, which is in the form of stages by adding a WA number on the website or on social media and promoting the WhatsApp Business account service. In addition, customers can be involved by providing information about products or product promotions through direct messages or WA groups. In addition, WhatsApp Business makes it possible to create open house communication channels or

consultations between customers and businesses. This is very important to make a positive impression on customers and can increase confidence in the product or service offered.

In marketing through WhatsApp, make sure users protect customer data and ensure that the messages sent are not considered spam. Users can ask for approval from customers before sending them messages and can also enable the notification feature to let customers know that the message sent is not spam.

Digital marketing optimization carried out through the TikTok and WhatsApp Business platforms is certainly very helpful for MSMEs in improving their product branding. One of the keys to maximizing the success of promotion and marketing through digital platforms is to understand your target audience, provide relevant and interesting content and provide good service to customers.

However, not everyone can embrace technology easily and quickly. Therefore, an understanding of the theory of technology acceptance is needed in order to optimize the use of technology. Technology acceptance theory is a concept that describes how a person accepts and uses new technology (Nasir, 2013). Technology Acceptance Theory Developed by Davis in 1989, technology acceptance theory is a theory that explains how individuals accept and use new technologies.

In the context of this article, understanding TAM is essential for Micro, Small, and Medium Enterprises (MSMEs) to optimize the use of digital platforms such as TikTok and WhatsApp Business. By understanding how they perceive the usability and ease of use of this technology, MSMEs can be better prepared to adopt and utilize digital marketing tools effectively.

The selection of these two platforms from Tiktok and WhatsApp is based on the fact that Optimizing Digital Marketing to Support MSME Promotion and Marketing Activities in Jedongcangkring Village In optimizing MSME promotion and marketing activities in Jedongcangkring Village, the right digital marketing platform is needed. Therefore, from the results of observations, it is known that the tiktok and WhatsApp business platforms can be the right choice to promote and market MSME products. The reason is that most of the people today prefer platforms that can provide a pleasant experience in interacting with the products being promoted or sold.

The results of the empowerment efforts that we have carried out for MSMEs in Jedongcangkring Village are as follows:

1. Socialization



Figure 3: Socialization to residents in Jedongcangkring Village
Source: Eryansya Alga Fernanda (2024)

The Importance of Digital Marketing for MSME Development This activity was carried out in the early stages of meetings with MSME actors directly. Our team explained to them about the significance of digital marketing in today's era of globalization. We also provide an explanation of several technologies that can be used to improve MSMEs, such as the use of social media,

marketplaces, and e-commerce. In this activity, there was a discussion between MSME actors and our team about the development of MSMEs through digital marketing, which we conveyed through a detailed and clear PowerPoint presentation. Through this activity, MSME actors become familiar with the concept of digital marketing and are able to adapt to technological developments, using various media to develop their MSMEs.

2. Introduction of WhatsApp Business and Tiktok Applications as a Tool for MSME Development

In this activity, we decided to provide counseling about the WhatsApp Business and Tiktok Applications because they are one of the communication media and applications that are most often used by the public on a daily basis. Even so, there are still many people who have not used the social media platform optimally to transact online. We then explained the advantages of the WhatsApp Business and Tiktok Applications that can be used by MSME actors. The impact of this activity is that MSME actors can take advantage of the potential of social media for the purpose of promoting and selling products to the surrounding community.

3. Assistance in Creating an Account and Using the WhatsApp Business and Tiktok Applications



Figure 4: MSME promotion account
Source: MSMEs of Jedongcangkring Village (2024)

In this activity, we provide assistance to MSME actors in the process of downloading the WhatsApp Business and Tiktok Applications. We provide instructions on how to sign up for an account and guide them until the account is ready to use. We also explained some of the features owned by the Application that can be used by MSME actors to promote products to be sold, such as automated messages and consumer tagging. The result of this activity is that MSME actors get WhatsApp Business and Tiktok accounts. This account can be used for product promotion and sales purposes.

4. Marketing Strategy Assistance



Figure 5: Marketing Activities of MSME Products
Source: MSMEs of Jedongcangkring Village (2024)

In this activity, we provide assistance on marketing techniques for products to be sold. One of them is to provide an understanding of how to take product photos properly and apply them to product catalogs in the WhatsApp Business Application and Tiktok application. The impact after optimizing digital marketing through training and mentoring, MSME actors in Jedongcangkring Village began to feel significant positive changes. Some of the impacts seen after the implementation of a digital marketing strategy include:

- a. **Increased Knowledge and Skills:** MSME actors are becoming more familiar with digital marketing concepts and are able to use platforms such as WhatsApp Business and TikTok to promote their products. The training provided helps them understand how to create engaging and relevant content.
- b. **Increased Market Reach:** By utilizing social media, MSMEs can reach a wider audience, not only in the surrounding environment but also outside the village. This opens up new opportunities to increase sales and expand market share.
- c. **Increased Interaction with Customers:** The use of digital platforms allows MSME actors to interact directly with customers, listen to feedback, and build better relationships. This helps them better understand the needs and preferences of consumers.
- d. **Increased Branding and Visibility:** With a clearer branding strategy and attractive promotional content, MSME products are starting to be known by the public. This contributes to an increase in brand image and consumer trust in the products offered.
- e. **Sales Growth:** After implementing a digital marketing strategy, many MSME players reported a significant increase in sales. They can take advantage of online promotions to attract more customers and increase turnover.

The results of the research we conducted in Jedongcangkring Village show that digital marketing optimization has had a significant positive impact on Micro, Small, and Medium Enterprises (MSMEs) in the region. One of the visible impacts is the increase in the visibility of businesses

online. By utilizing digital social media platforms such as WhatsApp Bisnis and Tiktok, MSMEs are able to increase their online presence, making it easier for potential consumers to find. This directly contributes to increased visibility and the likelihood of purchasing the product or service offered.

In addition, optimizing digital marketing also allows for the expansion of market reach for MSMEs in Jedongcangkring Village. By using digital platforms, MSMEs can reach potential customers outside their local area. This allows them to expand their market share and increase the sales potential of the products or services they offer. Interaction with customers through social media has also seen a significant increase after the adoption of digital marketing. Through social media platforms, MSMEs can interact directly with customers, such as creating clear and easy-to-understand captions related to the post (Mariyaa & Hariyanto, 2024). So this can increase the interaction of followers on social media such as Tiktok. answering questions, providing product or service information, and receiving feedback. This not only strengthens the relationship between MSMEs and customers, but also increases customer trust and loyalty towards the brand or product offered.

A more accurate analysis of marketing campaign performance is also one of the benefits obtained from digital marketing optimization. By using digital analytics tools, MSMEs can track and evaluate the results of their marketing campaigns more efficiently. This allows them to make better decisions in designing future marketing strategies, as well as identify areas that need to be improved or optimized. Reduced marketing costs also occur as a result of the use of more affordable digital platforms. Compared to offline promotions such as advertisements in print media or exhibitions, promotion through digital platforms tends to be more economical. This allows MSMEs to allocate their marketing budgets more efficiently and effectively, so that they can achieve better results at a lower cost.

In addition, optimizing digital marketing provides opportunities for MSMEs to compete in an increasingly digitally connected market. By utilizing digital technology, MSMEs can more easily compete with large companies and other competitors in reaching consumers online. This provides an opportunity for MSMEs to strengthen their presence in the ever-growing digital business ecosystem. With the ability to monitor and analyze campaign performance in real-time, MSMEs can make the necessary adjustments to improve the effectiveness of their marketing strategies in the future. Through accurate data analysis, they can better understand consumer behavior and market preferences, so they can design more precise and efficient marketing strategies.

Overall, digital marketing optimization not only helps MSMEs in Jedongcangkring Village to adapt to technological developments, but also has a significant positive impact on the growth and sustainability of their business in the digital era. In fact, digital marketing optimization provides opportunities for MSMEs to achieve better and sustainable business growth in the digital era. By utilizing digital technology effectively, MSMEs can experience concrete benefits in increasing sales, expanding market share, and strengthening their presence in the ever-growing digital business ecosystem. This opens up new opportunities for MSMEs to grow and compete in an increasingly digitally connected market.

IV. CONCLUSIONS

From the above explanation, it can be concluded that digital marketing optimization can have a significant positive impact on Micro, Small, and Medium Enterprises (MSMEs) in areas such as Jedongcangkring Village. The use of the TikTok and WhatsApp Business platforms can help MSME actors in improving their product branding. In addition, an understanding of technology acceptance theory is essential in optimizing the use of technology in promotional and marketing activities. Digital marketing optimization can provide opportunities for MSMEs to compete in an increasingly digitally connected market. By utilizing digital technology effectively, MSMEs can experience concrete benefits in increasing sales, expanding market share, and strengthening their presence in the ever-growing digital business ecosystem. Therefore, the participation of all parties, be it the government, MSME actors, and the community in general is needed to understand and take advantage of existing opportunities to develop MSMEs by utilizing digital technology optimally.

ACKNOWLEDGMENTS

Thank you to the Head of Muhammadiyah University Sidoarjo and ICEMSS for providing the opportunity to contribute information so that this research runs well. In addition, I would like to thank the supervisor who always gives advice in this research. Not forgetting my teammates, friends, as well as my parents for helping me physically and mentally.

REFERENCES

- Arisandi, M. T. (2018). The Utilization of Digital Marketing for Micro, Small, and Medium Enterprises in the ASEAN Economic Community Era. *JMD: Dewantara Management & Business Research Journal*, 61-76.
- Aziz, R. A. (2020). Digital Marketing Content. *E-Book Digital Marketing*, 1.
- Dedi Purwana ES, R. S. (2017). The use of digital marketing for micro, small, and medium enterprises (MSMEs) in Malaka Sari Village, Duren Sawit. *Journal of Civil Society Empowerment (Jpm)*, 1-17.
- Harini. S., et al. (2023). Digital Marketing Optimization to Peci Assagofah MSMEs in the Village Banjarwangi, Bogor Regency. *Journal Indonesia Community Service*. 2(1). 30-35
- Intan Shaferi, A. T. (2016). The use of technology in an effort to increase the productivity of small businesses. *Perfomance*, 11-16.
- Izaak W.C., et al. (2022) Optimizing Digital Marketing Through Instagram as a Marketing Strategy MSME Products in Medokan Village Surabaya City Stopper. *Journal of Community Service*. 8(4). 90-104
- Josua Tarigan, R. S. (2013). *Creative Digital Marketing*. Elex Media Komputindo.
- Maritza, B. D., & Hariyanto, D. (2024). Strategy Digital Marketing for Thrift Clothing Business (@spezialmbois account). *Interaction Communication Studies Journal*, 1(1), 47–60.
- Nasir. M. (2013). Technology Acceptance Evaluation Student Information in Palembang Using the UTAUT Model. *Seminar National Information Technology Application*. 36-40
- Page, P. A. (2015). Marketing Technology For Adoption By Small Business. *The Service Industries Journal*, 655-669.

- Rahardjo, P. D. (2010). *Triangulation in qualitative research*. Jakarta: Uin Malang.
- Sugiyono, D. (2013). *Educational Research Methods Qualitative approach*. Bandung: Alfabeta. 11-13
- Setiawati, I. (2017). The Influence of Online Marketing Strategy on Increasing MSME Profits. *Bima: Management Frame*, 343-347.
- Sugiarti, et al. (2019). The Role of Fintech in Improving Financial Literacy in Business Micro Smal Middle School in Malang. *Faculty of Economics and Business of the Islamic University of Malang*. 90-104
- Sutama, H. D. (2020). Building online marketing and digital branding in the midst of the Covid-19 pandemic. *Journal of Global Ecoment*, 213-222.
- Waluyo, D. (2021). In the wake of the pandemic, MSMEs are increasingly going digital. *Indonesian. Go. Id: Indonesia Information Portal*.
- Widyarti, I. S. (2017). The Influence of Online Marketing Strategy on the Increase in MSME Profits. *Bima: Management Frame*, 343-347.
- Yati, K. (2023). Saapi on that day. *Pedagogy: Journal of Education*, 1-5.