

POST-PANDEMIC MSME BUSINESS STRATEGY: DIGITAL MARKETING INNOVATION AND TRANSFORMATION

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ABSTRACT

Today, small and micro-sized firms, also known as MSMEs, are one of the types of companies that provide essential assistance to the economic endeavors of the local community. The expansion of micro, small, and medium-sized enterprises demonstrates that this industry continues to play an important role in the economy of the community. Nevertheless, the COVID 19 Pandemic has had a significant effect on this industry. MSME actors need to develop a variety of business strategies and then transform those strategies into activities that involve digital marketing if they want their businesses to survive and thrive. As a result, the objective of this study is to conduct an analysis of the business strategy that will be utilized by MSMEs following the conclusion of the pandemic, with a focus on digital marketing and internet marketing. This investigation takes a qualitative approach and makes use of descriptive research tools. The findings of the study indicate that developing a digital business strategy can be an alternative survival strategy for MSMEs during the current Covid19 pandemic. This can be accomplished through digital and online marketing as well as the development of innovation through the improvement of product quality and improvements in product attributes. It is hoped that this modification to the strategy will allow the company to increase its market share and keep its turnover steady during the pandemic, while at the same time being able to adapt to the changes that are occurring in the business environment as a result of the digital age.

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1. INTRODUCTION

The systems approach in contemporary management theory considers the organization as an inseparable unit. As the key to progress in the new management period, the organization must increase its understanding (Wijoyo, 2021). Any company that doesn't invest in upgrades and keeps doing what it's always done will quickly find itself in a position where it doesn't know what it needs. In order to succeed, the company or group will need to implement a number of strategies. In the present era of management, there are numerous techniques, one of which is to turn their firm into one that adapts to the changing circumstances (Ana & Zunaidi, 2022).

The technological world is undergoing fast change, as is management philosophy. Elements of an organization are integrated as a unit. The environment can be both an opportunity and a threat to the development of a business (Subaktilah et al, 2018). All nations, including Indonesia, are susceptible to the Covid-19 pandemic under the current climatic conditions. The epidemic has had an enormous impact on all industries, including the health sector, the social sector, which cannot interact with the commercial sector, and the domestic and international economic sectors. According to Utami (2021), this pandemic has had a severe influence on the economy. This outbreak has produced an economic disaster that is significantly distinct from previous disasters. Since the outbreak of COVID-19, the industry has been filled with uncertainty. All industries are impacted by travel restrictions and social isolation, which eventually affects job security and pay. (Bahtiar, 2021).

The OECD has found that the Covid-19 pandemic has had consequences for both the supply and demand sides of the economy. Companies are cutting back on raw resources, ill workers are being cut from the workforce, and supply networks are feeling the pinch (OECD, 2020). The lack of interest in and trust in a product is a problem on the demand side. The OECD also found that MSMEs significantly affected Covid-19's state. The tourism, transportation, and culinary industries, which rely on rapid suppliers, have been severely impacted by the COVID-19 pandemic, making MSMEs especially susceptible to economic disruptions (OECD, 2020).

There is widespread recognition that micro, small, and medium-sized enterprises (MSMEs) represent the backbone of any nation's economic system. Small and medium-sized enterprises (SME) in the midst of a pandemic need to think outside the box and make do with what they have to survive (Hasan et al, 2021). Small and medium-sized enterprises (SMEs) are a major force in Indonesia's economy, despite the fact that their marketing efforts have a negative effect on both income and employment levels. Because most MSMEs still rely on the old media to get the word out about their wares, marketing is a major issue for the sector. Alfrian and Pitaloka's (2020) assessment supports this idea, arguing that a lack of digitization, poor access to technology, and an absence of information regarding survival methods render MSMEs unable of surviving a pandemic. Adaptability is essential for micro, small, and medium-sized enterprises (MSMEs) as they face constant environmental and economic shifts. The pressures on micro, small, and medium-sized enterprises (MSMEs) to change also come with an advantage: a propensity for originality and invention that allows them to find new niches.

As explained above, an organization cannot be separated from changes in its environment, including the digital environment. Digitization is a series of activities or processes of converting non-digital information or data into data or information in digital form (Wahyuningsih, 2021). An entity or organization that uses digital information or data to develop or increase its business scale to simplify various activities and processes within the entity or to obtain greater profits, this is said to be a digitization process (Idah & Pinlih, 2020). While the results obtained from the process of digitization and digitization are known as digital transformation.

For businesses, digital transformation is an all-encompassing process that involves more than just the application of technology; it also raises questions about the management of human, financial, and other resources (Fajrillah et al, 2020). Businesses of all sizes, from micro, small, and medium-sized enterprises (MSME) to multinational conglomerates, must coordinate their business strategies, technologies, and human resources in order to thrive and expand. For this reason, here we see the first stages of the transition from traditional to digital marketing among MSME actors (Falgenti, 2015).

There is more to success in business than just making the switch to digital marketing. It is also possible to innovate by making a high-quality product available for a low price and using straightforward but effective marketing strategies. Both the business approach and the actual form of the product might be considered innovative. Consequently, there are bright futures ahead for those with such imaginative potential (Munthe & Rahadi, 2021). Therefore, a currently operating firm cannot endure for long in the face of this pandemic or competition if simply the business actor lacks awareness of available business prospects and the imagination to be creative. As a result, it is crucial for a person in the business world to have a constant source of personal motivation so that they can consistently come up with new ideas and really put them into action (Lestari, 2019).

This study focuses on utilizing digital business, which includes innovation, creativity, and other supporting elements, to help a company survive and grow during the Covid-19 pandemic. This study sought to determine how micro, small, and medium-sized enterprises (MSMEs) could employ digital business strategies to combat the global spread of the Covid-19 epidemic. This study aims to describe and elaborate on business survival strategies that must be implemented by MSME actors in order for them to not only continue to survive, but also become more responsive to changes in the business climate towards digitalization, especially in the current post-covid-19 pandemic environment.

2. METHODS

This study employs a qualitative methodology with two methods: library research and descriptive investigation. Literature research is a type of research used to collect in-depth information and data from various literature, books, notes, magazines, and other references, as well as relevant past research results, in order to obtain answers and a theoretical foundation for the subject being examined (Indrawan & Yaniawati, 2016). The researcher uses the descriptive research approach to explain a phenomena of an item or social order that will be presented in narrative form. In this research cooperating on the creation

of digital-based MSMEs during the Covid-19 pandemic, the use of technology includes innovation, creativity, and other supporting elements. Thus, it will be realized that the development of digital MSMEs is an option for developing and simultaneously saving MSMEs during the co-19 epidemic.

3. RESULTS AND DISCUSSION

Businesspeople need to be as resourceful and innovative as they can be during this pandemic. In order to succeed, businesses need to constantly try new things. In order to provide for their families, several business actors have shifted to starting new enterprises, which are of course appropriate for the circumstances. There has been a shift in business strategy on the part of many merchants, who are now stocking and selling items like masks, hand sanitizers, and vitamins to boost immunity in the face of the ongoing pandemic. Some have gotten into the business of providing people with necessities they use every day. Some companies may be able to adapt to changing market conditions and survive a pandemic by switching their focus and developing products that will still be in demand.

There is also a requirement that the Company has access to sufficient liquidity and can continue to operate profitably. To put it another way, the Company needs to examine the sharing of non-revenue costs in order to safeguard essential business operations. Updated financial projections and business plan for the coming months. The ability to adjust to change is critical for successful businesses. Businesspeople need to be as resourceful and innovative as possible during the pandemic. In order to succeed, businesses need to constantly try new things. In order to provide for their families, some business players are turning to the establishment of brand-new enterprises, which are, of course, tailored to the specific demands of the community. Some companies may find that they can meet their needs and continue to operate if they switch to a different line of work and begin developing products that will still be in demand during a pandemic. The corporation must also have access to sufficient funds and be solvent. In other words, in order to protect essential company operations, the Company needs to evaluate the feasibility of sharing costs that do not directly contribute to revenue. Changes to the business plan and projections for the next few months' worth of financing. For businesses to succeed, they need to adjust to the new normal (Aisyah et al, 2020).

Management must reevaluate its business strategy in the wake of the pandemic, taking into account crisis scenarios, sustainable company plans, and the possibility of increased revenue. Keeping online clients satisfied is difficult because any disruptions in service will do irreparable damage to the Company's reputation. The epidemic has introduced a great deal of unpredictability and difficulty for businesses. Future strategic activities for businesses need to be envisioned, and this requires scenario planning (Rahadi & Wardiman, 2022). Managers gain insight into how well their strategic options line up with the organization's mission and vision through scenario planning. Organizational leaders were tasked with making difficult choices and taking a preventative, all-hands strategy during the pandemic.

The key to making it through the current pandemic lies with the MSME players and their ability to innovate. The reason for the development of this innovation is to prepare for every company or organization, so that the economy in MSMEs can advance even though they are enduring a pandemic, and to improve the quality of their products. This new technology has the potential to change things for the better and give people reason to have faith that they can survive the effect that is occurring. Overall, innovation inside MSMEs can help established businesses thrive and even create new ones to fill niches in the market. Every consumer can benefit from this development because it helps to ensure that they will not grow tired of using the products on sale and will continue to do so for the foreseeable future. The resulting network has the potential to develop into a sizable corporate system and influence the internationalization of this sector of the economy. As a result, the anticipated development has at long last been accomplished thanks to the backing of usage and flexibility in innovation strategies (Saputra et al, 2020).

As for the findings of observations, where business actors did not experience a significant decline. Sales turnover can still be maintained and only decreased the fair limit. This is because MSMEs can adapt and carry out a digital sales system and provide creative services to attract consumers. MSME actors who are able to survive are those who have strong character and mentality, are innovative, creative and dare to take risks. Some things that can be done by SMEs as a business strategy to maintain business are as follows:

a) Improvement of Product Quality and Attributes

Traditional business players need to make adjustments, such as transitioning to digital trade, so that they can meet the challenges posed by shifting market flows and company segments. When dealing with a crisis like the one caused by the Covid-19 virus, this is especially true. However, before that can happen, the quality and qualities of products being sold online need to be improved so that customers have faith in

them. In light of the current pandemic, shoppers will exercise greater caution when deciding what to purchase.

The term "attributes" refers to the characteristics of a product that set it apart from competitors and make it more appealing to potential buyers. One of the most important aspects of a product is its quality, which impacts how well it functions. Second, product features are what set one product out from another. Thirdly, unique presentation is a product showcase that considers product performance, improves quality, and sometimes even lowers production costs. (4) A brand is any identifying term, name, sign, design, symbol, or combination thereof, used to distinguish one vendor from another in the marketplace. The creation of a package or wrapper for a product is referred to as packaging. Sixthly, a label can be either a basic marker that is stuck on the goods or a complicated string of letters that goes on the package. A crucial part of any successful product sales strategy is providing reliable product support services.

Improving product quality and features that can be accomplished by microentrepreneurs might begin with enhancements to quality, product design, durability, and packaging design (Utami, 2021). (1) The safety aspect must be taken into account when carrying out the packaging function. Generally, properly wrapped items will appear cleaner, more resistant to weather damage, and more appealing. (2) economic variables With appealing packaging, a corporation can improve earnings. (3) Distributional Variable. The dimensions and shape of the packaging must be such that it is simple for distributors to store prior to reaching customers. (4) variables related to information and communication To reflect the brand and product image, packaging must be simple to comprehend and recall. This encompasses aspects of product promotion and information distribution. (5) ergonomics factor. For the convenience of the consumer, the packaging must be simple to handle, carry, take, and open. (6) aesthetic elements Aesthetics of packaging can affect consumers' emotional and psychological variables in order to foster brand loyalty. Aesthetics is also a commercial requirement for determining a product's price. (7) identification element Even when there are competitors with identical products but distinct packaging, packaging is a determinant in the competitive intensity among business actors. This is significant as a visual description through names, logos, product brands, and other design aspects (Rofiq et al, 2020).

Small and medium-sized enterprises (SME) can grow their sales by examining the potential presented by adapting to the needs of modern society. Considering that people's income reduced during the pandemic, this will undoubtedly impact their purchasing power. They tend to purchase only necessary items. Entrepreneurs in the food or snack industry must focus on product durability and packaging quality to ensure that their products have a long shelf life. With a steady system of online sales, our products may reach consumers securely.

The government presently advises citizens to remain indoors. For businesses that open a cafe with a menu of food, drinks, and snacks, they can develop a delivery service that allows customers to place orders from home. Or, they may use applications such as Grab, Gojek, and others. Obviously, this can facilitate consumer convenience and serve as the primary draw. Additionally, vendors must tighten the service system by maintaining security, food safety, enhancing product quality, and ensuring product hygiene. To increase consumer confidence in our products. This approach is crucial to the ongoing viability of the business being conducted.

b) Digital Marketing

The widespread availability of smartphones in modern society means that virtually any topic of interest may be researched at length. This lends credence to the belief that the digital world will be used to its best possible advantage. However, digital marketing eliminates the need for traditional advertising mediums such as brochures, banners, booklets, etc., saving time and money for business owners. When conducting business or shopping online, both business and consumer activities are unconstrained by physical location or time of day.

With the Covid-19 pandemic raging, business actors must use all their resources to keep operations running. It is widely held that businesses may keep their profits steady so long as their actors continue to engage in optimal marketing of their products and demonstrate a high level of originality in their approaches. In order to meet the needs of the public and the government in fighting this epidemic, digital marketing is the best option. According to studies (Febriyantoro & Arisandi, 2018), microbusinesses can benefit from digital marketing in several ways, including improved customer service, greater brand visibility, a larger customer base, and higher revenue. Consumers can more easily learn about a business and place orders for its wares if digital marketing campaigns are put into action.

Micro-entrepreneurs have the ability to engage in a variety of marketing strategies, one of which is the regular and extensive publication of images and videos across all social media accounts. (2) leveraging ad services provided by Facebook, Twitter, Instagram, and the Google Display Network in order to reach people that have previously been selected as a target demographic. (3) Create films or host live events promoting the things we sell through our social media profiles. The level of interest shown by customers in social media business accounts will be impacted as a result of this strategy. (4) Involve customers in the decision-making process and provide them with extensive education and an introduction to product quality. (5) Making the most of the tools that are already there to boost business account ratings, such as selecting the right phrases to describe product characteristics, using hashtags (#), and developing innovative material that is acceptable to our market share.

According to the observations made by academics, the elements of social media are currently related to each other, which makes it easier for businesses to access them. When it comes to promotional media, business owners can make the most of other platforms as well, such as YouTube, Tik Tok, blogs, and Twitter, in addition to those already listed. This new trend in the media is not only a tool for entertainment, but it can also be utilized to showcase our products and demonstrate how far the company has come. Tiktok and Youtube are not inferior to the AdSense partnership program that is coordinated by Google Corporation. AdSense is involved in online advertising and links advertisers with publishers solely through websites or blogs. Tiktok and Youtube both connect advertisers with publishers. In addition, the social media platforms offer advertising services as a medium for the promotion of microentrepreneurs' businesses. This will in the future have an effect on the perspective and judgment of customers on the products that are being marketed. When a company makes the decision to enter the realm of digital marketing, they need to be able to maintain an open mind and be eager to learn new things at all times. There is no question that technological advancement will go apace; hence, business actors need to be prepared to adjust to the changes that will undoubtedly take place in the foreseeable future.

c) Online Business Transformation

Early actors in the business world relied solely on traditional methods of making sales before discovering the Internet. The first step in taking your business online is, of course, acquiring the means to connect to the internet, whether through a desktop computer, a mobile device, a wifi hotspot, or a mobile hotspot. In order to keep sales rising, it now takes a lot of time and effort to learn these digital marketing tools and approaches. The second step is to have a dedicated business email address, which can then be used to sign up for a social media or E-Commerce profile, giving customers access to a full range of product and service offerings. The third step is to set up shop in cyberspace, either via a dedicated website or a social media and marketplace presence. In the final phase, you'll be able to offer business services like order processing, shipping, and advertising without draining your resources. This final phase involves broadening the web of connections between the company and its external stakeholders. Human culture evolves as a result of historical changes. Change occurs indirectly in every facet of life. People's way of thinking had to shift if they were going to take part in enlivening the times.

After a company has gone through the procedures outlined above, they need to maintain a daily schedule of content production or catalog photo uploads. Create a captivating feed for the company account. Bring in customers by offering them reductions, reviews, or whatever else you can think of. Search engine optimization (SEO) and SEM can be used by businesses to ensure that their online store is constantly receiving new customers. Make use of celebrities and other endorsements to spread the word about your product. In addition, it is incumbent upon those involved in the business world to study the products and consumer habits of their rivals so that we may advance the progress of the enterprise.

4. CONCLUSION

The environment has a tremendous impact on a business, and managers must be adaptable and flexible in their activities and responses to environmental changes. Businesses who are able to adapt to environmental changes and act intellectually, imaginatively, and innovatively will be able to withstand the unpredictable economic conditions induced by the pandemic outbreak. The Digitalization Strategy is a system innovation process that is carried out deliberately and with full awareness by MSME actors in order to adapt to environmental changes and anticipate future company needs so that they can remain profitable. In addition, it increases the value of the company and the products it produces. To attract customers, product attributes must be enhanced with a focus on quality, and creative packaging designs must be

implemented. In order for it to be able to increase its market share and maintain the viability of micro business actors.

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