

THE ROLE OF DIGITAL MARKETING IN EFFORTS TO DEVELOP TECHNOLOGY-BASED MSMEs IN SENGKOTEK SAMARINDA VILLAGE

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ABSTRACT

The development of Micro, Small and Medium Enterprises (MSMEs) has stagnated during the Covid-19 pandemic. There are so many MSMEs experiencing a decline in sales and cannot develop and even almost go bankrupt. This condition makes MSME actors have to think about being able to survive for the continuity of their business. During the Covid-19 pandemic, many consumers reduced interactions outside the home by maintaining distance to break the chain of spread of the Covid-19 virus. MSME players can continue their business while still meeting consumer needs during the pandemic by shifting purchases online. The shift from offline purchases to online (digital) will make it easier for MSME players to expand marketing access. The role of digital technology has a significant influence on MSMEs. The emerging technological paradigm utilizes the potential of stronger and more sustainable MSMEs. Social media and E-commerce can be a forum for selling MSME actors. It is known that MSME players have not followed digital developments optimally, especially due to lack of knowledge about digital marketing. The purpose of the community empowerment program for MSMEs in Sengkotek Village is to provide digital marketing training assistance as an effort to develop and expand technology-based (digital) marketing networks. After carrying out this service, it is hoped that MSME actors in Sengkotek Village will continue to synergize for the sustainability of MSMEs and the economic development of the community.

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1. INTRODUCTION

The MSME sector is one of the main pillars of Indonesia's economic fundamentals. In fact, during the 1998 economic crisis, it turned out that the MSME sector contributed positively in saving Indonesia's economic ecosystem at that time. The same thing also happened during the Covid-19 pandemic, where the MSME sector can have great potential to become an accelerator of national economic recovery (Arianto, 2020). With the development of digitalization, MSMEs will make the digital economy in Indonesia in 2025 will become the largest in Southeast Asia. Even so, there are obstacles faced by MSMEs, namely the need to strengthen digital literacy education and strengthen human resources of MSME business actors (Suwarni et al., 2019). Because so far digital literacy and the quality of human resources of MSME actors are very minimal, so that it has an impact on the lack of maximum in producing their respective superior products. In fact, the majority of MSME business actors want to practice digital business in their business development (Susanti, 2020).

In fact, there has been a strong desire from MSMEs to adopt technology in marketing. However, there are problems faced by MSME players so that the use of this technology does not run well. It is known that MSME players do not keep up with digital developments, mainly due to lack of knowledge about digital marketing (Alford & P., 2015). A number of business actors believe that the use of traditional marketing is currently considered less effective. However, online marketing and social media marketing are only complementary, because most MSMEs have not implemented the full potential of digital tools, so they do not fully benefit from digital developments (Chant & Wiid, 2016). Not all MSMEs in Indonesia are able to change their marketing patterns to digital marketing. Factors of low educational background and lack of knowledge about the internet, development, and technology are reasons for the lack of optimal use of digital marketing in MSMEs (Kurniawan & Asharudin, 2018). Plamongansari Subdistrict, Mr. Adi Yunarso, conveyed the conditions and problems faced by MSMEs in Sengkotek Village, Loa Janan Ilir District, Samarinda City. Based on data in the IUMK (Micro and Small Business License) of Samarinda City, there are 143 MSME actors in Loa Janan Ilir District, consisting of 13 small businesses, 1 medium enterprises, and

129 micro enterprises. While in Sengkotek Village itself there are 20 MSME actors in the micro business category, 2 MSME actors in the small business category, and 1 MSME actor in the medium business category. MSME actors in Sengkotek Village have an average junior high school education background and some are high school. This causes their knowledge is also still low in the field of digital marketing. During the Covid-19 pandemic, it is very important for MSME players to implement digital marketing as the most effective marketing strategy considering the appeal from the government to maintain distance and reduce interactions outside the home. MSME players admit that during the Covid-19 pandemic, their sales turnover has dropped dramatically, so there is a need for solutions to maintain their business in all these uncertain business environments. With the socialization about the use of digital marketing as a marketing strategy, MSMEs in Sengkotek Village can innovate again and increase their sales.

Mr. Adi Yunarso also said that regarding MSME players in Sengkotek Village, on average they are engaged in various sectors such as: food, household furniture, screen printing, laundry, tailor, and convection. Their average education is junior high school graduates and some high school graduates. The problem faced by many of them is the lack of knowledge about the importance of digital marketing during the Covid-19 pandemic. Actually, in Sengkotek Village, it has good potential, because it is located close to the center of the crowd and densely populated. Thus, marketing access will become easier which is also due to the large number of immigrants from outside, especially STIFAR (College of Pharmaceutical Sciences) students. Based on preliminary observations, it is known that there are several common problems faced by MSMEs in Sengkotek Village, namely: lack of information and action from Sengkotek Village stakeholders to create associations and training related to the business they are engaged in, product marketing problems, business actors find it difficult to market and develop the business they pursue, and business competition problems with immigrants who are more advanced because it is more innovative to use technology in doing its business. MSME players in Sengkotek Village are faced with environmental changes, namely in the digital era. There are several obstacles due to limited knowledge and skills in using technology and managing online businesses (Yunarso, 2021). Based on this background, the solution that can be provided to MSME actors is "Digital Marketing Training in Efforts to Development of Technology-Based MSMEs in Sengkotek Village, Loa Janan Ilir District, Samarinda City".

In the current industrial revolution era, all business actors are required to adapt to a fast-changing business environment, one of which is by relying on digital technology. Several studies say that digitalization can improve the performance of MSMEs. This socialization about digital marketing is one of the efforts to realize MSMEs towards digitalization so that they can achieve their marketing effectiveness and increased MSME performance. Offline sales activities during a pandemic like this certainly greatly reduce their income, so there is a need for educational activities to help them in sales. Education and socialization about the benefits of digital marketing, the implementation of the use of social media and E-commerce to MSMEs in Sengkotek village aims to improve the quality of marketing and profits through technology that makes it easier for consumers to transact in the current pandemic era. This education and socialization is carried out using audio visual including guidelines or how to use social media as a means of promotion and how to use E-commerce as an effort to optimize orders and services that are needed during a pandemic. This socialization program is expected to help MSME players understand effective sales strategies in this pandemic era through the use of digital technology.

2. METHOD

Digital Marketing Concept

Digital marketing can be interpreted as marketing where messages are sent using media that depend on digital technology. But by far, the internet is the most significant digital technology medium. (Bird, 2007). Digital marketing is widely chosen as a business improvement strategy because of its low cost and effectiveness. Because it can be accessed by anyone and anywhere while connected to the internet. Business actors can more easily and quickly get information about market conditions and can communicate easily with relations to add networks anywhere with the convenience of internet technology. In addition, the advantage of digital marketing using the internet is that it is easier, cheaper or faster to communicate (Ryan & Jones, 2009; Chaffey and Smith, 2002).

The strategy to achieve results from digital marketing must be pursued by business actors well. As in the research of Yasmin, et.al (2015) and Gibson (2018) who said that marketers must have a business strategy in digital marketing to be able to achieve maximum results. Yasmin et.al (2015) also suggests that effort, trial and error are needed. With these various processes, marketers or business actors certainly get various useful experiences to continue to improve their sales strategies.

Implementation Method

This service program is divided into 3 main stages. Stage 1 is the survey and socialization stage, stage 2 is the implementation of activities and stage 3 is the evaluation and dissemination of results.

Survey and Socialization

The first step carried out in this program is a survey to determine the level of understanding of MSME business people in Sengkotek Village, Loa Janan Ilir District, Samarinda City about digital marketing. The findings in the field are used as training material. This activity began with program socialization with village heads and community leaders. The service plan is presented to provide a comprehensive overview of the program by the service team. The activity continued with a survey of various businesses run by the community in Sengkotek Village. Based on the survey results, it shows that the average business run by the Sengkotek Village Community is a food business such as snacks, pastries, and snacks. These businesses still have obstacles in marketing due to the lack of public knowledge about digital marketing that can help expand their consumer networks so that socialization is needed on how to increase sales through digital marketing both through social media, websites and marketplaces. This is in accordance with Oktaviyani and Rustandi's (2018) research, digital marketing can also build brand awareness, which is done by determining the social media that will be used, message planning, and determining the promotion mix techniques that will be used. By using these strategies, it is hoped that MSMEs in Sengkotek Village can increase their business income and create global competitiveness by adopting several technologies for the effectiveness of their business operations.

Implementation of Activities

Digital marketing training is carried out as an effort to develop MSMEs in Sengkotek Village, Loa Janan Ilir District, Samarinda City. The training was carried out by inviting people who have MSME businesses in Sengkotek Village, Loa Janan Ilir District, Samarinda City. The material presented was in the form of knowledge about what digital marketing is and training for the use of one of the e-commercers applications delivered by the service team. This type of training is the provision of socialization on how to market a business through one of the digital marketing platforms, namely the Shopee Marketplace, the use of social media WhatsApp, Instagram and Facebook. The training participants were equipped with how to use the Shopee Application starting from registering, creating an account, uploading products and providing certain tips so that consumers can find our products at the top of the list by optimizing hashtags, uploading in feeds and educating consumers about our products. This application and social media were chosen because they match the products produced by MSMEs in Plamongasari village such as various snacks, snacks or pastries that can be posted on the marketplace and other social media to reach a wider range of consumers. In socialization, an understanding of good packaging methods is also given to avoid damage to packages while on the road so as to minimize existing losses. Such snack products can be developed even better if the marketing used supports so that it no longer uses traditional marketing such as word of mouth. This business potential can get promising benefits along with consumer knowledge of the product.

Evaluation and Dissemination of Results

Digital marketing training is provided with material including understanding, concepts, and benefits of digital marketing, as well as practical training on creating an account and opening a store in the shopee application.

3. RESULTS AND DISCUSSION

The identification results of several socialization participants on the use of marketing media in MSMEs in Sengkotek Village, Loa Janan Ilir District, Samarinda City are shown in table 1. Information on the results of this identification was obtained from questionnaires given to digital marketing training participants.

Table 1. Results of Identification of the Use of Marketing Media in MSMEs in Sengkotek Village, Loa Janan Ilir District, Samarinda City

Participants	Ownership of WIFI In	Laptop ownership	Social media / marketplace used in	Marketing methods used	Obstacles in marketing products
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	House		business		
1	Not	Not	Whatsapp	Word of Mouth Whatsapp	None
2	Not	Not	Whatsapp	p Status Update	None
3	Not	Yes	Facebook & Whatsapp	Word of Mouth	None
4	Not	Yes	Whatsapp	Direct Selling & Whatsapp	None
5	Not	Not	Facebook & Whatsapp	Facebook, Whatsapp, & Take Orders	None
6	Yes	Not	None	-	-
7	Yes	Yes	None	-	-
8	Not	Yes	Whatsapp	Whatsapp, Filling in Stores, Warungs & Receiving Orders	Income has dropped due to the pandemic, plus currently the price of cooking oil is rising (expensive)
9	Yes	Yes	Whatsapp	Direct Sales, Whatsapp & Receive Orders	If it passes status, it is less, but it can be more passable if it is through Wapri
10	Not	Not	Whatsapp	Direct Selling & Whatsapp	None

The data in the table is the condition before participants attend the training. Based on the table, the infrastructure for using technology in business activities is still not optimal. This is characterized by wifi ownership which is still low at 30%, while laptop ownership is 50% but its use has not been maximized. In addition, MSME owners who have wifi or laptops actually do not use the convenience of technology or social media as promotional activities to increase sales. The average MSME owner markets their products or services offline, either through word of mouth, disseminating product information in the surrounding environment through stores or stalls, and direct sales.

Some MSMEs are considered to still use mobile phones in carrying out their business activities. They have started using WhatsApp and Facebook as marketing media but are not used continuously due to limited soft skills constraints to create promotional content. Most of those who have started using social media promote their products through WhatsApp stories or Status on Facebook. The results of an interview from one of the MSME actors stated that they lack updates on social media because they have stores whose sales are only offline. They hesitate when trying to market their products online, their products are damaged while on expedition trips. In addition, most MSME owners are housewives who are over 35 years old so that soft skills in using digital marketing are less than optimal. These human resource constraints are mostly experienced by MSME owners, either about the management of applications that lack or knowledge about promotional activities that can now be easily done.

There are MSMEs that have not implemented digital marketing at all, such as MSMEs in the laundry sector. Laundry clothes are only marketed offline such as word of mouth. If marketed online, there will be additional costs for expeditions so that in terms of price it will be inferior to its competitors. The solution offered is to start offering laundry pick-up with predetermined regional criteria so as to increase sales and differentiation from other competitors. In addition, laundry MSMEs can also market their laundry detergents and deodorizers on social media or in the marketplace so that they can increase their income.

Furniture MSMEs also experience the same thing that has not implemented the ease of technology and social media in their marketing because they are constrained by competence in using technology. The number of employees is also small and does not have competence in the use of information technology. Marketing that is often used is word of mouth and offers to various relationships directly.

All business segments can actually grow rapidly through the implementation of social media and marketplaces so that training is needed that directs MSMEs to develop their businesses. Although there are many MSMEs that have not maximized the use of technology in running their business, their enthusiasm is

very high in participating in this digital marketing training. They actively ask how and how to market their products and services to marketplaces such as Shopee and use social media in marketing activities.

Based on the results of interviews and also initial identification through questionnaires, MSMEs in Sayang Village can be grouped based on the use of ICT in doing business, namely:

MSMEs that have not used ICT at all in doing business. The way marketing is done is by opening stalls, carts, or visiting consumers directly. The obstacles faced by this group of MSMEs are lack of knowledge and skills in using technology, do not have a plan / strategy to develop business online, do not have the desire to do business online, age factors, lack of support from aspects of technology infrastructure and capital, shortage of skilled labor, and also due to limited products that cannot be produced in large quantities to fulfill orders.

MSMEs that have tried to use social media, but have not carried out further development, or do not carry out sustainability from the use of information technology in business activities. This is because business owners have limited skills to manage or sustain the use of these technologies. But for WA and FB media, because they are often used in everyday life, these two social media are often used media in marketing products online. The factors causing the success of this MSME group are because they are supported by business knowledge and skills in the use of digital marketing in business.



Figure 1. Digital Marketing Training Activities

Figure 1 shows the process of digital marketing training activities in progress. Digital marketing material delivered by the first speaker, and application training on the use of e-commer was guided by the second and third speakers. The digital marketing material presented includes the understanding, benefits, and development of digital-based marketing. As for the application material for the use of e-commer, by providing examples of using the shopee application to sell goods. The second and third speakers divided the participants into 2 groups to be accompanied by training to register a shopee bar seller account to how to upload products sold, include product prices, record product details, and so on.



Figure 2. Participants follow the activity carefully

Figure 2 shows that participants followed the training activities carefully. In this picture, a question and answer session between participants and speakers is underway, and participants are very enthusiastic

in conveying their questions, participants' curiosity about e-commers is quite high with the marked enthusiasm in learning one of the e-commmers applications, namely shopee. As also explained in Figure 1, the trainees immediately practiced the shopee application on their respective mobile phones. The various types of products owned by MSME participants make this training activity very varied. Some sell screen printing t-shirts, laundry perfumes, various kinds of processed chips, household furniture, and various household kitchen needs. In addition to shopee, the speaker also said that it is also necessary to actively promote products on social media such as whatsapp status, instargram, facebook, and others. Not only shopee, the speaker also introduced other e-commers, namely Lazada, Tokopedia, Bukalapak, and Blibli.

1. Response from MSME owners to Digital Marketing training

Evaluation of this activity is carried out to determine the responses of participants to the training activities that have been carried out. This response can be used as evaluation material for the implementation of other activities in business development in Sengkotek Village. The following in table 2 is about the responses of business actors to the implementation of training.

Table 2. Responses from business actors to Digital Marketing Training

Particip ants	Responses Against the Training provided	Follow-up Will be done after attending the training	What training to expect in the future
1	Good, can help with marketing	Try via social media other than WA	way of marketing, both from the appearance of the product and the appearance of promotions
2	already good	Developing networks through market places	Advertising promotion and good and safe packing methods
3	Very good, you can enter to increase income, if you can follow marketing the truth	will be tried to increase income or large income	Training that can be practiced immediately because for good labels we still have difficulty (product labels) for our snacks.
4	It's good, thank God I got new knowledge	Already comfortable with selling directly	can be added to the training time
5	already good and can add insight	Keep using FB and WA for marketing	can be added to the training time
6	-	-	-
7	Excellent	It's comfortable as always and wants to develop even more	want more training to gain even more insight
8	Very very useful for sellers or traders here	will try to put it into practice	-
9	Adding Insight and Knowledge	Want to develop a business through social media	Better training and more insight
10	Excellent	Want to develop a business through social media	in the way of its marketing and packing or packaging

Based on these data, it is known that all participants gave positive responses to this training activity. Training is considered very good, provides insight and additional knowledge, provides benefits, and provides inspiration. Almost all business actors want to practice the use of digital marketing in their business development. The community also expects this business development activity to be carried out in a sustainable manner.



Figure 3. Documentation session after the training session ends

Figure 3 was taken when the digital marketing training activity was completed, participants looked excited and happy with the training that had been carried out. Before the training session ended, the speaker asked participants to fill out a questionnaire containing questions related to the facilities that participants had at home as a promotional tool, and what kind of marketing the participants had done so far. In addition to the questions, the questionnaire also contains participants' responses to the training provided, and asks participants' opinions for expectations of the next training. Most participants expressed their hope for the sustainability of activities in the form of mentoring MSMEs to practice e-commerce for a longer period of about one to three months.

Table 3. Results of Differences Before & After Digital Marketing Training

Sources	Before Training	After Training
P.1 Seller of Various Processed Chips	The sales model is entrusted to stalls, selling <i>online</i> via <i>whatsapp</i> status. Don't know how to sell with <i>e-commers</i> .	It is very interesting to try using <i>the e-commerce</i> application, and understand how and its benefits.
P.2 Screen Printing T- shirt Seller	Sales model with <i>whatsapp</i> and <i>facebook</i> status. In addition, the system flows (getuk transmits by word of mouth). Do not understand the use of the <i>e-commers</i> application For selling, just know to shop .	Very useful digital marketing training and application training of one of <i>the e-commers</i> . So now you know many people who are successful in marketing their products through <i>shopee</i> for example.
P.3 T-shirt & Uniform Convection Seller	So far, selling by introducing products to neighbors, relatives, and friends. Product introduction via <i>whatsapp</i> status, <i>facebook</i> , and <i>Instagram</i> . Don't understand how to use <i>e-commerce</i> apps.	Very happy with the holding of this training, so that it can meet the need for incomprehension about <i>e-commers</i> . The hope is that not only training but also mentoring.
Sources P.4 Home Furnishings Seller	Before Training Selling is never promoted through social media, I only sell in the market from 5 am to 10 pm. Not familiar with e-commers.	After Training Those who initially only knew selling in the market, now have new knowledge about digital marketing and new understanding Use of one of the e-COMMERCE applications.
P.5 Brownie Seller	Only using <i>whatsapp</i> status, so far the buyers are neighbors, friends, and relatives. Want Register with the <i>e-commers</i> application but do not understand how.	After this training, I will try to practice the <i>e-commers</i> application and digital marketing knowledge, so that those who buy are not only neighbors, friends, and relatives.
P.6 Sellers of Various Masks	Never used the <i>e-commers</i> application, just sell at home and make a status on <i>whatsapp</i> . Lack of understanding with e-	Digital marketing training and the practice of using <i>e-commers</i> applications are very interesting, and need to be tried. Expectation

	commerce applications.	Although selling at home, the buyers are no longer just people near the house.
P.7 Pillow & Bolster Seller	So far, the selling model has only been to neighbors, relatives, and friends. Usually offers to groups and statuses WhatsApp. Never tried to register a product on e-commers.	After this training, we will continue what has been taught by the speaker. It is very useful to put the knowledge into practice. The hope is that the marketing of products sold will be wider.
P.8 Sales of Household Staples	The selling model is only in my house by opening a grocery store, so far those who buy basic household needs are only neighbors near the house. Never thought of selling through e-commers.	Happy with the holding of digital marketing training and e-commerce application practices. It is very insightful that selling basic household needs is not only in grocery stores but can also be sold in e-commers.
P.9 Uniform Embroidery Seller	Already using online selling on social media such as whatsapp, facebook, Instagram, and telegram status. Never tried to sell on e-Commers, because they don't really understand how to use the application.	Now you understand how to use the e-commers application for selling. And have long wanted to try selling through shopee, but because they don't understand how to do it so they have never been try. After this, the knowledge will be practiced, hopefully useful for adding customers.
P.10 Self-produced hijab seller	Sell in the market only, and take orders if it is for a uniform hijab. Never use social media let alone e-commers.	After being explained by the speaker about digital marketing and e-commers, now you understand and know the benefits. Very interested in expanding marketing networks with the use of e-commers applications such as shopee
		for selling hijab.

4. CONCLUSION

Based on initial identification, it is known that MSMEs in Sengkotek Village need development in business using technology in order to compete with new businesses from migrants. The condition of MSMEs in Sengkotek Village shows that MSMEs still use simple technology in marketing, namely using mobile phones and dominated by WA and FB media. In fact, there are still many MSMEs that run their businesses offline without the help of technology. Thus, the efforts made are to provide training in marketing their business with the help of digital marketing (using social media and shopee applications). Information obtained from 10 (ten) participants before and after attending digital marketing training are:

The results of the training when viewed in Table 3 show that business actors are very positive about this activity, provide benefits and inspiration, so they have a follow-up plan to run a business online. The community expects sustainability from development activities in the form of MSME assistance in Sengkotek Village. Further activities that can be carried out are product packaging training, financial bookkeeping training, product innovation making training.

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