

**ANALYSIS OF DIGITAL MARKETING IMPLEMENTATION AS A
STRATEGY IN INCREASING MSME PRODUCT SALES
(Case Study of MSME Syifa Bakery)**

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Abstract

In the current business landscape, the role of digital marketing in driving sales and shaping marketing strategies has become increasingly essential, especially for Micro, Small, and Medium-sized Enterprises (MSMEs). This study aims to determine the effects of digital marketing on sales, marketing strategies, and the challenges associated with implementing digital marketing for MSMEs, using Syifa Bakery as a case study. The research adopts an observational descriptive approach, utilizing structured and in-depth interviews for data collection. The study's findings reveal that the digital marketing initiatives undertaken by Syifa Bakery, an MSME, significantly contribute to increased sales. Digital marketing proves to be cost-effective, convenient, and accessible at all times. The primary strategy employed for product marketing through digital channels includes the use of social media platforms like Facebook, Instagram, WhatsApp status updates, and live streaming on Facebook. However, the implementation encounters challenges such as unreliable internet connections, delivery delays, insufficient marketing and design personnel, and instances of transaction fraud and manipulation of administrative contact information. Thus, the study demonstrates the multifaceted nature of digital marketing implementation.

Keywords: Digital Marketing, MSMEs, Sales

1. INTRODUCTION

Economic growth in Indonesia is currently driven by various sectors, one of which is the micro, small and medium enterprises (MSMEs) sector. It is undeniable that MSMEs have a large role in national economic development, this can be seen from the large contribution of MSMEs which reached 60% of Indonesia's total Gross Domestic Product (GDP) in 2017. MSMEs are the largest business actors, reaching 99.9% of the total actors. business in Indonesia. Data from the Central Statistics Agency show that in 2017 the number of micro, small and medium enterprises in Indonesia reached 62 922 617 business units (BPS 2017).

Advances in technology and information in this modern era have an impact on all lines of life. The rapid development of technology and communication due to the digital revolution has generated optimism for economic progress (Fuady, 2019). According to (Maria & Widayati, 2020), the impact of the development of the digital economy has become a separate way for the government or society to become a vessel for carrying out various kinds of economic transactions. Based on the data Hootsuite and We are Social (2022), the number of internet users in Indonesia is 204.7 million people or 73.7% of the total population of Indonesia. There was an increase in the number of users when compared to the previous year, which increased by 0.7%. (Simarmata et al., 2017)

explains, the internet is a group or millions of computers to obtain information from computers in the group with the assumption that the owner of the computer gives access permission. The internet makes it easy for business people to provide information and market the products they sell.

The data also shows that e-commerce transactions in Indonesia continue to increase every year. In fact, in 2022, the Indonesian bank projects the growth in the number of e-commerce transactions to reach 530 trillion. Lifestyle trends in society are constantly changing and heading for change which is marked by many digital transactions such as the use of financial technology and e-commerce which are positive movements for current economic growth (Nugroho, 2018).

The use of technology in MSMEs certainly provides various advantages, namely first, business people can get direct feedback about products. Second, social media is able to provide real-time data regarding market trends and consumer needs. Third, business people can observe whether their products really match consumer lifestyles and can learn about the types of products consumers are interested in (Srinivasan, 2016). The use of technology can also enable MSMEs to increase market share, reduce marketing costs, increase sales, and have better relationships with consumers (Yaqoob et al., 2017).

Situated within the vibrant city of South Tangerang, Syifa Bakery stands as a prominent player among the local food SMEs. Over the past four months, this thriving MSME has ventured into the realm of online media to promote its range of delectable offerings. Motivated by this trajectory, the objective of this study is to scrutinize the efficacy of Syifa Bakery's digital marketing initiatives, offering insights and recommendations aimed at enhancing the effectiveness of the digital marketing process, ultimately leading to a substantial surge in the company's revenue.

2. LITERATURE REVIEW

2.1. MSMEs

In Law No. 20 of 2008 (UU 2008), the provisions stipulated as MSMEs are as follows:

- a. Micro-enterprises are individual businesses and/or individual business entities with business criteria having a maximum net worth of fifty million rupiahs excluding business premises and buildings and having annual sales of no more than three hundred million rupiahs.
- b. Small business is a productive economic business that stands alone, is carried out by individuals or business entities and is not a subsidiary or branch of a company that is part of a medium or large business. The criteria for a medium-sized business are having a net worth of more than fifty million rupiahs up to a maximum of five hundred million rupiahs excluding business premises and buildings, and having annual sales of more than three hundred million rupiahs up to a maximum of 2.5 billion rupiahs.
- c. Medium-sized businesses are businesses that stand alone and are carried out by individuals or business entities that are not subsidiaries or branches of large businesses. The criteria for a medium business are having a net worth of more than five hundred million rupiahs up to a maximum of 10 billion rupiahs excluding business premises and buildings and having annual sales of more than 2.5 billion rupiahs up to a maximum of 50 billion rupiahs.

2.2. Digital Marketing

Digital Marketing is a form of development from conventional marketing by utilizing internet technology. Digital marketing is also defined as marketing activities including branding using various online media such as blogs, websites, social media and others (Tarigan & Sanjaya, 2013). Digital marketing takes advantage of technological and information developments to improve company performance such as increasing sales, innovation, and the brand of a company. Digital marketing allows users to carry out all forms of digital promotion without having to be hindered by time and place. Thus, the company is able to reach all consumers appropriately according to their needs and goals without having to spend a lot of time and money.

Digital marketing is a form of promotion that is carried out online without time and space restrictions. As with traditional marketing, in doing digital marketing a marketer must know the scope of marketing their products on the internet. The following are the basic parts of digital marketing distribution, including:

- a. Search Engine Optimization (SEO)
Search Engine Optimization is a technique used to get the top position in search engines according to the keywords on the website page (Kent, 2006). SEO is used to improve search results in the first position on search engines.
- b. Social Media Marketing (SMM) and Social Media Optimization (SMO)
SMM and SMO are techniques in digital marketing that focus on social media activities to market and develop a company's brand.
- c. Campaign Marketing
Campaign marketing is a strategy carried out to attract consumer attention to a brand so that they are aware and interested in using the products or services offered (Kotler et al., 2014).
- d. Content Marketing
Content marketing is a digital marketing strategy undertaken to provide education and/or retain customers through digital content (Rose & Pulizzi, 2011). Content marketing aims to attract attention and retain customers. Creating content marketing requires expertise in copywriting so that the content displayed becomes more attractive.
- e. Paid Marketing
Paid Marketing is a marketing strategy that uses costs to help a brand reach its target market properly. An example of paid marketing is the use of advertising on social media and search sites.

3. RESEARCH METHODS

The methodology employed in this research is structured around three integral components: research design and research subjects, data collection methods, and data analysis methods. For the research design and research subjects, an observational descriptive approach was taken, with a specific focus on Syifa Bakery. To enhance the depth and reliability of the study, the triangulation method was embraced, encompassing a harmonious blend of structured interviews, in-depth interviews, and direct observations of both Syifa Bakery's operational dynamics and its strategic utilization of various social media platforms.

In the data collection phase, primary data was meticulously gathered through a dual-pronged strategy involving structured interviews and in-depth interviews conducted with the proprietor of Syifa Bakery. This comprehensive dataset spans a broad spectrum of information, ranging from fundamental characteristics of the establishment to profound insights into the tactical deployment of social media for the purpose of business promotion. This includes a thorough exploration of underlying objectives, accrued benefits, as well as the challenges deftly navigated along the course of implementation. Subsequent to the rigorous data collection process, a meticulous analysis ensued, leveraging the power of descriptive statistics. This analytical approach provides an all-encompassing overview and a nuanced understanding of the multifaceted information unearthed from the research endeavors.

4. RESULTS AND DISCUSSION

4.1. The influence of digital marketing on the sales of MSMEs Syifa Bakery

The application of digital marketing has a big influence on the sales of MSMEs Syifa Bakery. This is evidenced from the results of interviews with the owner who stated that MSME actors Syifa Bakery prefer to market their products digitally compared to marketing products traditionally. This is because marketing through digital platforms can be done anywhere and anytime, and the costs are relatively cheap when compared to conventional marketing. When compared with conventional marketing, the effect on sales levels is relatively the same. However, the owner believes that if digital marketing is carried out consistently with creative content, the level of sales will be greater than what is currently being obtained.

This is in accordance with research Fadhilah & Pratiwi (2021) which states that as of January 2020 as many as 93% searched for goods or services online, 90% of users visited online stores, 88% made online transactions from various devices, 25% make transactions on a laptop or computer, and 80% make transactions via smartphone. Research conducted by Batu et al. (2020) and Wati (2013) also states that there is a relationship between digital marketing variables and online purchasing decisions. Based on this, it can be seen that applying the digital marketing concept in selling MSME products can increase sales because it makes it easier for consumers to interact with sellers directly and consumers can find out all information related to the products being sold such as product prices, quality, product sizes, product variants, promotions, and so on (Febriyantoro & Arisandi, 2018).

4.2. The digital marketing strategy used by Syifa Bakery

The digital marketing strategy used by Syifa Bakery is in the form of posting products on social media such as Facebook, Instagram, WhatsApp status, and live streaming on Facebook. In order for the market share to be even wider, the authors suggest using other strategies such as paid advertising, influencer endorsements and live TikTok so that coverage can be throughout Indonesia.

This is in accordance with research by Rachmawati (2018) which states that digital marketing is an effective strategy for attracting consumers. This is because the benefits obtained are not only limited to a place to promote products and the completeness of the information obtained, but also allows for a more interactive dissemination of information, creates awareness of companies and products, and obtains information as a reference for

conducting market research (Nurdelila, 2021). Therefore, the use of social media such as Instagram, Facebook, WhatsApp, and others as a place to sell products is the right step, as evidenced by 43.1% of users shop through social media (Rahadi, 2017).

4.3. Obstacles to Syifa Bakery MSME Actors in Implementing Digital Marketing

The results of the study show that there are obstacles faced by SMEs in implementing digital marketing. These obstacles are in the form of unstable internet connections, delivery delays, lack of marketing resources, lack of design skills, and fraudulent transactions and manipulation of admin numbers.

This is in accordance with research (Ruth, 2013) which states that the ability to quality services and internet networks in Indonesia is still low, which has an impact on the continuity of the implementation of digital marketing in several regions. In addition, the increasing number of MSMEs implementing digital marketing has resulted in an increase in the market share of goods delivery services. This is what causes delays in product delivery to consumers (Anandhita, 2013). Not only that, fraud also enters the realm of online business in line with the continued development of the internet. This fraud is not only carried out by prospective buyers but is also often used by people who claim to be online product sellers (Sumartono & Suhartanto, 2019).

5. CONCLUSION

The findings derived from this study compellingly demonstrate that the digital marketing initiatives executed by Syifa Bakery yield a substantial and positive impact on the augmentation of sales. Notably, digital marketing offers the dual advantages of simplicity and flexibility, enabling operations at any juncture without incurring exorbitant costs. The strategic approach deployed for the implementation of digital marketing to promote products primarily hinges upon harnessing the potential of prominent social media platforms such as Facebook, Instagram, WhatsApp status updates, and live streaming on Facebook. However, it is important to acknowledge that the practical execution of this strategy encounters certain impediments, including challenges stemming from inconsistent internet connectivity, delivery delays, a dearth of human resources dedicated to marketing and design, alongside instances of transactional fraud and the manipulation of administrative information. Thus, a discernible pattern of challenges is discernible during the implementation process.

In light of the aforementioned observations, several recommendations can be advanced. Notably, it is advised that Syifa Bakery embraces the utilization of paid advertising features accessible on platforms like Facebook, Instagram, and TikTok, thereby amplifying its market reach. Additionally, the endorsement of influencers, particularly within the realm of food vlogging, presents an avenue of significant potential. Engaging with such influencers holds the prospect of fostering heightened customer trust in the brand, consequently serving to augment brand recognition and expand the breadth of awareness among a more extensive audience. Ultimately, this strategic shift is poised to illuminate the brand's presence, progressively garnering a more substantial following and elevating its prominence in the minds of an ever-growing clientele.

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