

# Digital Marketing, Msme Product Marketing Innovation

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## **Abstract.**

*The use of digital media for business is not only an additional marketing activity, but also an integrated communication mechanism that amplifies the impact of every function in an organization by leveraging the power of human networks through a platform. Digital-based marketing is used to get consumers, build their preferences, promote brands, retain consumers, and increase the number of products sold and ultimately increase profits. Digital Marketing allows buyers to get all information about products and can make buying and selling transactions via the internet. Like sellers, they too can monitor, and cater to the needs and wants of potential buyers without time and geographical restrictions. Digital marketing is a two-way communication that can create awareness and engagement in the community for certain products and brands.*

**Keywords:** Innovation, MEMS, Digital Marketing.

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## **I. INTRODUCTION**

An entrepreneur or currently better known as an entrepreneur is someone who can bring change, innovation and new ideas (Hidayat. Shinta. and Dewi, 2017). The application of innovation in industry does not always go through a complicated process, a lot of research, and the use of large resources. Innovation can be done with minor modifications but can have a big impact. A business unit cannot only rely on one aspect, but how to manage the paradox between one thing and another. In the current technological era, a new business model has emerged as an innovation from the conventional marketing shift to modern marketing using digital media. The conventional buying and selling process, which requires sellers and buyers to meet face-to-face, can now be mediated by digital media to generate new marketing trends. The emergence of online shops, online trading groups, e-commerce platforms, and other e-business models is proof that today's society wants convenience in getting what they want. Moreover, Indonesia has a large market potential, where according to the results of a 2020 survey by the Association of Indonesian Internet Service Providers, the penetration of Indonesian internet users is 143.26 million or 54.68% of the total population of Indonesia.

Utilization of economic activities is used to check prices, buy and sell goods. The use of digital media for business is not only an additional marketing activity, but also an integrated communication mechanism that strengthens the impact of every function in an organization by leveraging the power of human networks

through a platform (Blanchard, 2015). Several studies have shown a link between the use of digital media such as social media and sales volume. The increase in sales was mostly felt by SMEs by 10-50% after using social media as a marketing tool (Purwiantoro, et al, 2016). The same thing is shown by research (Pane, 2014) that of 67% of SMEs that have used social media to market their products, 75% have benefited from increased sales and better-known finished products. This is supported by statistical data, the highest internet usage activity is opening social networking sites 73.30%, seeking information about goods or services 53.7% and sending messages via instant messages (including chat) 52.7% (KOMINFO, 2016)

## II. METHODS

From the initial search results on published articles and journals with empirical research related to digital marketing and MSME competitiveness published in the last 10 years through various leading journal indexing sites such as Scopus, Science Direct, Proquest, Elsevier, Emerald and Google Scholar. The search was conducted using the main keywords “digital marketing”, “competitiveness”, and “SME competitiveness”, “information technology” or a combination thereof. In the first round of literature search, we found 100 articles and categorized them based on digital marketing keywords. Then re-validate using the MSME+digital marketing keywords. At this stage, we downloaded 65 articles deemed relevant to the focus of this study. To ensure the quality of articles, we carry out a rigorous selection process through reputable journals. In addition, we also preview the metadata of the article to confirm its relevance to this research. Finally, the 40 selected articles classified based on digital marketing and MSMEs that we review in this study are empirically based research

## III. RESULT AND DISCUSSION

The online marketing system is considered capable of improving the welfare of the community considering the number of internet users in Indonesia is increasing every year. MSMEs that maximize the use of digital marketing can increase sales and profits. To survive in business competition, business actors can work around this by starting to focus on digital marketing through websites that are used as e-commerce, social media and search engines (Zehir et al., 2015). What also needs to be considered is that generally consumers are now social media users, especially young consumers. The results of research on the effect of digital marketing strategies on consumer buying interest based on a case study on the online shop Azzam Store it is known that digital marketing strategy and consumer buying interest are considered quite good with a total average score of 336.67 for online marketing strategies and 343.33 for consumer buying interest (Latifah et al., 2021). From this study it can also be concluded that the coefficient between online marketing strategy and consumer buying interest has a very close relationship. If sellers and consumers here have a good relationship, then this can be a major factor in increasing the buying interest of MSME actors (Huang et al.,

2018). One effective way is to use a digital marketing strategy that is still rarely used by MSMEs.

Social media that are often and used are YouTube, Facebook, Instagram, Twitter and other social media (Sukartini et al., 2019 and Ahmad, 2015). In addition, digital marketing can also use marketplaces such as Gojek, Grab or Shopee. The digital marketing media that has been mentioned will continue to grow so it must be understood by MSME actors. The research conducted states that digital marketing has a positive and significant effect on increasing MSME sales performance (Bongomin et al., 2020). 70 percent of MSME players who have used digital marketing stated that digital marketing will be the main strategy in marketing, on the other hand conventional stores will only be a complement. This happens because of the convenience and ability of digital marketing to reach more consumers (Khamaludin et al., 2022). This statement is also in line with research conducted by those who say that MSME actors must be able to grow courage in trying new things such as digital marketing to be able to continue to develop their business by creating social media accounts and regularly promoting or collaborating with marketplaces so that they will be confident and sharpen yourself. creativity in product marketing (Beynon et al., 2020).

The application of using the marketplace as a means of selling MSME products is an effort to maintain or increase sales turnover. This increase in sales turnover is related to the decrease in operational costs when using digital means. (Woodside et al., 2004). The use of social media as a starting point for digital marketing in marketing products must pay attention to the provisions in marketing so that the results are maximum in attracting consumers and making transactions (Kenny & Fahy, 2011). The step to win the competition is to implement a marketing strategy that is right on target both in terms of quality, price, and the competitiveness of the products it produces. (Maskarto, 2021). Here are some digital marketing strategies that MSMEs can do in using social media (Shamsuddoha et al., 2015):

### **1. Interesting and interactive content**

a. Intensive publication of product photos and videos on social media accounts. The social media algorithm is to increase social media accounts that have high traffic, therefore the publication of photos and videos of products intensively will help bring together MSME actors with their target consumers on social media. The use of social media is also adjusted to the product segment owned (Tufiqiyah & Setyono, 2020).

b. Utilize facebook ads, instagram ads, youtube ads, twitter ads, google adsense which can be accessed easily by MSME actors through social media. The use of advertising (advertising) on social media, although it requires initial capital, the benefits obtained are comparable and can even be much greater than the capital spent (Fan et al., 2021). This is because the use of advertising can reach consumers more precisely with the criteria that we have previously determined, ranging from age, city

of origin, occupation, gender and even what accounts are often seen by target consumers.

c. Create and release product marketing videos then broadcast through social media accounts or carry out direct promotions of products sold so that they can be seen by consumers who follow the social media of MSME actors (Fan et al., 2021). This strategy, if done correctly and consistently, will have a positive impact on the business being run.

d. Involving consumers in the selection of products sold (types, colors, models), conducting education and introducing the quality of business products intensively and effectively on social media. In addition, the use of creative words, hypno writing (copywriting) and the use of hashtags (#) that match the product will make it easier for consumers to find products. With this, brand awareness will be formed and can influence consumer decisions to buy the products they are looking for (Tjahjadi et al., 2020).

## **2. Learn content marketing development**

The growth of E-Commerce is also very rapid in Indonesia, causing people's spending patterns to shift towards electronic or online shopping, which creates new problems. several years. (Tjahjadi et al., 2020). Marketing content must be the main focus of MSME actors considering the importance of content on social media, search engines or marketplaces. Many MSME actors still do not understand the importance of content marketing that underlies digital marketing. Content is the basis of the strategy and is essential for creating brand awareness and increasing social media traffic (Woodside et al., 2004).

## **3. Develop mobile marketing**

Smartphone users are increasing day by day. This causes content marketing for mobile applications to become a necessity that must be developed by MSME actors after having quite a lot of loyal customers. Marketing content from mobile applications in the form of products, promotional information or product purchase features that consumers are looking for. Therefore, SMEs should gradually create or develop websites and blogs (Woodside et al., 2004).

## **4. Digital marketing integration**

Social media and the content served have an important role in search results. Google has created Google+ with various purposes and benefits including one of them being to capture social signals across digital media. For this reason, MSME actors must ensure that every digital marketing can reach consumers through several integrated social media so that marketing content is spread optimally (Handoyo, 2015). One social media content with other social media has a relationship or uploads the same content, especially on Instagram, Facebook and Twitter with a format that is adapted to the social media used (Zehir et al., 2015). Trusov in a journal written by said that electronic WOM and advertising through social media help marketing and attract consumers at cheaper and faster prices (Latifah et al., 2021)

### **5. Sustainable marketing**

The use of digital marketing can create sustainable marketing. This is what MSMEs are hoping for. In fact everything found online through social media, and searching through Google requires consistent SEO (search engine optimization), content creation and marketing so that everything is integrated into sustainable marketing that will continue to deliver results for MSME actors (Huang et al. , 2018).

### **6. Personalized marketing effectiveness**

Marketing in conventional media such as newspapers and television becomes less effective because of the saturation of media users. The information or content presented is not aimed directly at the consumers being sought (Huang et al., 2018). With personalized marketing on social media, e-commerce sites, email, and websites adapting to advertising and users for the benefit of consumers, what happens is that when someone visits an online store once and then visits again, the website will know who the visitor is. This is because there is already a previous track record (Sukartini et al., 2019).

Subsequent emails have been personalized and associated with products that consumers have visited while shopping online. The web will capture consumer habits such as reading data from consumer browsing trails, then presenting relevant information. This trend is driven by the use of big data technology which is closely related to digital marketing strategies so that it can increase the marketing effectiveness of MSME actors (Sukartini et al., 2019). This is what MSME actors must learn in order to further strengthen their position as one of the pillars of the economy Advantages of using digital marketing for SMEs Digital marketing strategy is considered as a solution for MSME actors in facing business competition (Lok, 2015), this is because digital marketers have several advantages, namely:

a. Able to connect producers and consumers through cyberspace. Digital marketing can be connected without the need to meet face to face, even without the need to know who the consumer is contacting (Fan et al., 2021). This digital track record will store consumer data for further management by MSME actors.

b. Resulting in higher sales rates due to the use of digital marketing further minimizing distance and time constraints. Consumers do not need to spend time visiting stores, with just their fingers they can directly buy products (Ahmad, 2015).

c. Digital marketing is much more cost efficient than advertising in other media such as print, television, or radio. With more efficient costs, digital marketing is able to reap more benefits than the use of advertising in other media (Ahmad, 2015).

d. Digital marketing seller makers can serve their customers in real time. Connecting MSME actors with consumers via smartphones anywhere and anytime. MSME actors do not need to stay in one place or continue to be in the store to serve customers (Bongomin et al., 2020).

e. Generate a nominal profit that is greater than the promotional costs that have been issued. This is one of the main things that SMEs get from using digital marketing (Adam & Alarifi, 2021). The use of advertising with minimal price can generate a lot of profit

f. Helping MSME actors stabilize the position of a brand in the eyes of consumers from other brands or the like as competitors, because the higher the traffic for purchasing a product, it will automatically increase the brand on the internet (Bongomin et al., 2020).

g. Helping MSME actors to compete with big companies without having to have a large capital or place.

h. Providing wider opportunities for MSME actors to brand their products so that they are more widely known and have their own place in the hearts of consumers MSME actors who use digital marketing are expected to always learn and think openly about technology that continues to develop (Adam & Alarifi, 2021). Digital marketing users must consider the right media and the right way to communicate the selected market segmentation, so that digital marketing will be more effective and not misguided (Khamaludin et al., 2022).

In addition to digital marketing, MSME actors must also pay attention to the quality of their products. The form of product quality improvement that can be done is quality control or QA (Quality Control) which is more detailed and ensures product cleanliness and safety (Handoyo, 2015). In addition, MSME actors must adjust product and packaging resilience because the more sales, the stronger the product resilience and packaging must be improved (Shamsuddoha et al., 2015).

#### **IV. CONCLUSION**

Users of digital technology have influenced all aspects of human life and activities, including marketing. Digital-based marketing is used to get consumers, build their preferences, promote brands, retain consumers, and increase the number of products sold and ultimately increase profits. Digital Marketing allows buyers to get all information about products and can make buying and selling transactions via the internet. Like sellers, they too can monitor, and cater to the needs and wants of potential buyers without time and geographical restrictions. Digital marketing is a two-way communication that can create awareness and engagement in the community for certain products and brands. Changes in marketing behavior from conventional to digital are not matched by the presence of MSME actors who utilize digital marketing, even though MSMEs are believed to be able to spur the Indonesian economy.

The use of digital marketing concepts is a hope for MSMEs to develop into centers of economic power. MSMEs can take advantage of digital technology, especially social media as a means of digital marketing. In addition to the low cost, and no special skills required in conducting the initial initiation, social media is considered capable of reaching consumers directly. The lack of knowledge of MSME actors

regarding digital marketing has inspired this community service team to become an obstacle for business actors in marketing their products along with the times. If MSME actors understand the importance of digital technology, in this case digital marketing for their business, it is hoped that they will be motivated to use digital marketing as a means of promotion.

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