

Digital Marketing: Strategy Analysis in Micro, Small and Medium Enterprises (MSMEs)

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ABSTRACT

The purpose of this research is to analyze the implementation of digital marketing strategies through social media carried out by MSMEs. The method in this research is descriptive-qualitative using SWOT as an analysis tool, which is carried out through the strengths, weaknesses, threats, and opportunities of MSMEs in order to determine the right strategy to be applied to MSMEs through the IE matrix. The implementation of digital marketing strategies through social media by MSMEs is not yet optimal. Social media used by MSMEs include WhatsApp, Instagram, Facebook, and TikTok. The results obtained are based on the IE matrix, namely that the position of MSMEs is in quadrant 7, which means that MSMEs are in their growth period. The right strategy for this position is to carry out concentric diversification through the addition of product lines that are related to available products, either in the form of links to similar technological aspects, use of technological facilities, or joint use of marketing networks.

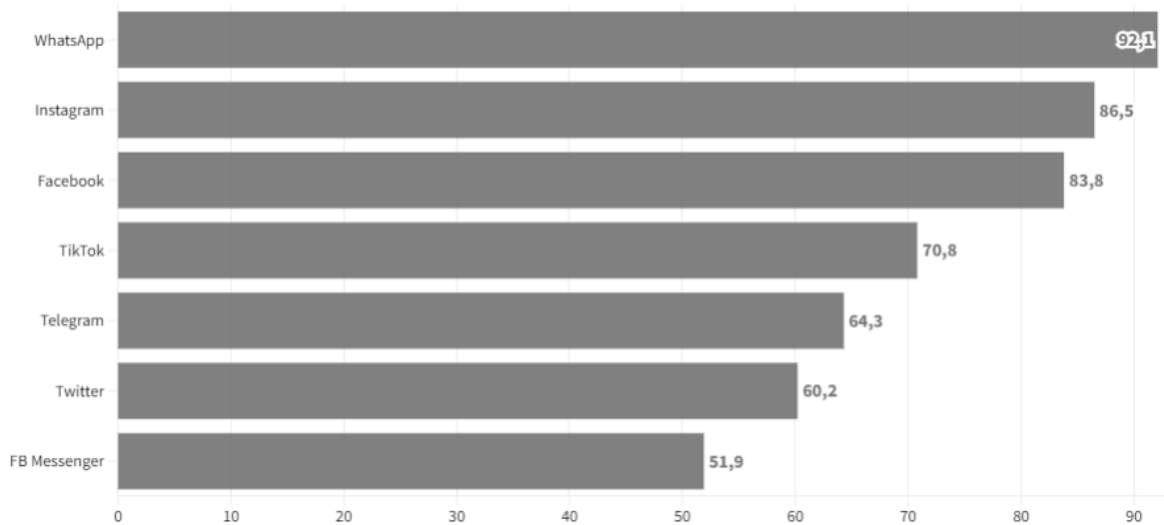
Keywords: digital marketing, MSMEs, social media, SWOT

INTRODUCTION

The digital era is characterized by increasing internet use. Various information is obtained via the internet, including business activities and buying and selling carried out through the use of the internet. The Indonesian Internet Service Providers Association (APJII) stated that internet users in Indonesia in 2022–2023 will increase by 2.67 percent, with a total of 215.63 million users. The data quoted from We Are Social shows that social media users in Indonesia in January 2023 increased by 167 people, or 60.4 percent of the total population of Indonesia. More

than 50 percent of Indonesia's population are active social media users; this is an opportunity for economic activity. Various sectors, including the marketing sector, take advantage of this phenomenon through digital marketing activities, especially in marketing products, connecting with customers, and business development. There are eight social media platforms that are most widely used in Indonesia, as shown in Figure 1. WhatsApp, Instagram, and Facebook are the top 3 most frequently used social media sites. (Mustajab, 2023)

Figure 1. Most Frequently Used Social Media in Indonesia (January 2023)



The purpose of this research is to analyze the implementation of digital marketing strategies through social media carried out by MSMEs. SWOT analysis is used as an analysis tool that is carried out through the strengths, weaknesses, threats, and opportunities of MSMEs in order to determine the right strategy to apply to MSMEs.

LITERATURE REVIEW

Digital marketing is a marketing activity that can be carried out using social media to reach a wider community. The aim of digital marketing is to increase brand awareness, traffic, data, and customers so that they are more optimal. (Pandora & Djajalaksana, 2022). Digital marketing channels that can be used are social media, web sites, online advertising, and mobile platforms. As for the effectiveness of digital marketing through social media, it has a significant impact on increasing sales, especially of MSME products. MSME players should use this strategy because, as has been proven in several studies above, optimizing social media is the key to MSME progress. (Saifuddin, 2021)

One of the supporting pillars of the national economy is micro, small, and medium enterprises (MSMEs). MSMEs have a significant contribution to the national economy, besides being able to reduce unemployment and poverty levels. (Marpaung, 2021) . The role of micro, small, and medium enterprises (MSMEs) is said to be vital to the Indonesian economy. MSMEs can absorb around 96 percent of the workforce and contribute 66 percent to

gross domestic product (GDP). (Friska, 2023). The number of MSMEs in Indonesia is quite large, namely 65 million, but only a few have gone digital because they think that their current achievements are sufficient and they have difficulty facing the development of digital media. (Ubaidillah, 2023). The important role of MSMEs certainly requires support so that their development is significant because of their large impact. Several studies, especially community service activities, have raised a lot of training, especially in digital marketing via social media for MSMEs. This training is certainly important, but it is necessary to further analyze what digital marketing strategies are right for these MSMEs. Which channels are appropriate to use and how effective are they? This research is a development of digital marketing training that has been carried out widely in MSMEs through the analysis of appropriate strategies used using SWOT analysis.

RESEARCH METHOD

The method used in this research is descriptive-qualitative. SWOT analysis is used as a tool for analysis. Research activities were carried out on MSMEs that have implemented digital marketing through social media. Data collection was carried out through interviews with MSME owners to determine aspects of strengths, weaknesses, threats, and opportunities. The MSMEs that are the object of this research are one of the food processing businesses in the form of wet cakes and pastries in Serang City.

By contrasting external elements, such as opportunities and threats, with internal factors, such as strengths and weaknesses, a firm may identify itself and establish the strategy it will adopt. This process is known as a SWOT analysis. (Rangkuti, 2018). In this research, data collection was carried out through interviews with MSME owners to find out information related to the implementation of digital marketing that has been carried out, as well as information in the form of strengths, weaknesses, threats, and opportunities of MSMEs, as well as weightings aimed at creating an Internal External Matrix (IE Matrix) so that the position can be known. companies to be able to determine the right strategy to apply to MSMEs.

RESULT AND DISCUSSION

The appropriate implementation of digital marketing strategies through social media by MSMEs in this research was obtained through interviews with MSME owners who produced information on social media that had been used by MSMEs, including WhatsApp, Instagram, Facebook, and TikTok. Apart from that, information is obtained regarding the strengths, weaknesses, threats, and opportunities of MSMEs, as well as weighting, which aims to create an internal external matrix (IE matrix) so that the company's position can be known in order to determine the right strategy to apply to MSMEs. The strengths, weaknesses, threats, and opportunities of MSMEs are as follows:

Strengths, Weaknesses, Opportunities and Threats

Strengths

- a. Social media has been followed by many people.

- b. Interesting and unique product photos.
- c. Guaranteed product quality is maintained.
- d. Many varieties of cake products.
- e. Prices are relatively affordable.

Weaknesses

- a. Social media content is managed less interestingly.
- b. Limited workforce for managing social media.
- c. Inconsistent use of digital media.
- d. Large number of competitors.
- e. Marketing is less targeted.

Opportunities

- a. Lots of internet users.
- b. Wide marketing reach.
- c. Food needs in the form of cakes.
- d. Wide range of consumers.
- e. Consumer purchasing power increases.

Threats

- a. Increase in similar businesses.
- b. Demand is decreasing.
- c. Product development challenges.
- d. The increasing price of quality raw materials has an impact on prices.

External Factor Strategies (EFE) Total Weight Score

After conducting interviews regarding external factors, namely opportunities and threats, give weight to each of the following items:

Table 1. Eksternal Factor Strategies (EFE)

Eksternal Factor Strategies	Value weight	Rating	Score
Opportunities			
a. Lots of internet users.	0,2	3	0,6
b. Wide marketing reach.	0,15	1	0,15
c. Food needs in the form of cakes.	0,05	1	0,05
d. Wide range of consumers.	0,1	2	0,2

Eksternal Factor Strategies	Value weight	Rating	Score
e. Consumer purchasing power increases.	0,05	1	0,05
Threats			
a. Increase in similar businesses.	0,2	2	0,4
b. Demand is decreasing.	0,05	1	0,05
c. Product development challenges.	0,15	2	0,3
d. The increasing price of quality raw materials has an impact on prices.	0,05	1	0,05
	1		1,85

Internal Factor Strategies (IFE) Total Weight Score

The next weighting is for internal factors in the form of strengths and weaknesses of MSMEs, as well as giving weights to each item that has been determined.

Table 2. Internal Factor Strategies (IFE)

Internal Factor Strategies	Value weight	Rating	Score
Streghths			
a. Social media has been followed by many people.	0,2	4	0,8
b. Interesting and unique product photos.	0,1	3	0,3
c. Guaranteed product quality is maintained.	0,05	2	0,1
d. Many varieties of cake products.	0,1	2	0,2
e. Prices are relatively affordable.	0,05	1	0,05
Weaknesses			
a. Social media content is managed less interestingly.	0,1	3	0,3
b. Limited workforce for managing social media.	0,15	4	0,6
c. Inconsistent use of digital media.	0,15	4	0,6
d. Large number of competitors.	0,05	2	0,1
e. Marketing is less targeted.	0,05	1	0,05
	1		3,1

Internal – Eksternal Matriks (IE Matriks)

The right strategy to apply can be seen from the IE matrix resulting from the previous weighting. For IFE, the total weight score is 3.1, and for EFE, the total weight score is 1.85. Based on these two-point results, the position of this MSME is in quadrant 7, which means that this MSME is in a period of growth, where the right strategy for this position is to carry out concentric diversification. (Rangkuti, 2018).

Figure 2. Internal – External Matriks (IE Matriks)



Social media that have been used include WhatsApp, Instagram, Facebook, and TikTok. Obstacles faced during the implementation of digital marketing via social media include limitations in content, social media managed less attractively, a limited workforce in managing social media, and less consistent use of digital media. The results obtained are based on the IE matrix; the position of MSMEs is in quadrant 7, which means that MSMEs are in their growth period. The right strategy for this position is to carry out concentric diversification through adding product lines that are related to available products, whether in the form of linking to similar technological aspects, using technological facilities, or utilizing joint marketing networks. (Hasan, 2021)

Optimizing existing social media can continue to be carried out by developing and training the resources that manage it, apart from adding to the application of other digital marketing channels such as web sites and online advertising, as well as mobile platforms. Additional product lines can be carried out in line with digital marketing developments that are implemented.



CONCLUSION

The implementation of digital marketing strategies through social media by MSMEs is not optimal yet. Social media that have been used include WhatsApp, Instagram, Facebook, and TikTok. The results obtained are based on the IE matrix, namely that the position of MSMEs is in quadrant 7, which means that MSMEs are in their growth period. The right strategy for this position is to carry out concentric diversification through the addition of product lines that are related to available products, either in the form of links to similar technological aspects, use of technological facilities, or joint use of marketing networks

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