

# Utilization of Digital Media in Maintaining Household Industry (MSME) Income in the New Normal Era

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**Abstract.** The Coronavirus pandemic significantly affects the Indonesian economy. Homegrown industry pay (MSME) is additionally impacted by lower monetary execution. The study aims to review strategies in maintaining household income (MSME) in the normal new era. The research method used was the study of literature. Researchers examined the results of empirical studies in particular the scientific journals that deal with digital media use in defense of domestic industry income. Researchers then compared the results of studies from these journals and obtained the essence of the results. Based on a study of literature, in digital media use actors for domestic industry can make use of marketing products, starting with the marketing process, expanding the marketing range, facilitating the transaction process and can suppress the costs of marketing. Using digital media, it is hoped that the domestic industry can sustain its revenue in these normal new era conditions.

**Keywords:** media digital; domestic industry; new normal

## 1 Introduction

The COVID-19 pandemic began in Wuhan, China, and is taking place worldwide, including in Indonesia. The COVID-19 pandemic has affected many sectors, including tourism, education, health, transportation and the economy. In the health sector, the number of patients suffering from COVID-19 is increasing rapidly in hospitals and other healthcare facilities. In education, e-learning policies with no one at school ensure that students do not receive optimal learning [1] [2]. In the economic field, the impact of the Covid-19 pandemic is more pronounced because many companies are reducing their employees due to declining production and sales figures. In 2020 unemployment increased, and poverty also increased. Based on year-to-year growth calculations. The economy in the first quarter of 2020 weakened by just 2.97% from the 5.07% achieved in the first quarter of 2019 [3].

At the point when the public authority chose to carry out Huge Scope Social Limitations (PSBB) in a few districts of Indonesia starting in April 2020, as well as the expansion of Local area Action Limitations (PPKM), it broadly affected the creation cycle, circulation, and functional exercises, upsetting the monetary execution. In this monetary area, the culprits of Miniature, Little, and Medium Endeavors (MSMEs), local gatherings, are one of the areas that have encountered the main effect from the Coronavirus pandemic. MSMEs play a significant part in the Indonesian economy. As per a report from the Service of Cooperatives and Little and

Medium Ventures, there were roughly 64,194,057 MSMEs in Indonesia in 2018 with an ability to retain 116,978,631 specialists.

Most MSMEs generally experienced lower income and bankruptcy due to the COVID-19 pandemic [4]. As a result of the Covid-19 pandemic, many MSMEs in Indonesia have experienced a recession due to the current weakening of the economy because many MSMEs are not ready to face the pandemic, and many MSME actors are still running their business conventionally, which has an impact on the decline in people's purchasing power for various MSME businesses. The pandemic period is a period that affects everyone's business activities because, during a pandemic, all activities must comply with health protocols, from the market to visitors, in this case, consumers. The businesses most impacted by this pandemic are micro, small, and medium-sized. MSMEs is a household industry businesses which is a business activity that is of concern to the government because of their great ability to run the community's economy, as well as being the source of income for most people in meeting their daily needs [5]. The household industry business is important in increasing family income, as it can help increase revenue [6]. In this case, we can indirectly understand that MSMEs contribute to the flow of government money and play a role in the growth of government revenues.

Responsiveness is required for all MSMEs entertainers to keep up with regardless have the option to foster business during the Coronavirus pandemic and face the new typical period with systems that are perfect for financial entertainers. To conquer this, web based showcasing through the media is the smart activity for business entertainers [7] [8]. The 2020 Work Plan of the Service of Cooperatives and MSMEs has three points of support: a powerful methodology to reestablish the public economy by expanding the limit and capability of MSMEs, building monetary foundations for MSMEs, and organizing across areas. This study analyzes procedures utilized by MSMEs, especially those in Indonesia, to support their pay during the Coronavirus pandemic utilizing computerized media. The examination object is MSMEs entertainers who have encountered the immediate effect of the Coronavirus pandemic [9].

E-commerce is one of the digital media that can be a way or a tool to maintain revenue for business actors in the new normal era. According to Tuban, E-commerce can be used by marketers to present their products quickly and in detail on the product. In the current context of the pandemic and the new normal era, e-commerce shows that businesses that trade through digital media have great value for both producers and consumers [10]. To be used optimally and by economic actors, particularly micro, small, and medium-sized businesses (MSMEs). Because by optimizing these activities, they can become a creative enterprise capable of stimulating and improving Indonesia's economy. Data from the Ministry of Communication and Information (Kemkominfo) revealed that the growth of E-commerce in Indonesia shot up by 91% during the pandemic, while internet user penetration increased by 73.7%.

Ecommerce offers many advantages to MSMEs by expanding the company's market opportunities, increasing sales, improving communication, improving the company's image, accelerating processes, and increasing employees' productivity [11]. According to Kotler, online marketing is a performance system for businesses that focuses on selling products, services, or promotions via the Internet. MSMEs require a digital development strategy to provide short-, medium-, and long-term information technology infrastructure, production processes, and market expansion in order to compete effectively and perform better [12] [13]. Indonesia is now listed in ASEAN as the fastest-growing digital economy country with increased growth of digital platforms such as E-commerce, ride-hailing and payments through digital electronics. Then, the digital media used in MSMEs is not only limited to marketing but can also help MSMEs actors in terms of financial terms of accounts payable and make it easier for economic actors, namely consumers and producers, in buying and selling transactions. In this way, aside

from saving the fate of MSMEs in Indonesia, these methods or strategies can improve the quality of MSMEs in Indonesia, allowing them to not only develop digitally but also to survive for a long time in the digital market in the new normal era. With the Covid-19 pandemic, In this background, this study aims to determine the benefits of digital media in maintaining the income of the household industry (MSMEs) in the new normal.

## **2 Literature Review**

### **2.1 E-Commerce**

By and large, the expression "web based business" alludes to electronic commerce. The term "online business," or "web based business," alludes to another idea that commonly alludes to the method involved with buying and selling items or administrations over the Internet [14]. "Internet business is a web-based channel that an individual can arrive at through a PC, which finance managers use in doing their business exercises and utilized by purchasers to get data involving the assistance of PCs during the time spent beginning by giving data administrations," as per Kotler and Armstrong [15]. It is inferred that online business is a course of trading exchanges through the Web, where sites and markets can be utilized to deal with trading exchanges.

Hidayat thinks that several advantages exist in E-commerce and business transactions do not exist offline [16], among them are as follows: (1) products, many different kinds of products that can be sold and marketed online, like clothes, bicycles, and so on. (2) The Internet is where you sell products, which means you need a domain name and hosting. (3) Orders can be placed by phone, email, brief messages, and other means. Payment methods: cash, credit card, PayPal. Method of delivery: Indonesia Post, EMS, or JNE. Contact us, email, phone, and, if the software allows it, chat are all methods of customer service. Additionally, there are a number of different types of e-commerce, as stated by Suyanto [17]: (1) Business-to-business (B2B) transactions, interaction processes between companies, (2) Business-to-consumer (B2C), interaction processes between sellers and buyers, (3) Consumer-to-consumer (C2C), interaction processes between sellers as business owners and individuals as buyers, (4) Consumer-to-business (C2B), interaction processes between business actors who conduct transactions with other companies. In E-commerce transactions, according to Prihatna, Three payment methods can be used [18], among others: (1) Credit Card Online Processing, which method is used for retail products that cover a very wide market that is the whole world. The payment made online is immediately or instantly. (2) Money Transfer, payment in this method is more secure but requires a fee for a money transfer service provider to send an amount of money to another country. (3) Cash On Delivery, payment by paying at this place can only be done if the user directly comes to the store where the manufacturer sells the product or is in the same area as the service provider.

### **2.2 Micro, Small and Medium Enterprises (MSMEs)**

By the Law of the Republic of Indonesia Number 20 of 2008 on Little and Medium Ventures, the meaning of MSMEs is as per the following:

- a. First, The law defines microbusinesses as profitable businesses run by individuals or legal entities that meet the requirements for microbusinesses. Has a maximum of Rp50,000,000

- in assets, excluding business property and buildings, or a maximum of Rp300,000,000 in annual sales
- b. Second, A useful monetary business that is controlled by an individual or business element that is certainly not an auxiliary or part of an organization that is possessed, controlled, or is a piece of, either straightforwardly or by implication, by Medium Ventures or Enormous Endeavors that meet the models for Private company as characterized in this Regulation is viewed as an Independent company. Private venture likewise incorporates organizations that meet the rules for Enormous Endeavors and Medium Enterprises. have a total assets of more than Rp50,000,000 (barring area and structures utilized as business premises) or yearly deals continues of more than Rp300,000,000 (barring Rp2,500,000,000).
  - c. Third, A Medium Endeavor is a free, beneficial business show to an individual or business that is certainly not an auxiliary or part of an organization that is claimed, controlled, or straightforwardly connected with a Little or Huge Venture with a net amount. assets or the returns from yearly deals, as characterized by this Law. have yearly deals of more than Rp 2,500,000,000 to a limit of Rp 50,000,000, or have a total assets of more than Rp 500,000,000 to a limit of Rp 10,000,000,000, barring area and structures utilized as business premises.

According to the World Bank, based on the number of employees, MSMEs can be divided into three categories: (1) Ten employees make up a microbusiness; (2) A small business employs 30 people, while a medium enterprise employs up to 300 [19]. In Law Number 20 of 2008, Chapter II, Article III reads: "Micro, Small and Medium Enterprises aim to grow and develop their efforts in the framework of developing the national economy based on fair economic democracy". Based on its development, MSMEs can be classified into 4 groups, namely [20] among others: (1) Occupation Exercises, MSMEs that are utilized as open positions to make money, which is also called the casual area, model, road sellers. (2) UMKMs, or micro-enterprises, that lack the characteristics of entrepreneurship but resemble therapeutic artisans. (3) MSMEs, or Small Dynamic Enterprises, already possess an entrepreneurial spirit and are able to accept work from subcontractors and exports. (4) Quick Venture is a MSMEs with an innovative soul and will change into a Major Business. This means that the community and the government need to pay attention to MSMEs' development so that they can grow well and be more competitive.. It is hoped that the policy for MSMEs, especially in this new normal era, will be more conducive to the growth and development of MSMEs in Indonesia.

### **2.3 Digital Media**

Digital media is a medium that people use to receive or provide information through a digital platform, usually connected to internet devices, and synonymous with the use of technology in it. Meanwhile, analog or traditional media are media or means of information that have not been bound to the use of technology. Digital media now have an impact on publishing, journalism, entertainment, education, trade, and politics thanks to the combination of personal computing and the Internet. Computerized media has additionally presented new difficulties, especially for guidelines shielding copyright and safeguarded development in an open substance improvement where content creators purposely give up some or every one of their legal opportunities for their work. The more extensive local area has felt the impacts of computerized media's entrance into regular life. It shows that computerized media denoted the start of another period in the data age industry and has brought about a paperless society in which all media-based data items are delivered and consumed electronically. However, regulations overseeing copyright, restriction, and the advanced separation present hindrances to the change of

computerized media, prompting an advanced dull age in which more established media become blocked off to new frameworks or can't be moved up to data frameworks. In the interim, critical, immense, and complex computerized media have affected society and culture.

### **3 Research Method**

The examination strategy in this article utilizes a subjective methodology. The exploration technique utilizes a writing survey connected with computerized media's utilization to keep up with the pay of the family business or MSMEs in the new typical time.

### **4 Discussion**

The Katadata Insight Center surveyed MSMEs players to gauge the impact of this outbreak on their businesses and their readiness to adapt. The circumstance of UMKM before Coronavirus was capable very well by practically all business entertainers. However, things changed when Covid-19 struck. Only 14.1% of MSMEs are still in good condition, while 56.8% of MSMEs are in poor condition. This epidemic had a negative impact on 82.9 percent of MSMEs. Only a small percentage of the perpetrators, 5.9%, were successful. Even worse, this pandemic has resulted in a revenue decline of over 30% for 63.9% of MSMEs affected. Only 3.8 percent of MSMEs saw an increase in turnover.

Additionally, the KIC survey reveals that MSMEs have attempted to maintain business conditions. They implement a number of efficiency measures, including: reducing the quantity of goods and services produced, the number of employees, working hours, and channels for sales and marketing. According to Katadata.co.id (2020), some MSMEs go the other way and incorporate marketing channels into their survival strategy. According to the findings of surveys conducted by organizations such as BPS, the government, and the World Bank, this pandemic has made it difficult for many MSMEs to pay back loans and make payments for electricity, gas, and salaries of employees [21]. Some of them even required layoffs. Other challenges that MSMEs face include difficulties obtaining capital and raw materials, fewer customers, and delays in distribution and production. Due to activity restrictions, business actors must also anticipate changes in User behavior and Business Efficiency Maps. Consumers are increasingly using digital technology at home for more activities. In the meantime, four business characteristics distinguish the new competition map and the shifting industry landscape: Cleanliness, Low Touch, Less Crowded and Low Mobility [22].

If you look at the current situation, it can be seen that the economic sector, which is MSMEs, where the majority of business people are from the middle class and below, has had a big impact due to the spread of the Covid-19 pandemic.

Because of the Coronavirus pandemic, numerous MSMEs are encountering a downturn because of the powerless economy. This happened following the sanctioning of Huge Scope Social Limitations (PSBB). The PSBB strategy decreases the actual collaboration among individuals and clients. Financial movement radically influences the lessening sought after for merchandise, items, and administrations delivered by MSMEs spread all through Indonesia. This makes numerous MSMEs lose pay.

Technological progress can be utilized by MSMEs actors to market and advance their business through digital media. Optimizing the use of digital media for marketing products,

goods, and services over various kinds of digital media are expected to improve declining revenue and repair businesses' MSMEs. Starting with the introduction of multiple types of digital media, namely, socialization, attending seminars on the use of digital media, training on how to use digital media as a marketing channel, and guidance to ensure the optimal use of digital media in supporting the marketing of products, goods, and services produced by MSMEs in Indonesia. MSMEs actors gain several advantages by applying digital media in the marketing process, facilitating the delivery of information from producers to consumers, expanding marketing reach, simplifying the transaction process, and reducing marketing costs. Starting with an internet network, MSMEs can market their products or services widely to the public.

However, there is some risk in the use of digital media, such as the possibility of personal data and the occurrence of a burglary or system trouble. This can harm the sustainability of MSMEs, so anticipatory measures are needed to overcome it. This digital media can be used as best as possible for MSMEs actors, who are expected to be the best solution for the revival of MSMEs in Indonesia.

## 5 Conclusion

The covid-19 pandemic in Indonesia has significantly affected the economy, including domestic or national industries. The impact of the pandemic affects not only the production aspect but also the marketing of its products. Many domestic industries are currently making direct sales of products to customers, using digital media in the development of domestic or public industries to prove useful and can improve the knowledge and marketing of products. Starts with a training in upgrading marketing through social media or e-commerce. It is hoped that digital media can be the solution to scale up household industrial businesses and can survive and continue to enhance their products in the normal new age.

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