Digital Marketing for SMEs in an Effort to Increase Income in Jambi

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Abstract. When the Covid-19 pandemic occurred, only 14.1% of MSMEs were still in good condition. Most MSMEs or as many as 82.9% experienced a negative impact from this pandemic. The state of lockdown suddenly stopped economic activity which led to a decrease in demand and disrupted global supply chains, what is currently happening has an impact on the decline in the income of SMEs. The application of digital marketing is an effort to increase the income of SMEs during the pandemic. However, there are still some SME actors who do not understand the use of digital marketing and the application of digital marketing by SMEs is still not optimal. Therefore, the purpose of this study is to determine the application, impact and role of digital marketing for SMEs. This study is a field research using qualitative research methods. The technique of collecting data is by observing, interviewing, and documenting 30 SMEs. The results of this study show that small and medium businesses have implemented digital marketing such as social media marketing (facebook, whatsapp, and Instagram) and Search Engine Marketing (SEM). The application of digital marketing has had a positive impact such as making it easier to promote their business, easier to communicate with consumers and negative ones such as business ideas that are easy to imitate and competition between SMEs. During this pandemic, digital marketing has played a significant role in efforts to increase the income of SMEs.

Keywords: Digital Marketing, Income, SMEs, Covid-19 Pandemic

1 Introduction

The COVID-19 pandemic has had a significant impact on various sectors in Indonesia. Based on a Bank Indonesia survey, the economic sector most affected by the COVID-19 pandemic is MSME business actors as much as 72% of MSME business players experienced a decrease in sales volume which resulted in many MSMEs choosing to go out of business (Murfadiyah, 2021). When Covid-19 occurred, only 14.1% of MSMEs were still in good condition. Most MSMEs or as many as 82.9% experienced a negative impact from this pandemic. (Harianto & Sari, 2021). Some SMEs experienced a decline in turnover. Of the 37 thousand MSMEs recorded, 63.9% experienced a decline in turnover of >30%. While the other 31.7% experienced a decrease in turnover between 0-30%. (Djakasaputra et al., 2021). Furthermore, since the outbreak of the pandemic in March 2020, it is estimated that around 50% of MSMEs...
are experiencing difficulties in their business and some of them end in business closures. Not surprisingly, the pandemic has also created around 2.6–3.7 million new unemployed, some of whom are expected to try to start new businesses. (Gunadi et al., 2021)

Covid-19 has also had a significant impact on the economic growth of small and medium enterprises (SMEs), especially in terms of declining sales, causing economic shocks. A previous survey found that microenterprises are the most risky and, in general, of all SMEs, 61% are at risk of running out of cash capital during the pandemic (Cowling et al., 2020). A survey in China found that most SMEs were unable to continue their business due to lack of pandemic mitigation materials, inability of employees to return to work, disruption to supply chains, and declining market demand (Lu et al., 2020). The state of lockdown suddenly stopped economic activity which led to a decline in demand and disrupted global supply chains. Despite the fact that the government is taking precautionary measures to reduce the losses caused by this pandemic situation, MSME actors are not benefiting. MSMEs are struggling to stabilize sales and revenues are still at a standstill. (Hariharan et al., 2021). This situation also affects the increase in the number of unemployed in Indonesia because MSMEs play an important role in absorbing labor. (Afriza, 2021; Atmojo & Fridayani, 2021; Maleha et al., tt; Rahmina Suryani et al., 2021; Ramdani, 2020; Santika & Maulana, 2020)

Based on the interview observations that the researchers conducted in terms of income due to the Covid-19 pandemic, according to small business actors, Mrs. Hani said "during the business pandemic I really felt the impact, plus the enactment of PSBB, and the existence of social distancing caused a decrease in sales and turnover. the buyers who came were quiet." This is in line with what was explained by (Pakpahan, 2020) that with the PSBB, economic activities, especially production, distribution, and sales will experience disruptions which will ultimately contribute to the performance of MSMEs and the national economy.

Mass mobility certainly hampers the rate of promotion which affects the level of sales. Micro, Small, and Medium Enterprises innovate in marketing their products by utilizing digitalization to increase their sales. Because current conditions hinder conventional marketing activities, digital marketing is one way to maintain the continuity of MSMEs and increase product sales during this pandemic. (Raharja & Natari, 2021; Siregar et al., tt; Susila et al., 2022)

In the era of the industrial revolution 4.0 and the era of society 5.0, it is very necessary to adapt by utilizing and considering technological aspects, especially for MSMEs. In the era of the industrial revolution 4.0 and society 5.0, digital marketing strategies play a very important role in building networks, communicating with consumers and introducing a company's products or services. The digital media that are commonly accessed in implementing digital marketing strategies are SEM (Search Engine Marketing), websites, blogs, and also social media (Facebook, Instagram, Whatsapp, Line, etc.) (Aziz, tt; Sari & Santoso, tt; wijoyo & Widiyanti, 2020)

The use of Digital Marketing must be done for the sustainability of MSMEs in the midst of the Covid-19 pandemic. The implementation of digital marketing carried out by SMEs has had a positive impact in the midst of the Covid-19 pandemic on the economic resilience of SMEs by
continuing to produce and distribute goods to consumers so that business activities continue to run and generate economic value. (Awali, 2020; Isnainiyah et al., 2021; Setianingsih et al., 2021)

Based on observations, from initial interviews with SMEs, Mrs. Ros said that "I have implemented digital marketing for my business, the digital marketing that I have applied is social media marketing in the form of Instagram, I have not been able to do digital marketing itself optimally", this is in line with (Suprayogi, 2019) who said the lack of knowledge of MSME actors regarding the use of technology and digital marketing in conducting promotions, digital marketing is one way to increase the income of these MSME actors. Referring to research (Hadi & Zakiah, 2021) in his research, digital marketing strategy for MSME actors is one of the right solutions and does not conflict with policies in the pandemic era. In addition, the digital marketing strategy is also expected to be able to win the competition in the pandemic era. (Start, 2020).

From interviews conducted with several SME actors, it was found that SME players experienced a decline in sales turnover and still lacked understanding of SME players regarding the use of digital marketing as a marketing medium for their business. Several studies show the effectiveness of digital marketing as a marketing medium that has the potential to create sales growth. This is in line with (Yusmelinda Zagoto et al., 2022) who said that the use of digital marketing provides good prospects for increasing sales of SME products. This is because the digital marketing system provides an online buying and selling platform, in order to facilitate the ordering and purchasing process. So that buyers can interact with SME owners to make transactions directly. From some of the phenomena above, this study aims to further explore the application of digital marketing, the positive and negative impacts of implementing digital marketing, and its role in income.

2 Methodology

study uses a qualitative method approach. The type of data used in this study consists of primary data and secondary data. This study uses data collection methods consisting of observation, interviews and documentation. Interviews were conducted with 30 SME entrepreneurs in Jambi City. The data analysis technique used is inductive and descriptive analysis.

3 Research Results and Discussion

3.1 The application of digital marketing among SMEs.

The application of digital marketing is an effort to help product marketing for small and medium-sized businesses. The digital marketing that they do through interviews is in the form of:
Social Media Marketing

*Instagram.* The use of Instagram as a medium for digital marketing can be seen in the efforts made by Mrs. Kiki who said that:

"Digital marketing plays a very important role in business continuity, one of the *digital marketing used* is Instagram, most consumers come from Instagram so when uploading goods that are ready at the store on the Instagram feed, consumers directly whatsapp or direct massage I ask for products, there are even who directly come to the store to see firsthand the goods that have been uploaded."

From the results of the interviews above, it can be concluded that, with the application of *digital marketing*, it is very helpful for small and medium business actors in promoting their products so that they get a fast response by buyers, this certainly affects the level of product sales in the store. For small and medium business actors who have implemented *digital marketing* optimally, this certainly has a considerable influence on the development of their business, besides that communication with consumers is also more effective and efficient, this is in line with (Daisy Ade Riany Diem & Widiya Yulianti, 2020) said Instagram as an online marketing medium by determining the purpose of marketing communications and utilizing existing features on Instagram to focus on target buyers by knowing product information from Instagram. This happens because Instagram makes it easy for customers to find information and make the process of purchasing products.

The use of Instagram as a medium for implementing *digital marketing* in the business carried out by Mr. Tomi said that:

"the use of" Instagram is currently very helpful because first from the cost sector we do not incur costs in terms of promotions, and make it easier to reach a wider range of consumers and most people also know about this business through social media, even consumers who are far from Magelang to order products."

From the results of the interview above, it can be concluded that the application of digital marketing through Instagram promotions is more cost-effective and product sales can be more easily reached by consumers who are even from outside the region. This is in line with (Mubarokah et al., 2022) who said that the marketing communication strategy through Instagram social media has been able to reach several consumers from outside the region, so that the market reach is not only local residents but some tourists from outside the area who come.

The use of Instagram as a medium for implementing *digital marketing* in the business carried out by Mr. Reza said that:

"already implemented Instagram as a medium " *digital marketing*, the use of Instagram makes it very easy to choose images according to our wishes in displaying photos of business products and the form of promotion can also be in video and image features."


From the interview above, it can be concluded that the application of Instagram as a promotional tool makes it very easy to display products according to their wishes and the products displayed can be clearly seen by consumers. The features used in Instagram can be in the form of videos and images. This is in line with (Novita & Unggul, yy) who said besides being easy to use Instagram, Instagram is also an online media that is quite interesting to place photos of beautiful products.

*Facebook.* The use of Facebook as a medium for implementing digital marketing in the business carried out by Mr. Soni said that:

"I have implemented Facebook as *digital marketing*, especially now that Facebook has a marketplace feature, making it easier to help sales of finished products. For buyers who are interested in their products, they can directly comment on uploaded products"

From the interviews, it was concluded that the use of Facebook has made it easier for business actors to interact online with consumers, and consumers can also easily comment on the products they want. This is in line with (Pambudi saka, 2021) who said that the Facebook platform as a media marketplace is much needed by the community and what marketing strategies are usually done in Facebook social media. Several promotional ideas were found, conveying good messages between sellers and buyers, as well as various advantages of Facebook features that facilitate the marketing process.

The use of Facebook as a medium for implementing *digital marketing* in the business carried out by Mr. Faisal said that:

" Having implemented Facebook as a promotional medium on Facebook, it has been helped by the photo album and text features because there I can upload products and consumers can easily see the products"

From the interview above, it can be concluded that the application of Facebook has helped business actors in promotional activities coupled with the Facebook feature in the form of photo albums that make it easier for consumers to be able to see various products. This is in line with (Tresnawati & Prasetyo, 2018) who said that digital promotional content on Facebook photo album media, although image/image content has been widely applied in many social media, but the advantages of image/image content on Facebook are detail and clear image organization. Of course, in terms of digital promotion, this will be more satisfying and make it easier for consumers to see the quality of the product

The use of Facebook as a medium for implementing *digital marketing* in the business carried out by Mrs. Titania said that:

" Having implemented Facebook as a *digital marketing medium*, its use is quite easy because it can also communicate directly with consumers by sharing messages through messengers"

From the interview above, it can be concluded that the application of Facebook as a digital marketing medium has made it easier for business actors to share direct messages with potential buyers. This is in line with (Agustina Ropa et al., 2021) who say with Facebook they
can communicate with other people in the comments column, can also provide information through pictures, writings, videos or live broadcasts about their merchandise. Between the seller and the buyer can communicate through chat in the comments column, it can also continue through messenger and telephone.

**Whatsapp.** The use of Whatsapp as a medium for implementing digital marketing in the efforts carried out by Mrs. Putri said that:

"implementing digital marketing media in the form of whatsapp because it is easier to use whatsapp, especially now whatsapp is devoted to doing business there can add various product catalogs"

From the interview above, it can be concluded that the use of WhatsApp Bussnies makes it very easy for business actors, plus WhatsApp Bussnies itself has a catalog sharing feature on its profile so consumers can easily make purchases. This is in line with (Andamisari, 2021) who said WhatsApp has a business application specifically designed for small business owners, such as home businesses that can create catalogs to display products and services. Connecting with customers is made easy by using features to automate, sort and respond to messages quickly.

The use of whatsapp as a medium for implementing digital marketing in the business carried out by Mrs. Hani said that:

"With the use of WhatsApp, it's easier to market products, just upload them on WhatsApp status by sharing pictures and providing information related to the product being uploaded so that interested prospective customers can directly replay the status and ask questions about the product."

From the interview above, it can be concluded that WhatsApp has made it easy for business actors by simply uploading products on their WhatsApp status and potential consumers can connect directly with business actors by replaying the products they want to buy. This is in line with (Arumsari et al., 2022) who said they had started using WhatsApp as a marketing medium. Most of those who have started using social media promote their products through WhatsApp stories.

**Search Engine Marketing.** The use of search engine marketing as a medium for implementing digital marketing in the business carried out by Mrs. Epa said that:

"The website is one of the digital marketing media that is applied to this business, this feature is very beneficial for me because by using this digital marketing media when a search is carried out on the google engine, this store's website can appear the earliest"

Based on the interview above, it can be concluded that the application of a website as a digital marketing medium is very beneficial for business actors because searches for related products on the Google store website can appear at the top. This is in line with (Harto et al., 2019) who said the website makes it easy for business actors to carry out trading activities. Business actors feel that they get time efficiency, so that it can be maximized by thinking about product
The application of this technology can help increase turnover and business expansion.

The use of search engine marketing as a medium for implementing digital marketing in the business carried out by Mrs. Siffa said that:

"The use of the website is very effective because creating content through this media is very helpful in attracting consumers, my sales through this website have greatly increased and helped"

Based on the interview above, it can be concluded that the use of the website has played a role in attracting consumers because the creation of content that is more interesting and satisfying has an impact on increasing sales of business actors. This is in line with (Latifah & Mujiaistuti, tt) said that using the website for marketing has seen an increase in the number of consumers which indicates that the content created on the website can attract new consumers. Therefore, it can be said that the website is quite important to increase sales.

The use of search engine marketing as a medium for implementing digital marketing in the business carried out by Mr. Jefri said that:

"The use of the website as a digital marketing media, helps in providing information related to products and its use is quite efficient for business actors because it can save production costs"

From the results of the interviews above, it can be concluded that the application of the website as a digital marketing medium has helped provide convenience to provide information related to products and the use of this website can save promotional costs. This is in line with (Susanto & Asmira, 2017) who said that websites can be used as promotional media and information to promote products, with this website the promotions are wider and can reduce promotional costs.

3.2 The impact of implementing digital marketing among SMEs

From the results of the interview, it was found that the impact of the application of digital marketing was conveyed by Maya's mother who said that:

"The impact of digital marketing can be said to be quite good for businesses because thanks to digital marketing it is easier to promote merchandise online and this makes it easier for business products to be known by consumers"

From the results of the interviews above, the researchers can conclude that the application of digital marketing has a pretty good impact on the sustainability of small and medium-sized businesses they can easily promote their wares online and make it easier for their businesses to be better known by consumers. This is in line with (Almubaroq & Mufreni, 2021) who said that digital marketing can facilitate the promotion of sales products, one of which is the use of social media. By utilizing social media, you can reduce costs to promote products and have a broad marketing reach
From observations and interviews that researchers met in the field, the impact of implementing **digital marketing** on their business as stated by Mr. Reza said that:

"With the application of digital marketing, communication with consumers is easier and not limited in time, and can be done anytime”

From the interview above, it can be concluded that the impact of implementing **digital marketing** makes it easier to communicate with consumers directly without being hindered by time and can respond more quickly to consumer desires. This is in line with (Zulkarnain et al., 2020) who said that the marketing communication strategy through digital marketing carried out by SME business actors is the submission of positioning statements in each product post and establishing relationships with customers in a fast response (quick response) on social media. These strategies can build and influence brand awareness in consumers or potential customers.

"application " This **digital marketing** has a pretty bad impact because the products we market are easy to imitate by competitors and plus unhealthy competition from other business actors.”

From the interview above, the researcher can conclude that there are still bad impacts from the application of **digital marketing** because the products and even the selling concept that we do are easier to imitate by other business actors and this will certainly lead to unsportsmanlike competition among other business actors. With the implementation of **digital marketing**, it certainly has positive and negative impacts on every small and medium business actor. This is in line with (Ardani, 2022) , saying that being vulnerable to plagiarism (easy to imitate), business people must be creative and innovative because there are more competitors. .

### 3.3 The role of digital marketing in an effort to increase the income of small and medium enterprises (SMEs).

The existence of the role of digital marketing has brought changes in increasing the income of business actors, this can be seen from the results of interviews from several sources in table 1 who say that:

<table>
<thead>
<tr>
<th>Source person</th>
<th>Interview result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reza</td>
<td>&quot;Digital marketing plays a very important role in increasing business because with the application of digital marketing it makes it easier to carry out communication and information media in effective and more up-to-date marketing activities so that consumers find it easier to find information about products and also easier to communicate directly, with buyers at any time without any&quot;</td>
</tr>
</tbody>
</table>
Tomi

"there is " Digital marketing that is implemented is very helpful because it is easier to reach wider consumers and can add new consumers so that this can help increase business income.”

Kiki

"The role of digital marketing is very much felt in business development, digital marketing itself has helped to make it easier to communicate with potential consumers and upload various products in stores so that it attracts many new consumers who shop and are interested in coming directly to the store”

From the results of the interview, it can be concluded that the existence of digital marketing has played a role in helping to increase the income of business actors, which previously experienced a decline due to the pandemic, but digital marketing has brought changes in the income level of business actors. Found that many SMEs were forced to close their businesses due to declining consumer demand. However, many SMEs are trying to survive in their business by marketing their products through digital marketing, improving product and service quality, pricing strategies, promotion strategies, and product diversification, as well as taking advantage of opportunities that exist in the pandemic era. Digital Marketing can increase the income of SMEs in the midst of the Covid-19 pandemic so that it has an impact on increasing the welfare of the community. The importance of using optimal digital marketing can increase market share and sales of SME products. (Arfid Fathun Nadyan et al., 2021; Gbandi & Iyamu, 2022; Nafiuddin & Hamdan, 2020; Sunardi et al., 2020)

**Conclusion**

*Digital marketing* platform used for is *Social Media Marketing*, namely Facebook, Whatsapp, Instagram, and *Search Engine Marketing*. The impact felt by small and medium business actors from the application of *digital marketing* is that it makes it easier for business actors to promote their business, help increase their business income, it is easier to communicate with consumers but the application of *digital marketing* can also lead to unhealthy competition and even business products that can be easily imitated by business competitors. The role of digital
marketing can help small business actors to survive during the pandemic, facilitate marketing activities so that they can reach new consumers, as a medium of communication and marketing information that is more effective and up to date, cost effectiveness, and build brand awareness. can help in efforts to increase the income of small and medium business actors.

References


