

# Impact of social media on Innovation Performance for Multilevel Marketing Entrepreneur During Pandemic Covid-19, in Kecamatan Tamalanrea Makassar

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**Abstract.** The purpose of this study is to explore performance on Multilevel Marketing Entrepreneurs. Pandemic Covid-19 has changed Multilevel Marketing Entrepreneur performance. Social media become one of the marketing tools for MLM's to promote their business. This research involves fifth teen participants as objects. The Participants have been using social media for at least five years. The result indicates a significant relationship on social media and innovation performance for MLM's Entrepreneur.

**Keywords:** MLM Entrepreneur; social media; Pandemic Covid-19

## 1 Introduction

Multi-level marketing (MLM) also known as network marketing. MLM is a program in which is participants pay money to the program promoter in return for which participants receive the right to: additional participants or any other person into the program as a downline, or similar program grouping; to sell goods or services; and to receive compensation[1] provided that the compensation received by program participants comes from retail sales of goods or services, and not from recruiting additional participant.

Started in the 1940s, MLM provide an alternative business model, and adding an opportunity. By shifting the recruitment process, training and supervising of new participants onto the sales force[2]. MLM business model also has a new vocabulary such as: recruiters (upline), network (downline), "personal and grup volume". Product points determine the amount of compensation from purchases made by a distributor and their downline.

As technology growing rapidly, the MLM participants offer their product through social media. Create content in order to introduce their product to their followers. Many organizations are searching for new ways to improve their innovation[3]. During this covid-19 outbreaks, many people are affected, including MLM actors and also some businesses were closed. It takes an innovation in order to run a business as an MLM actors.

Become an important source of data and also business intelligence, social media has providing information about trends in the marketplace, and competitor's product[3]. Based on the previous explanation, this research will discuss about how social media impact to those does who work as an MLM. Which social media application contributed well.

## 2 Research Methods

This research is a qualitative design using narrative research. This research would analyze the informant stories and re-story into chronological presentation. During the process, researchers would actively as a team up with the informant providing the stories[4]. Informant choosing by snowball method. Is a method which informant has already been made use their social networks and refer the researcher to other who could potentially participant to the research[5].

## 3 Results and Discussion

Social media plays an important role in today's world. Impacting to our culture, economy, and overall view of the world. Anyone is empowered through their social media by free flow of access information to their knowledge. Social media also has removed communication barriers and open access for all to have participate in any field[6].

Covid-19 outbreaks make a huge impact to all society. Income decreased due to pandemic; a lot of people get laid off. One of the best solutions is being a business actors through MLM business. Kecamatan Tamalanrea has many MLM business actors with many types of MLM business. This research involves 15 informants with 3 types of MLM business (Health, skin care & Cosmetic, and household utensils).

**Table 1.** shows the result of MLM actors maximize the social media in order to fulfill their life necessities

MLM Actors	Type of social media	The impact of using social media
Health Potion; Health medicine; Health (milk); Health (Milk)	Facebook Instagram Whatsapp	<ul style="list-style-type: none"> <li>• Using Facebook more helping than other social media</li> <li>• There are a lot of followers on Facebook, and more active using Facebook</li> <li>• Facebook is one of the best places for selling our product, there are supported app for us to use.</li> <li>• Whatsapp also helping, because we could fast response to our customer</li> </ul>
Supplement product T; Supplement H; Supplement M	Facebook Instagram Whatsapp	<ul style="list-style-type: none"> <li>• There are a lot of followers on Facebook, and more active using Facebook</li> <li>• Facebook are supported app for us to use.</li> <li>• Whatsapp also helping, because we could fast response to our customer</li> </ul>
Essential Oils; Honey H; Skin care O; Skin care H; Skin care N; Skin care A	Facebook Instagram Whatsapp Tiktok app	<ul style="list-style-type: none"> <li>• Using Facebook not really helping for us to sell our product</li> <li>• There are a lot of competitors product or others sell their product</li> <li>• Tiktok app a new app that helping us, because we can make some videos with any music sounds background</li> </ul>

		<ul style="list-style-type: none"> <li>• Whatsapp helping us for fast response to our customer</li> </ul>
Household T; Household TU	Facebook Instagram Whatsapp Tiktok app	<ul style="list-style-type: none"> <li>• Using Facebook not really helping for us to sell our product</li> <li>• There are a lot of competitors product or others sell their product</li> <li>• Tiktok app a new app that helping us, because we can make some videos with any music sounds background</li> <li>• Whatsapp helping us for fast response to our customer</li> </ul>

#### 4 Conclusion

When the outbreaks hit the society, suddenly become a panic situation. Enforce people for social distancing, work from home, school at home, and many unusual activities. It also forces some business to find other path so that their business could survive. MLM actors also try to sell their product more actively. Using some social media apps such as Facebook; Instagram; Whatsapp; and Tiktok made MLM actors to create interesting content. Most of the social media have helping MLM actors survive during the Pandemic Covid-19.

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