

## **Enhancing Marketing for Small and Medium Enterprises Using Digital Marketplaces to Address Competition**

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### **ABSTRACT**

Micro, small, and medium enterprises (MSMEs) contribute significantly to community economic resilience and employment absorption. The challenges encountered include insufficient creativity and inadequate utilization of technology. Furthermore, marketing operations are conducted traditionally, and branding techniques are suboptimal. This community program aims to assist MSMEs in Padukuhan Jowah in formulating marketing strategies by leveraging digitalization through the establishment of Google Maps accounts and the optimization of social media platforms (Facebook, Instagram, and WhatsApp). The techniques employed in this service are observation, interviewing, and implementation. We facilitate partner engagement by providing guidance on the advantages of social media. The execution of the activity proceeded seamlessly, with all participants providing favorable feedback. We execute data acquisition on Google Maps accounts and social media for micro, small, and medium enterprises (MSMEs). Economic digitalization is considered more successful in enhancing the turnover of community MSMEs and supplying supplementary information and knowledge for the development of marketing strategies.

**Keywords: Digital Marketplace; Marketing; Competition**

### **INTRODUCTION**

Micro, Small, and Medium Enterprises (MSMEs) refer to independent entities engaged in the production of goods or services. These entities are operated by communities or groups of companies in various sectors of the economy. The difference between Micro Enterprises, Small Enterprises, Medium Enterprises, and Large Enterprises is mainly determined by the initial value of their assets (excluding land and buildings), average annual income, or the

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number of permanent employees (Maheshkar & Soni, 2021). The data comes from the Ministry of Cooperatives and Small and Medium Enterprises.

Currently, it is home to 65.4 million Micro, Small, and Medium Enterprises (MSMEs), which contribute to the employment of more than 114.7 million people. This number accounts for about 56% of the overall workforce in the country. In addition, it is noteworthy that Micro, Small, and Medium Enterprises (MSMEs) make a large contribution of more than 60% to the country's Gross Domestic Product (GDP). Based on data obtained from the Ministry of Cooperatives and Small and Medium Enterprises, it can be seen that the contribution of Micro, Small, and Medium Enterprises (MSMEs) to the Gross Domestic Product (GDP) showed a consistent upward trend before the start of pandemic reforms (Suprapti & Suparmi, 2022). However, this contribution has decreased to 37.3% in the midst of a global pandemic.

The number of micro, small, and medium enterprises (MSMEs) in the Do-It-Yourself (DIY) sector was reported to be 521,000 units. , as shown by statistics from the Central Statistics Agency (BPS). The majority of micro, small, and medium enterprises (MSMEs) come from the non-agricultural sector, which is around 98.7% of the total. According to this figure, it includes the total number of micro, small, and medium enterprises (MSMEs). Micro, Small, and Medium Enterprises (MSMEs) face various challenges, including a lack of technology, a lack of innovation, limited financial resources, and a lack of legal recognition. It is true that most of the independent micro, small, and medium enterprises (MSMEs), especially 87.22%, have not established partnerships of any kind. In addition, the majority of these companies, specifically 97.67%, have not taken the necessary steps to establish themselves as legal entities (Nuseir & Aljumah, 2020). Most micro, small, and medium enterprises (MSMEs) do not use technology in their operations. In the current era of digitalization, Micro, Small, and Medium Enterprises (MSMEs) are obliged to utilize technology to remain competitive. The findings of the study show that the majority, especially 90.96%, of micro, small, and medium enterprises (MSMEs) that do their own business (DIY) do not use computers in their business operations. only 9% of independent micro, small, and medium enterprises (MSMEs) use computer technology, while the majority, 81.66%, do not have internet access.

However, the Covid19 pandemic has not only had a bad impact; This has also provided many profitable results for micro, small, and medium enterprises, which are sometimes referred to as MSMEs. Indonesia's economy was severely affected by the Covid-19 outbreak that emerged in 2020. The sectors that feel the most impact are micro, small, and medium enterprises. Based on Firdaus Thaha's analysis, it is estimated that in 2020 the conditions faced by micro, small, and medium enterprises (MSMEs) will continue to deteriorate, moving from a decrease in production to a decrease in income. The Covid-19 epidemic has had a significant impact on a large number of entities in Indonesia, including 1,785 cooperatives and 163,713

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micro, small, and medium enterprises (MSMEs). The challenges faced by MSMEs in 2020 are caused by the decline in people's purchasing power, causing them to slump. According to the Central Statistics Agency, Indonesia's economic growth contracted in 2020 (4). The digitization process is able to reduce the occurrence of direct contact between people so that it can function as a mitigation mechanism for the potential transmission of the Covid-19 virus. Therefore, a big obstacle that needs attention is increasing literacy regarding the advantages of Micro, Small, and Medium Enterprises (MSMEs) that are engaged in the digital ecosystem and undergoing an incubation process to accelerate their readiness.

The implementation of the online sales model through the market presents challenges for micro, small, and medium enterprises (MSMEs) that want to survive and contribute to the Indonesian economy in the midst of the ongoing Covid-19 pandemic. The digitalization of Micro, Small, and Medium Enterprises (MSMEs) is an unavoidable phenomenon and is a solution for several MSMEs in Indonesia. In 2016, to encourage the implementation of digitalization and facilitate the ability of MSME stakeholders to navigate the ever-evolving business landscape, improving network capabilities and simplifying technology exchange is very important. This will enable MSME stakeholders to effectively address the challenges of trade competition. Based on the findings of the research, there are several strategies that can be carried out by micro, small, and medium enterprises (MSMEs) in the Kedinding area. These strategies include transitioning from conventional sales models to online or e-commerce platforms, implementing digital marketing techniques, building strong branding initiatives to promote their products, and improving the overall quality of their offerings and services. To improve comfort and foster relationships with the community and customers, while strengthening consumer trust (Ananda, 2022).

The government's current role is to formulate a comprehensive national economic recovery program specifically designed to meet the needs of micro, small, and medium enterprises (MSMEs). The program includes various measures such as facilitating access to raw materials, offering financial assistance, encouraging flexibility, and improving decision-making capabilities. More and more relaxation programs are being implemented to facilitate the recovery of Indonesian micro, small, and medium enterprises (MSMEs) from the adverse effects of the epidemic. The Ministry of State-Owned Enterprises (SOEs) is also responsible for advancing Micro, Small, and Medium Enterprises (MSMEs). Based on existing data, in 2020 there were around 530,000 MSME businesses under the management of SOEs in 2020. The Ministry of State-Owned Enterprises (SOEs) has implemented many initiatives, which aims to improve micro, small, and medium enterprises (MSMEs) through a three-phase approach: Go Modern, Go Digital, and Go Global. Currently, the number of Business Processing Agencies (BPR) throughout Indonesia has reached 245, accommodating more than

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530,000 registered Micro, Small, and Medium Enterprises (MSMEs). Another program available is the PaDi MSME program (digital market), which serves as a substantial procurement or offering initiative that can be accessed exclusively by the MSME sector (8). admits that marketing problems are a major obstacle to the growth of micro, small, and medium enterprises (MSMEs).

The successful implementation of digital transformation in the micro, small, and medium enterprises (MSMEs) sector requires collaboration between the government, the private sector, and MSME stakeholders. This collaborative effort is very important for the continuity, progress, and growth potential of MSMEs. The government's primary responsibility is to actively facilitate and pioneer the digital transformation process. The Sleman Regional Government has initiated measures to support micro, small, and medium enterprises (MSMEs) with programs that include the provision of free internet connectivity and the establishment of an online retail platform, which can be accessed through an app and website. Based on the Indonesia (2021) report, the online shopping business has reached a transaction value of 2 billion since it was first introduced in July 2020. Based on the information submitted by Mr. Dukuh Jowah, it was revealed that the adoption of information technology among micro, small, and medium enterprises (MSMEs) in Jowah Village is still limited. The main purpose of this service is to provide assistance to Micro, Small, and Medium Enterprises (MSMEs), with a special focus on Padukuhan Jowah. The goal is for company owners to maintain their businesses in the current era of digitalization through the creation of a Google Maps account. The Go Digital MSME program in Padukuhan Jowah is expected to be a forum for MSME actors in Padukuhan Jowah to market products and expand the company's expansion efforts.

## **RESEARCH ELABORATIONS**

The method used in this study by collecting data in this study is carried out in four ways: namely observation, interview, documentation, and triangulation/data matching. Observations were made on three components, namely websites, agents, and activities. Observation is carried out passively by observing the activities and behavior of MSME actors in Padukuhan Jowah. Initial Stage This stage is the first step in preparing for activities. Things that must be prepared include preparations for the selection of MSME targets, as well as the preparation of everything needed for field operational purposes. The Observation Stage This stage is a parachute to the scene of the incident, in this case the place of service is located in Padukuhan Jowah, Sisoagung Village, Kapanewon Godean, Sleman. This Stage of Data Collection is a step related to MSME data and information, the data obtained will help achieve the goals that have been set at the time of the implementation of

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Service activities. Data Management This stage is the final stage of service activities before the preparation of reports. At this stage, the data and information obtained during the observation stage are converted into necessary information and of course more useful and understandable than before (Wu & Parkvithee, 2017). Stage of creating a Google Maps account. Once the data and information obtained are collected, all the information will be converted into a document to create a Google Maps account. Conclusion Withdrawal This step is the last step. From the entire discussion, we can conclude and also propose the advantages and disadvantages of Community Entrepreneurial Data Collection Towards Go Digital Marketplace

## RESULTS AND DISCUSSIONS

The service activity carried out in Padukuhan Jowah received a very good response from Micro, Small, and Medium Enterprises (MSMEs). MSME actors carry out various business activities which include the sale of wet cakes, frozen pentol, eel chips, and telang flower powder drinks. The main purpose of the Padukuhan Jowah Community Service initiative is to provide assistance and coaching to Micro, Small, and Medium Enterprises (MSMEs) located in Padukuhan Jowah, with the aim of facilitating the creation of Google Maps and Social Media accounts for these businesses. In today's era of digitalization, the use of Google Maps accounts has an important meaning in facilitating and advancing commercial operations. The acquisition of technological knowledge is essential in contemporary society. The purpose of this effort is to provide assistance to micro, small, and medium enterprises (MSMEs) in Padukuhan Jowah, in recognition of their significant contribution to the Indonesian economy. Micro, Small, and Medium Enterprises (MSMEs) have the capacity to create many jobs and demonstrate exceptional entrepreneurial abilities in the community. Table 1 shows the results of a survey conducted on several business owners in Padujuha Jowah regarding the use of marketing media in Micro, Small, and Medium Enterprises (MSMEs). These identification findings were obtained from interviews conducted during home visits.

Table 1. Results of Pretest for Socialization ParticipantsThe results of this identification were obtained from the results of home visit interviews

MSME Owners	Ownership of business permits	Social Media Used	How to Market Products
1	Already Registered	Facebook Group Local	Offline
2	Already Registered	Not having a social media account	Offline
3	Already Registered	Facebook Group Local	Offline

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4	Already Registered	Facebook Group Local	Offline
Source: Query Processing			

On average, MSME owners market their products or services conventionally, by word of mouth, disseminating product information to the environment through stores or stalls and selling directly. There are still micro, small, and medium enterprises (MSMEs) that rely on mobile phones to run their business operations. The use of WhatsApp and Facebook as communication platforms has begun. Many people engage in marketing activities, however inconsistently, due to their low ability to produce promotional content. Most individuals who start their engagement with social media platforms choose to sell their products or services through WhatsApp stories or Facebook statuses. Based on the findings of interviews conducted with representatives of Micro, Small, and Medium Enterprises (MSMEs), it was revealed that the reason for their lack of social media updates was due to their exclusive focus on physical physical operations. Mortar companies. The majority of micro, small, and medium enterprises (MSMEs) are women who mostly carry out household chores and are often over 35 years old. As a result, their ability to utilize digital marketing strategies tends to be less than optimal. Many micro, small, and medium enterprises (MSMEs) experience limited human resources due to inadequate application management or lack of understanding of promotional efforts that can now be easily carried out (Budiono et al., 2020).

Some MSMEs have never implemented digital marketing, such as MSMEs with grilled outlets in the food sector that only market offline such as word of mouth. If marketed online, it will increase profits for business owners because the buyers do not only come from the community around Padukuhan Jowah. The same thing is also experienced by Catherine's MSMEs, which have not implemented the convenience of technology and social media in their marketing because they are constrained by their skills in using technology. Commonly used marketing is word-of-mouth and direct sales to various connections. All business segments can grow rapidly through the application of social media and marketplaces. Therefore, data collection is needed to encourage MSMEs to develop their businesses. Although many MSMEs have not made the most of technology in running their businesses, they are still excited to participate in this digital marketing data collection activity. They proactively ask how and strategy to market their products and services in the market and use social networks in their marketing activities.

The digital marketing material presented discusses the advantages and benefits of having a Google Maps and Social Media account. We provide assistance on how to create a Google Maps account for businesses owned by businesses, as well as teach how to upload products sold to Google Maps. MSME business actors participated in the activity with great enthusiasm.



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Participants were very enthusiastic in asking questions, their curiosity about the Marketplace was quite high, especially their enthusiasm to learn how to use Google Maps and Social Media. The trainees immediately practiced using their Google Maps accounts on their mobile phones. In addition to using Google Maps, we also educate about the importance of actively promoting products on social networks such as WhatsApp status, Instagram, and Facebook.

Based on the results of testimonials after data collection and support for creating Google Maps accounts for MSMEs in Padukuhan Jowah, all participants gave a positive response to this activity. Collecting data and creating a Google Maps account is considered very effective, providing additional information and knowledge, providing benefits and inspiration. All MSMEs want to practice using digital marketing to develop their business. The community also wants this business development activity to be carried out in a sustainable manner. Sales turnover that was previously unstable is now stable because MSME owners apply the results of the assistance provided properly and consistently. Achievements and achievements in delivering predetermined content effectively. The material submitted is in accordance with the needs of the participants. The content provided includes information about Product Rebranding practices and digital marketing as a strategic approach to gain a competitive advantage. This material is expected to improve the capabilities and capabilities of Human Resources (HR) and general management in Micro, Small, and Medium Enterprises (MSMEs). In general, this community service initiative was successful, this can be seen from the active involvement of the participants through responses, questions, and discussions, as well as the enthusiasm shown during the home visit

## **CONCLUSIONS**

The services carried out in Padukuhan Jowah have effectively completed data collection and provided support in the creation of Google Maps and Social Media accounts in particular. The proposed strategy includes the transition from a traditional sales model to an online platform. The proposed strategy includes a transition from a traditional sales model to an online or e-commerce platform, the application of digital marketing techniques, building a strong brand presence to increase product awareness, improving the quality of products and services to increase convenience, and fostering relationships with the community and customers to foster a higher level of consumer trust.

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