

# THE USE OF DIGITALIZATION OF INFORMATION IN DEVELOPING DIGITAL MARKETING FOR MSMEs

**Meida Rachmawati**

Universitas Ngudi Waluyo

\*Corresponding Author:

Meidaleanptsg@gmail.com

## Abstract

*Micro, Small, and Medium Enterprises (MSMEs) play a central role in economic growth, income distribution, and national stability. Digital marketing is key for MSMEs to promote their products and services, overcome time and distance constraints, and expand market reach. The implementation of digital marketing has a positive impact, enhancing visibility and market reach through website optimization, social media, and SEO strategies. Furthermore, digital marketing significantly contributes to increasing MSMEs' sales through the utilization of social media, e-commerce, and data analysis to understand consumer behavior. However, challenges such as limited resources and a lack of understanding of digital marketing still hinder MSMEs. Therefore, efforts for training and support are needed, along with the design of strategies tailored to the MSME business model to optimize the potential of digital marketing for their business success. In conclusion, the implementation of digital marketing is a strategic step that can provide a positive contribution to the growth and development of MSMEs in this digital era.*

**Keywords:** MSMEs, Digital Marketing, Social Media

## 1. INTRODUCTION

In the continuously evolving digital era, the transformation of information technology has had a significant impact on the business world. For Micro, Small, and Medium Enterprises (MSMEs), the digitalization of information is not merely an option but a necessity to remain relevant in an increasingly competitive market. In this context, digital marketing strategies have emerged as the key to expanding reach, enhancing visibility, and strengthening customer engagement. The adoption of digital marketing by MSMEs is driven by the ongoing advancements in information and communication technology, coupled with changes in consumer behavior favoring the

use of the internet and social media as sources of product and service information. (Afifah, 2018)

Despite the recognized vast potential of digital marketing, MSMEs face several challenges in adopting and integrating digital technology into their marketing strategies. (Tandos, 2021) These challenges include limited resources, a lack of understanding of the benefits of digital marketing, and uncertainties related to the implementation of new technologies. Therefore, a profound understanding of how information digitization can be optimized for the development of digital marketing strategies for MSMEs becomes crucial.

The importance of bridging this digital gap extends beyond a business perspective, encompassing the macroeconomic context. As the backbone of the local economy, the growth and sustainability of MSMEs are highly relevant to overall economic growth. Consequently, this research aims to investigate and provide insights into how MSMEs can leverage information digitization to enhance their marketing strategies, engage customers more effectively, and expand market share in an increasingly digital business ecosystem. The research is expected to provide a deeper understanding of the role of information digitization in the development of digital marketing strategies for MSMEs and offer practical guidance to enhance the success of MSMEs in this digital era.

## **2. RESEARCH METHODS**

In this research, a descriptive qualitative method approach is employed. Qualitative research is an investigative approach aimed at exploring, delving into, and understanding the meanings inherent in the experiences of individuals or groups of humans related to social issues (Sugiyono, 2019) This study utilizes a qualitative approach to delve into and describe the implications of analytical principles within the digital marketing strategies of Micro, Small, and Medium Enterprises (UMKM).

### **3. RESULTS AND DISCUSSION**

Micro, Small, and Medium Enterprises (MSMEs) are businesses with the capacity to create employment opportunities and provide economic services. These enterprises play a crucial role in income distribution, fostering economic growth, and contributing significantly to national stability (Noorman, 2018). MSMEs are the mainstay in various components of a country's economic growth, making it essential for them to receive opportunities, support, protection, and enhancement as a form of commitment to the people's economy (Agung Purnomo, 2020)

Digital marketing can provide support to business entities, especially MSMEs, in promoting and marketing their products and services. Through digital marketing, businesses can overcome limitations of time, distance, and communication methods, enabling them to access and expand into new markets that were previously closed or limited (Prabowo, 2018). The presence of the Internet, a result of information technology advancements, offers numerous advantages for small and medium-sized businesses (MSMEs) in promoting their products. Moreover, the Internet opens opportunities for MSMEs to collaborate with other companies. In the online world, rapidly growing technologies can easily connect many people without cost, creating new opportunities for MSMEs.

Digital marketing plays a crucial role in enhancing visibility and market reach for Micro, Small, and Medium Enterprises (MSMEs). Firstly, through digital platforms such as websites, social media, and search engines, MSMEs can establish and manage their online presence. With a responsive website and active social media presence, MSMEs can introduce their products and services to a broader audience. Through engaging content and proper marketing strategies, MSMEs can build a strong brand image and attract potential customers. Furthermore, digital marketing techniques like Search Engine Optimization (SEO) and online advertising can help MSMEs be easily found by potential customers through search engines (Hadian Artanto, 2017) By implementing effective SEO strategies, MSME websites can rank higher in search results, increasing the chances of being discovered by people seeking the products or services they offer. Meanwhile, online advertising on platforms like

Google Ads or social media provides opportunities for MSMEs to target specific audiences, reach potential consumer groups, and increase awareness of their products or services. Through a combination of these digital marketing strategies, MSMEs can achieve greater visibility, reach a wider market, and effectively compete in the digital business ecosystem.

The use of digital marketing by MSMEs has a significant positive impact on increasing product or service sales. Firstly, through the utilization of social media and e-commerce platforms, MSMEs can run more measured and effective sales campaigns. By leveraging advertising and promotion features on platforms like Facebook, Instagram, or online marketplaces, MSMEs can target audiences relevant to their consumer profiles (Ade Andri Hendriadi, 2019). By optimizing targeting, MSMEs can enhance the attractiveness of their products or services, capture the attention of relevant consumers, and ultimately increase the potential for sales conversions. Moreover, the use of marketing techniques and data analysis in digital marketing allows MSMEs to better understand consumer behavior. By tracking consumer interactions with online ads or content, MSMEs can adjust their marketing strategies to improve conversions. For instance, through retargeting, MSMEs can target users who previously showed interest but did not make a purchase. By presenting relevant ads or special offers, MSMEs can increase the likelihood of consumers completing transactions. Overall, the adoption of digital marketing provides MSMEs with effective tools to understand, reach, and influence consumers, thereby contributing positively to the increased sales of their products or services.

Although the use of digital marketing has great potential to benefit Micro, Small, and Medium Enterprises (MSMEs), there are several obstacles and challenges often encountered in the adoption process. One major constraint is the limitation of resources (Sitorus, 2022). Many MSMEs may have limited marketing budgets, making it challenging to allocate sufficient funds for effective digital marketing campaigns. Investments in website creation and maintenance or online advertising campaigns often require significant costs, and for MSMEs with limited resources, this can be a major hindrance. A lack of understanding of digital marketing concepts and strategies

is also a common challenge faced by MSMEs. Many MSME owners may not have adequate knowledge of various digital tools and platforms available or the best way to formulate online marketing strategies. This may be due to a lack of training or resources to understand the technical and analytical aspects of digital marketing. Therefore, efforts are needed to provide training and support to MSMEs to enhance their understanding of digital marketing concepts, allowing them to optimize the potential of online marketing for their business success.

To assist Micro, Small, and Medium Enterprises (MSMEs) in developing and optimizing the use of digital marketing, appropriate strategies, and recommendations are needed that align with the characteristics of MSME businesses. Firstly, MSMEs need to choose the most relevant digital platforms for their target market and the type of products or services they offer (Siska Meilya P.M, 2023). For example, if the primary target market is on social media platforms, MSMEs can focus their digital marketing efforts there. If products or services are more suitable for e-commerce platforms, such as online marketplaces, MSMEs can leverage advertising and promotion features there. The platform selection should be based on a deep understanding of consumer behavior and the presence of the MSMEs' target market. Furthermore, the integration of digital marketing with the MSMEs business model is a crucial step. MSMEs can use data collected from digital marketing campaigns to understand customer preferences, purchasing trends, and consumer behavior patterns. With this understanding, MSMEs can adjust sales strategies, create more appealing offers, and enhance the customer experience. Additionally, business model integration also includes logistics and customer service aspects. Ensuring that MSMEs have an efficient system to respond to customer requests and provide good after-sales service will increase customer satisfaction and help build a positive online reputation. With an integrated and tailored strategy aligned with the MSMEs business model, digital marketing can be an effective tool for developing and improving the performance of MSMEs businesses.

#### 4. CONCLUSION

Micro, Small, and Medium Enterprises (MSMEs) play a vital role in economic growth, income distribution, and national stability. Digital marketing has emerged as an effective tool for MSMEs to promote their products and services, overcome time and distance limitations, and expand their market reach. The implementation of digital marketing has a positive impact on enhancing the visibility and market reach of MSMEs through website optimization, social media, and SEO strategies. Additionally, digital marketing contributes positively to increasing the sales of MSMEs through the use of social media, e-commerce, and data analysis to understand consumer behavior. Nevertheless, there are still challenges, such as limited resources and a lack of understanding of digital marketing among MSMEs. Therefore, efforts are needed to provide training and support and to design strategies that align with the business model of MSMEs, enabling them to optimize the potential of digital marketing for their business success.

#### References

- Ade Andri Hendriadi, b. n. (2019). Pelatihan Digital Marketing Usaha Mikro, Kecil dan Menengah (UMKM) di Kabupaten Karawang. *Jurnal Pengabdian Masyarakat J-DINAMIKA*, Vol. 4, No. 2, 120.
- Afifah, A. N. (2018). Digital Marketing Adoption And The Influences Towards Business Successes Of MSMEs Creative Sector In Indonesia And Malaysia. *Jurnal Aplikasi Manajemen*, 377-386.
- Agung Purnomo, D. H. (2020). *Kewirausahaan Dan Umkm 1st Ed*. Medan: Yayasan Kita Menulis.
- Hadian Artanto, F. N. (2017). Penerapan SEO (Search Engine Optimization) Untuk Meningkatkan Penjualan Produk. *Journal of Information Technology and Computer Science (JOINTECS)* Vol. 1, No. 2, 2.
- Noorman, L. H. (2018). UMKM (Usaha Mikro, Kecil, Menengah) Dan Bentuk-Bentuk Usaha. *Jurnal UNISSULA PRESS*, 12.

- Prabowo, W. A. (2018). PENGARUH DIGITAL MARKETING TERHADAP ORGANIZATIONAL PERFORMANCE DENGAN INTELLECTUAL CAPITAL DAN PERCEIVED QUALITY SEBAGAI VARIABEL INTERVENING PADA INDUSTRI HOTEL BINTANG TIGA DI JAWA TIMUR. *Jurnal Manajemen Pemasaran*, Vol. 12, No. 2, 102-103.
- Siska Meilya P.M, S. F. (2023). PENERAPAN STRATEGI DIGITAL MARKETING PADA UMKM MAKANAN DAN MINUMAN KHAS GRESIK. *Seminar Nasional Pariwisata dan Kewirausahaan (SNPK)*, 490.
- Sitorus, R. A. (2022). Penerapan Digital Marketing Dalam Mempertahankan UMKM Di Masa Pandemi Covid-19. *Management Studies and Entrepreneurship Journal* Vol. 3, No. (4), 2284.
- Sugiyono. (2019). *Metode Penelitian Kuantitatif, Kualitatif dan Kombinasi (Mixed Methods)*, Cetakan ke 4. Bandung: Alfabeta.
- Tandos, D. T. (2021). Strategi Bisnis Online Para Pelaku UMKM Industri Makanan Selama Masa Pandemi COVID-19 di Jalan Jatayu. *Jurnal Kajian Dakwah dan Kemasyarakatan*, Vol. 25, No. (1), 176.