

Original Paper

Digital Marketing Optimization: Empowering Market Growth for MSMEs in Kahuku Village, East Likupang

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Abstract

Community Service is a core element of the Tridharma of Higher Education and a key responsibility of lecturers. This PKM (Community Service Program) focuses on Micro, Small, and Medium Enterprises (MSMEs) in Kahuku Village, Likupang Timur District, North Minahasa Regency, North Sulawesi Province. The goal is to optimize digital marketing to expand the market reach of MSMEs by using and managing information on the Google My Business platform. The PKM activities are conducted in a hybrid format, combining online sessions via Zoom and offline sessions in Kahuku Village on October 6, 2023, from 08:00 to 12:00 WIB. The implementation team includes lecturers from STEI Indonesia Jakarta, in collaboration with the Faculty of Economics and Business at Sam Ratulangi University, Nusa Utara Tahuna State Polytechnic, New Jerusalem Theological College Manado, and Pioneer Manado STEI. The primary participants are MSME operators in Kahuku Village. After participating in the program, participants are expected to enhance their business presence by showcasing their products on Google My Business. This initiative aims to help MSMEs in Kahuku Village attract tourists through effective digital marketing strategies, increase product visibility, and positively impact local economic development.

Keywords: MSMEs, Digital Marketing

JEL Classification: M31, O18, L26

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1. Introduction

Micro, Small, and Medium Enterprises (MSMEs) are the backbone and play a significant role in a country's economy. MSMEs are crucial to Indonesia's economy, contributing more than 60% to the country's Gross Domestic Product (GDP), which amounts to approximately Rp. 8,573 trillion annually. The growth of MSMEs continued to increase from 2015 to 2019. By 2022, the number of MSMEs registered on the OSS (Online Single Submission) platform had reached 8.71 million units, with locations spread across Indonesia.

Based on data from the Ministry of Cooperatives and SMEs, approximately 65 million MSMEs exist, but only 17.25 million, or roughly 26.5%, are integrated into the digital ecosystem. This figure must be raised to align with the increasing consumer preference for online shopping. Additionally, the limited adoption of rapidly advancing information technology among many MSMEs may contribute to their reduced competitiveness in digital marketing. If MSMEs can fully harness information technology for their marketing efforts, it is anticipated that their profits will grow, subsequently bolstering the national economy.

Information technology is currently believed to be a key factor in improving organizational performance (Talukder, Harris, & Mapunda, 2008; Talukder, 2011). Several studies have shown that information technology has a significant impact on increasing organizational performance worldwide (Koellinger, 2008; Tajvidi & Karami, 2017; Garrido-Moreno & Lockett, 2016). Similarly, one of the innovations in information technology, the internet, is considered one of the most influential discoveries in the field of information technology in the last century (Porter, 2001).

The internet's ability to support business activities has attracted attention and gained the support of entrepreneurs, executives, and investors. This is because the internet enables organizations to transfer skills, information, and knowledge effectively and efficiently (Talukder & Yeow, 2006; Owyang, 2009). Particularly for small and medium enterprises, the advent of the internet offers several significant advantages, such as opening new markets, promoting businesses, introducing new products, improving the quality of communication and online social networks, utilizing data from different areas, and building strong relationships with new business partners (Laudon & Traver, 2012).

The media that can be utilized for marketing include websites, social media, email databases, mobile/wireless platforms, and digital TV. These platforms can increase the target consumer base and provide insights into consumer profiles, behaviors, product values, and customer loyalty to achieve marketing goals. The digital era is indeed unavoidable. If a business wants to survive, MSME actors must be able to maximize digital developments. According to Chaffey and Chandwick (2016), Digital Marketing is the application of the internet and related digital technologies in conjunction with traditional communication to achieve marketing goals. Effective marketing communication strategies are essential to capture the intended market share and thereby increase sales (Pradiani, 2017).

Research indicates that internet technology, including social media, is widely used by companies around the world and has a positive impact on improving company performance. Therefore, efforts are needed to optimize its utilization by understanding the best ways to support company activities (Paniagua & Sapena, 2014). The shift in marketing communication patterns that leverage the internet from static to dynamic requires companies to understand the function of social media. It is essential to comprehend the functions of social media before implementing them as a communication medium to ensure the effective use of social media, which will be beneficial for the organization (Kietzmann et al., 2011).

Kahuku Village, located in East Likupang, represents a harmonious blend of tropical natural beauty and a community rich in local wisdom. This site on the coast, the village is surrounded by green hills that enhance the charm of its natural panorama. Amidst the stunning scenery and the community's coexistence with nature, Kahuku Village also has growing economic potential, particularly through the tourism sector. The villagers actively participate in developing eco-tourism businesses, making environmental sustainability their primary focus. With all its attractions, Kahuku Village is not only a breathtaking holiday destination but also a reflection of the harmonious synergy between nature and humanity. Through its unique culture and local wisdom, Kahuku Village continues to attract tourists seeking authentic and profound experiences amidst the natural beauty of Indonesia.

Based on the results of surveys and interviews, we have identified several issues faced by MSME actors in Kahuku Village, East Likupang District, North Minahasa Regency, North Sulawesi Province. One of the main problems is the suboptimal utilization of digital marketing as a marketing communication strategy, which limits the market reach for MSME actors. Additionally, many MSME actors still lack the ability to create effective marketing campaigns, whether narrative content or visual and audiovisual campaigns.

This PKM (Community Service Program) activity aims to fulfill the principles of the tridharma of higher education, which include education, research, and community service. Additionally, this activity serves as a requirement for the completion of the Lecturer Workload Report while contributing to community development and growth. By providing effective marketing strategies, this activity aims to have a positive impact on local economic development through the creation of narrative content, visual campaigns, and audiovisual campaigns tailored to the characteristics of the products and target markets. Consequently, the results of this activity are expected to increase market reach for MSME actors in Kahuku Village, significantly contribute to regional economic growth, and strengthen the role of higher education institutions in holistic community development.

2. Implementation

The method of implementing this activity is through an online workshop conducted practically both online and offline, with stages of material presentation followed by practical sessions conducted through online tutorials or guides and involving consultative processes before and after the workshop. The participants of this community service activity are MSME actors from Kahuku Village, East Likupang District, North Minahasa Regency, North Sulawesi Province. To realize the PKM program plan, the team has established the following work procedures: Planning the Activity: This stage involves coordinating team meetings, correspondence, identifying criteria, the number of speakers, scheduling activities, budget proposal submission, training program implementation, monitoring and evaluation, and the preparation of activity reports and writing scientific articles for national journals/mass media. Conducting Coordination Meetings: The team will hold coordination meetings to ensure all members are aligned with the plan and that responsibilities are clearly defined. These steps are crucial for ensuring the successful execution of the PKM program and achieving its intended goals of supporting MSME actors in Kahuku Village through effective digital marketing strategies.

3. Results

The Community Partnership Program (PKM) activity in Kahuku Village, East Likupang District, Minahasa Regency, North Sulawesi Province, was conducted online due to the constraints of direct access to the workshop location. The opening and management of the event were led by Preztika Ayu Ardheta as the MC. The event began with respect to the national anthem, "Indonesia Raya," followed by speeches and directions from Assoc. Prof. Drs. Ridwan Maronrong, M.Sc., and Prof. Dr. Anderson G Kumenaung, as the official opening of the event. Before the presentation of the Digital Marketing material, a pretest was conducted using a Google Form by Maya Mustika, SE., M.Ak., to measure the effectiveness of the training. The material started with a presentation from Dr. Gatot Prabantoro on the importance of marketing communication and business digitalization through the Google My Business application. However, participants had not fully mastered the introduced application. Next, the PKM Team opened a Q&A session moderated by Dr. Faris Faruqi and Dean Salomo Anthonio, SE., MBA. After the Q&A session, participants were asked to fill out the post-test evaluation.

After conducting the pretest before the material presentation, the findings indicated that the majority of MSME actors needed to gain knowledge about Google My Business and how to create it. However, the results of the post-test evaluation conducted after the material presentation and Q&A session showed significant improvement. Participants were identified to have gained a better understanding of digital marketing strategies and the use of Google My Business. Nevertheless,

some participants still needed help in registering their businesses on Google My Business, mostly due to time constraints during the material delivery.



Figure 1. Pemaparan Materi via zoom

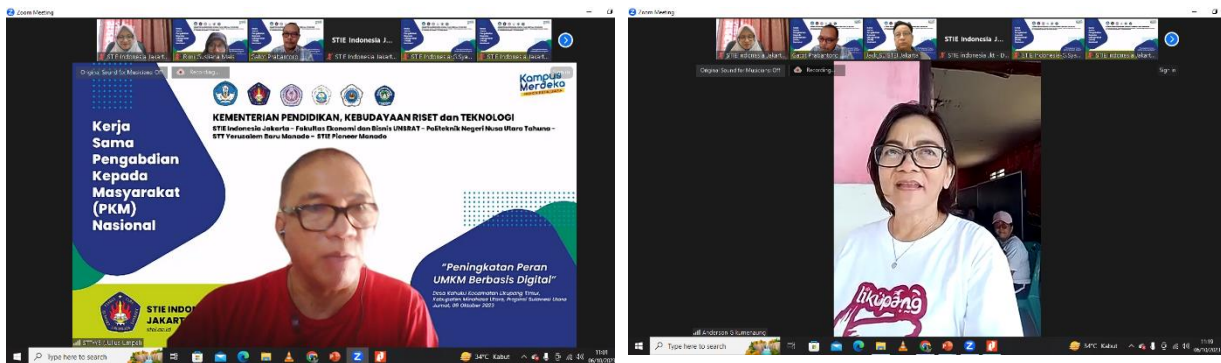


Figure 2. Sesi tanya jawab

4. Discussion and Benefits

From the conducted activities, it can be observed that MSME actors in Kahuku Village have increased awareness of the importance of digital marketing in running their businesses. This increased awareness demonstrates an understanding of the necessity to communicate their businesses through digital platforms to compete globally effectively. It illustrates that the implementation of these activities has had a positive impact on educating and inspiring MSME actors to adopt more modern and technology-relevant marketing strategies.

5. Conclusion

Based on the results of the digital marketing optimization workshop, there is still a knowledge gap in technology application among MSME actors. MSME actors still require further guidance in understanding how to expand and introduce their businesses through digital technology. With this activity, MSME actors in Kahuku Village are motivated to market their products and tourist destinations through digital platforms to develop their businesses.

Recommendations

For the next activity, we recommend focusing on enhancing understanding of digital technology through more in-depth training. We also suggest organizing practical sessions and consultations to provide participants with direct opportunities to apply the knowledge they have acquired.

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