Strategy for Strengthening MSMEs Capabilities : Implementation of Digital Marketing as A Means of Promotion and Commercialization of Business Products in the Kencana Village of Bogor City

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Abstract

Kencana Village has a lot of potential from the products produced by its people. Micro, Small and Medium Enterprises (MSMEs) in this area still market their products conventionally and have not marketed them through digital marketing. Even though digital marketing can really help MSMEs in the progress of their business. The large number of users of social media, e-commerce, Google and websites can be used as an opportunity for entrepreneurs to market the products they want. Increase the understanding and ability of the Kencana Village community regarding digitalization of MSMEs products, provide training regarding the use of digital media as a means of product promotion and commercialization, create an MSMEs website portal, and provide solutions related to problems experienced by local business actors in conducting sales and business promotions through digital media. The methods used are training and mentoring, media content creation practices, then data processing methods are also used through cobweb analysis and the Customer Satisfaction Index (CSI). The results of the spider analysis show that each competency parameter produces an average value of 4.76, indicating that all of them fall into the strongly agree category, as well as having a significant impact in increasing the knowledge and understanding of the participants. Meanwhile, research results regarding the level of satisfaction using the CSI method were found to be 89%, which shows that the public is satisfied with the training services provided. The results of this research are a) Increased understanding regarding digital marketing concepts and media that can be used to market MSME products, b) Increased skills related to creating product promotional content for social media and e-commerce, c) Creation of an MSME website which will be managed by the local MSME actors as a means of product promotion and commercialization, d) Motivation to implement digital marketing in Kencana Village, Bogor City.

Keywords: Strategy, Digital Marketing, Promotion, Commercialization, MSMEs

1. Introduction

Information technology is developing very dynamically, this development is bringing changes to various structures of people's lives, especially in the economic sector (Sulaiman et al., 2020). The industrial revolution 4.0 has also encouraged digital transformation in all aspects of life, and one of the sectors that is now quite heavily influenced is business. The challenges and opportunities of this revolution encourage innovation in the creation of processes and products, including in the economic field. The effect of this innovation causes massive disruption, namely digital innovation that can replace old technology with more efficient updates (Shahroom & Hussin, 2018; Andria, F. et al., 2022). The digitalization process has been adapted by almost all businesses throughout the world, including Indonesia. Over time, the marketing digitalization process can make products develop regardless of region (Musnaini, et al. 2020). Marketing, which was previously done manually, has now become completely digital, making it more competitive in national economic development (Musnaini et al., 2020 & Tosida et al., 2020).

Marketing strategies carried out digitally are not much different from marketing carried out conventionally. The difference only lies in the means of technology and information. If viewed from the efficiency of energy, time and place, digital marketing is considered more effective because the product marketing process does not take a long time (Arianto, B. 2020 & Annisa, et al., 2023). Marketing activities for this product can be carried out by utilizing social media or e-commerce which is currently popular with the public. The number of users in Social media, e-commerce, Google and websites can be used as opportunities for entrepreneurs to market the products they want (Burhanudin et al., 2022). However, even though online marketing has become a positive trend in various types of businesses, assistance is still needed in its implementation (Prasad et al., 2001).

Digitalization in the era of industrial revolution 4.0 is the key to economic growth. The rapid development of this technology also requires Micro, Small and Medium Enterprises (MSMEs) to play a role in moving the wheels of the Indonesian economy digitally (Annisa et al. 2023). The aim is that these business actors are not left behind by technological advances, and can face business competition swiftly. Gradually, this made MSMEs considered a crucial economic sector for the national economy, due to their contribution to Indonesia's GDP and success in reducing unemployment by absorbing quite a large number of workers, even though it was still on a national scale.

Digitalization itself has become part of our daily lives. In reality, people from various groups ranging from age, gender, social class, economy and culture can interact with each other without the limitations of space and time. The increase in smartphone ownership has changed consumer behavior today. It is not surprising that the growth and penetration rate of internet use, especially in Indonesia, is growing rapidly (Alamsyah et al., 2021). Digital marketing offers precise targeting for potential customers. This means that its use makes it easier for business actors to interact directly with customers, and see consumer engagement in real time, which enables the presentation of content that suits customer preferences. This process is alleged to be able to increase sales productivity (Pandey et al., 2020).

Several literatures show that digitalization in various forms is positively aligned with the growth, performance and competitiveness of small businesses. Digital marketing provides opportunities for small businesses to reach customers more efficiently (Rani et al., 2021). The use of digital technology-based marketing concepts gives hope for MSMEs to develop into centers of economic power (Febriyantoro & Arisandi, 2018). Reflecting on this, product commercialization efforts must inevitably be encouraged by implementing digital marketing concepts. The opportunities and benefits offered by this implementation require business actors to be familiar with, inspired and motivated by adopting technology. This is an incentive for the development and sustainability of MSMEs (Pandiangan et al., 2022).

Business opportunities in cyberspace, especially by applying this technology, should begin to be explored by various community businesses, both on a small and micro scale. Including Kencana Village, Tanah Sareal District, Bogor City, which has various home-scale MSMEs and has the potential to be developed. There are around 220 active business actors engaged in various fields such as food and beverages, hand crafts, foodstuffs, fashion, and others. This has great potential for digital development. However, the businesses that run on average are still quite simple on a micro scale and are run by households independently. So many MSME sectors that have not adapted digitally are lagging behind in terms of increasing business potential. To optimize the marketing potential of MSME Kencana products, information media and public digitalization are needed so that their existence can be more widely known. Apart from that, there is also a need for media that can be used as a means of product commercialization to support increased sales.

In practice, the majority of MSME actors in the region still face various difficulties and obstacles, including product marketing which is still carried out conventionally, limited knowledge and skills related to digitalization and commercialization of business products, lack of self-awareness regarding the use of digital marketing for a business, and many do not yet have a digital-based platform so they still depend on local promotions via WhatsApp and word of mouth. Limitations in the use of modern technology can hamper the ability of MSMEs to increase their efficiency and competitiveness, considering the importance of utilizing advances in information technology to maximize existing potential (Pahmi, 2020).

This phenomenon clearly needs to be responded to wisely so that MSME players can look for alternatives to sell and market their products. Therefore, training and mentoring activities are carried out for the community, especially MSMEs in Kencana Village in the context of expanding competencies, skills and capabilities related to digital marketing. It is hoped that this program will make local MSME players understand more about the importance of

implementing digital marketing to be able to compete in the market, improve promotion and product quality, ease digital access and service sales of the products they have.

2. Materials and Methods

The methods and approaches used in this research are based on descriptive and normative judicial analysis. Questionnaires were used as a data collection tool, with respondents who were MSME actors in Kencana Village. Data collection is carried out to obtain maximum accurate and valid results. The questionnaire used uses a Likert scale which has different value weights for each option (Plano Clark, 2017).

The research objects in this activity were MSME actors in Kencana Village, Tanah Sareal, Bogor City, with a total research sample of 40 MSME actors. Based on the source, the data used is primary data obtained from observations and written interviews. Then the data is processed using cobweb analysis and quantitative analysis using the Customer Satisfaction Index (CSI).

3. Results and Discussion

3.1. Education and Implementation

This activity began with a visit to Kencana Village, Tanah Sareal District to see the conditions and problems experienced by partners. Based on the results of the visit, an agreement was obtained on alternative problem solving solutions, preparation of activity plans, and forms of partner participation in this activity. The solution plans offered include increasing the knowledge, skills and capabilities of local MSME players regarding the application of digital marketing, how to apply it, and introducing and creating websites for the purpose of promoting and commercializing community business products. Apart from that, additional activities are provided in the form of carrying out product photos for display cases on the website and can be used by MSMEs to carry out independent promotions on their respective social media. Digital marketing is an important facilitator of MSME activities in increasing Indonesia's annual economic growth (Kano et al., 2022).
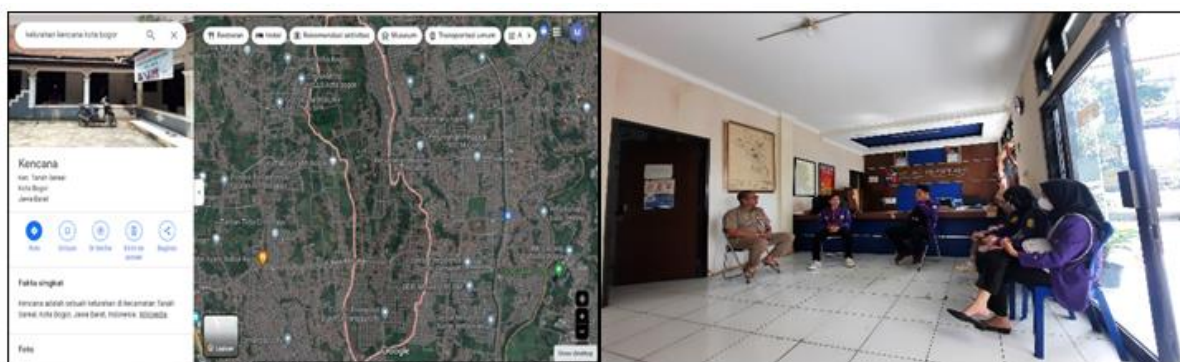
Figure 1: Map of the Kencana Area and Socialization of Activities

After collecting information and identifying existing problems, the next step is to organize training. The training was held in the Kencana Village Office Hall, Tanah Sareal District, Bogor City. At this educational stage, material is provided regarding the introduction and use of digital marketing to improve the competence and skills of MSME players.

The training method is carried out through face-to-face teaching between the resource person and the audience, equipped with the help of presentation media such as laptops, infocus, supporting materials and various other instruments. In more detail, the material provided includes an overview of digital marketing phenomena, basic introduction to digital marketing, concepts, strategies, types of digital marketing, processes, technical implementation and market research, as well as how to create digital content. This type of digital marketing includes many techniques and practices in its marketing category, one of which is e-commerce which requires technological advances related to digital marketing (Hasyim et al., 2022).

**Figure 2**: Presentation of material by the resource person

During the training session, participants were directed to carry out direct practice in creating product content for social media and e-commerce. This training also provides an opportunity for business actors to ask questions or complaints regarding the problems they are experiencing, to be followed up by the team and resource persons regarding solutions that can be explored. This training is specifically to help MSMEs improve business performance by embracing digital marketing and reaching audiences on various devices and platforms with the information they want (Olazo, 2022).

Figure 3: Practices for Creating Social Media Content

3.2. Creation of MSME Website Portal

The rapid development of information technology opens up opportunities for MSME players to make improvements in line with high market trends (Suryawardani et al., 2021). Based on the results of the initial survey, Kencana Village MSMEs do not yet have digital information, promotion or commercialization media. Apart from that, some of them are not yet proficient in using information technology, so the MSME Kencana website portal was created as a forum that can facilitate marketing access, promotional strategies and commercialization of business products. Promotional media carried out through the use of internet technology such as websites, is expected to increase sales and build communication interactions with a wide range of customers (Prasad et al., 2001). Based on the results of coordination and discussions with partner groups, a website design that suits your needs can be identified, with the domain name bumisakencana.id. The following displays the resulting website.
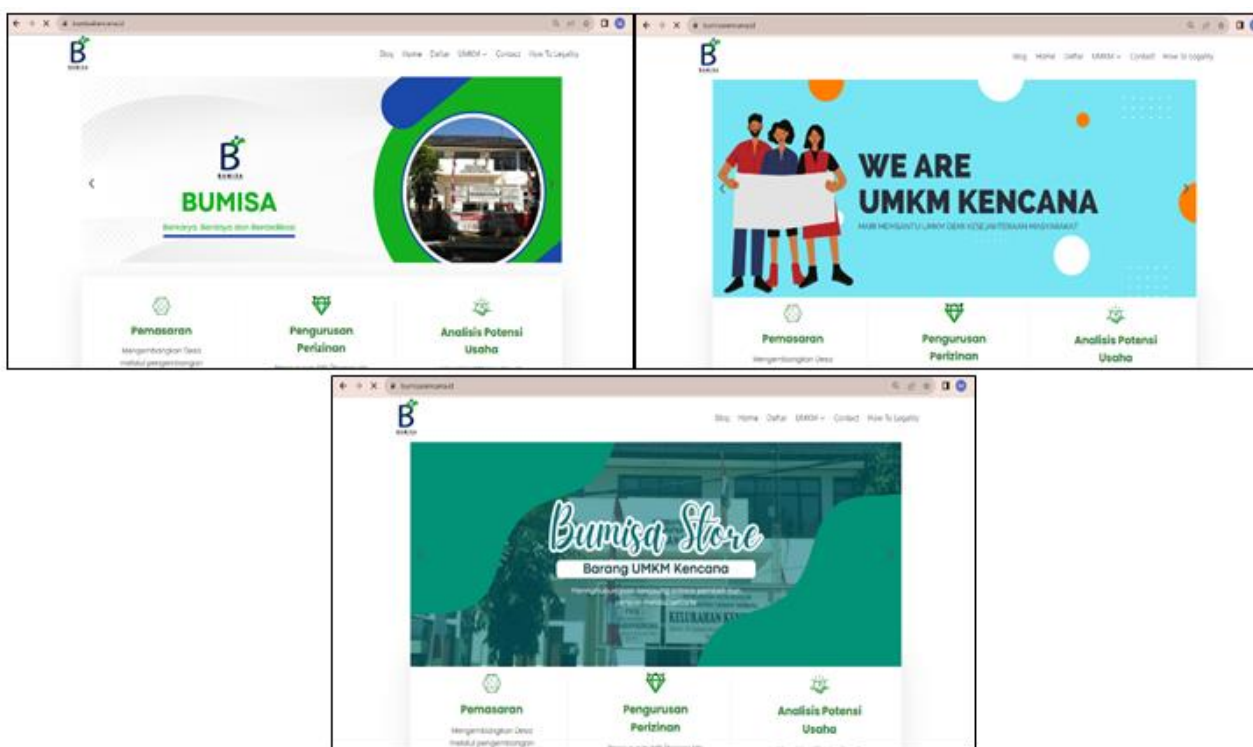
Figure 4: MSME Website Display

This website can be used by Kencana Village MSMEs who are members of the Community-Owned Enterprise Association (BUMISA), for the purpose of promotion and commercialization of their business products. Then, after the website portal was formed, the team also provided additional assistance regarding the creation of product photos that would be used in promotions on the website, as in the following examples of images.

Figure 5: Examples of MSME Product Photos

Apart from being uploaded to the website portal, product photos can also be used by MSME players to promote their products on other media or platforms such as Facebook, Instagram or e-commerce so that the appearance of the products presented is more attractive and has more aesthetic value in the eyes of consumers.

Training and assistance related to the use and management of digital information systems (websites) are also carried out to educate partners. The training is specifically for partner members who are assigned as website management admins, but is open to other members who want to learn. Starting with providing insight and understanding regarding

the internet, tutorials on logging into the website with the account that has been created, introducing features, adding or deleting product information and so on until partners really understand and are able to manage the website continuously. The greater the level of active participation in training activities, the more information will be obtained and can be applied directly in activities (Pérez-Belis et al., 2017).

Figure 6: Socialization and Assistance in Using the Website

3.3. Spider Web Analysis

After the entire series of activities was completed, the implementing team distributed post-test questionnaires to the participants. The aim of distributing and filling out questionnaires is to find out the extent of the impact and benefits of attending this training for MSME participants. The questionnaire was carried out by providing a statement regarding the participant's competency before and after the activity.

Table 1: Participants' Competency Parameters Before and After the Activity

No	Parameter	Before	After
1	Interest in the use of digital promotional media	2.88	4.85
2	Understanding of digital marketing	2.13	4.7
3	Knowledge of digital marketing concepts and strategies	2.28	4.68
4	Understanding of the technical implementation of digital marketing strategies	2.13	4.7
5	There is an increase in sales	2.5	4.85

The average score table is then interpreted in the form of a spider web graph as presented in the image below.
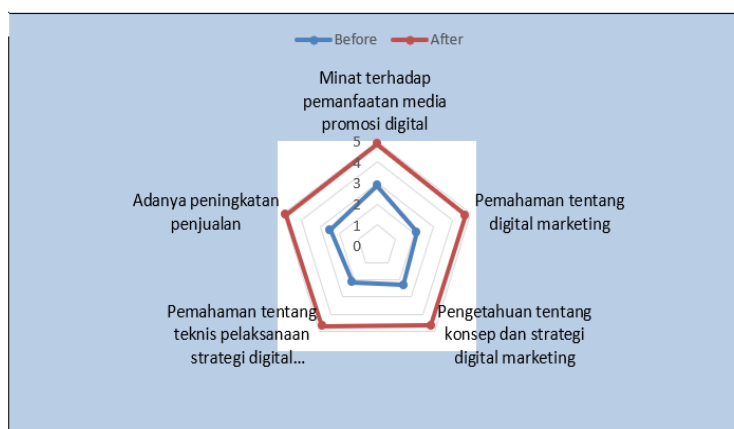

Figure 7: Questionnaire Results Graph

The image shows the results of the evaluation and monitoring carried out after the implementation of training and mentoring activities by the Ormawa PPK Team. The diagram above shows the lines that determine the values of all existing parameters. Based on the parameters of all competency indicators that have been processed, the overall parameter indicators produce an average value of 4.76, indicating that they all fall into the strongly agree category, and have a significant impact on increasing the knowledge and understanding of the participants. This activity is not

only able to reach potential consumers in the Kencana Village area, but will also spread to national and even international markets and can attract new potential partners to collaborate with by selecting and establishing the right strategy or program, in order to obtain maximum results in utilization of digitalization.

The success of this activity was able to run well, thanks to the support from various related parties: 1) the training materials and methods were in accordance with the problems and conditions currently faced by the MSME community, 2) the training participants were able to take part in the event with high enthusiasm and filled in pre-questions. -test and post-test well, 3) participants can easily absorb the information provided, 4) the target's high interest in learning to increase insight and understanding regarding the use of digital marketing in efforts to commercialize MSME products in Kencana Village, and 5) target support (Kencana Village officials, Karang Taruna, and local MSME actors).

3.4. Customer Satisfaction Index (CSI)

Customer Satisfaction Index (CSI) is an index to determine the level of customer satisfaction comprehensive with a considered approach the level of importance of product or service attributes that is measured (Bhote, KR, 1996).

In implementing the CSI method, will a questionnaire is created which will later be filled in by consumers and produces data in the form of levels of satisfaction that have been achieved achieved. In making the questionnaire, several steps must be taken, namely:

a.   Determining the Scale of Importance

As a guide for customers to assess the level of importance of service quality, use a Likert scale with a value of 1-5. As seen in Table 2.

Table 2: Likert Scale of Level of Importance

Weight	Information
1	Very Unimportant (STP)
2	Not Important (TP)
3	Moderately Important (CP)
4	Important (P)
5	Very Important (SP)

b.   Determining the Level of Satisfaction/Performance Scale (Performance)

As a guide for customers to assess the level of service quality performance, using a Likert scale with a value of 1-5. As seen in Table 3.

Table 3. Performance Level Likert Scale

Weight	Information
1	Very Dissatisfied (STP)
2	Dissatisfied (TP)
3	Quite Satisfied (CP)
4	Satisfied (P)
5	Very Satisfied (SP)

c.   Determining Question Indicators

In measuring service quality factors, the SERVQUAL model is used, which consists of five indicators, namely Reliability, Assurance, Responsiveness, Tangible, and Emphaty. As seen in Table 4.

Table 4. Question Indicator Table

No	Statement	Code (Importance)	Code (Performance)
Reliability:			
1	The material presented is structured and easy to understand	I1	P1
2	The material presented is relevant and in accordance with my needs for digital promotion	I2	P2

	Assurance:		
3	The time allocation for delivering material is just right, no less and no more	I3	P3
4	The resource person conveyed the content of the material well, easy to understand and implement	I4	P4
	Responsiveness:		
5	Having the opportunity to conduct discussions through questions and answers can strengthen respondents' understanding	I4	P5
6	The presenter provides appropriate answers to the questions asked	I5	P6
	Tangibles:		
7	The training room facilities are quite complete according to your needs	I6	P7
8	The food provided is very suitable for participants	I7	P8
	Empathy:		
9	The Implementation Team can handle every complaint and question quickly and precisely	I8	P9
10	The Implementation Team always offers assistance to every respondent who needs it	I9	P10

3.4.1. Manual Calculation
a. Determining the Mean Importance Score (MIS) and Mean Satisfaction Score (MSS) as Table 5.

Table 5. Calculation of Mean Importance Score (MIS) and Mean Satisfaction Score (MSS)

No	MIS	M.S.S
1	4.725	4.475
2	4.55	4.5
3	4.6	4.15
4	5	3.975
5	4.85	4.8
6	4.6	4.325
7	4.3	4.325
8	4.675	4.425
9	4.85	4.775
10	4.775	4.725
Amount	46.925	44.475

b. Calculating Weight Factor (WF) and Weight Score (WS) as Table 6.

Table 6. Weight Factor (WF) and Weight Score (WS)

NO	WF	WS
1	0.10	0.45
2	0.10	0.44
3	0.10	0.41
4	0.11	0.42
5	0.10	0.50
6	0.10	0.42
7	0.09	0.40
8	0.10	0.44
9	0.10	0.49
10	0.10	0.48

c. Calculating Total Weight (WT)

WT = 0.45 + 0.44 + 0.41 + 0.42+ 0.50 + 0.42 + 0.40 + 0.44 + 0.49 + 0.48 = 4.45

d. Calculating the Customer Satisfaction Index (CSI)

$CSI = \frac{4.45}{5} = 0.89 = 89\%$

The final result is 89%, based on Table 7 below, meaning consumers are very satisfied.

Table 7. Satisfaction Level Criteria Table

No	CSI Value (%)	Description (CSI)
1	81% - 100%	Very satisfied
2	66% - 80.99%	Satisfied
3	51% - 65.99%	Quite satisfied
4	35% - 50.99%	Less satisfied
5	0% - 34.99%	Not satisfied

4. Conclusion

This digital marketing training activity was carried out well and resulted in target achievements in line with the initial expectations and objectives set. This training has had a significant influence in developing digital marketing potential which has not been well coordinated (Figure 7). Knowledge of MSME actors increased from an average value of 2.38% to 4.76%. Then based on the mapping carried out by spider web analysis, in this activity, the community: 1) has a high interest in the use of digital promotions, 2) understands the concepts and strategies of digital marketing, 3) understands the technical implementation of digital marketing, and 4) experienced an increase in sales.

The level of public satisfaction in participating in this digital marketing training activity, using the Customer Satisfaction Index (CSI) calculation method, produces a satisfaction value of 89%. Based on the consumer satisfaction index table, this percentage shows that respondents are very satisfied with the training that has been provided.

It is hoped that the end of this training activity will be the beginning of developing the abilities of Kencana Village MSME players, to be able to utilize digital marketing strategies as a means of promoting and commercializing their products in order to reach a wider market share and increase the profitability of their business. Apart from that, understanding the importance of digital marketing needs to continue to be promoted among MSME players so that their businesses can compete with other products on the global stage.

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