

Business Promotion Innovation Through Media Digital as a Marketing Communication for MSMEs

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Abstract: *Rapid technological developments impacted Micro, Small, and Medium Enterprises (MSMEs). One of the impacts is the ease of doing business promotions through social media as a marketing communication medium. Marketing communication plays a very important role for marketers. Without communication, consumers and society will not know the product's existence in the market. This study analyzes business promotion innovations through YouTube and TikTok as marketing communication media for MSMEs. This study uses a qualitative descriptive approach to interpret the phenomenon of business promotion innovation that occurs while advancing technology. The research method used is a case study. Data were collected by conducting in-depth interviews with three MSMEs founders. In addition, observations were made by systematically observing and recording business promotions carried out by informants. The data analysis technique is carried out by organizing and sorting the data, which is then analyzed, described, analyzed, interpreted, and categorized. Next, the researcher checked the validity of the data and interpreted data. The results of this study indicate that YouTube and TikTok provide opportunities for MSMEs founders to interact more closely with consumers. Media marketing communication through YouTube and TikTok is a medium to form an online community that can help MSMEs founders introduce their products to a wider market reach. In addition, this study describes the conditions for developing digital media technology for business promotion carried out by MSMEs. Therefore, this research implies that MSMEs founders need training to improve product promotion through YouTube and TikTok.*

Keywords: *Business Promotion, Marketing Communication, Smes, Tiktok, Youtube*

Introduction

Social media, in its development, is increasingly becoming a medium used by many parties. Almost all levels of society access and use social media. According to Parsons and Lepkowska-White (2018), the use of social media in the community is very diverse, such as self-existence, friendship, or as a medium for business promotion. Before using social media as an alternative media for business promotion, MSMEs entrepreneurs spent more on conventional advertising and promotions compared to promotions through digital media (Fauzi & Sheng, 2020). In addition, conventional promotions that are carried out often

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experience obstacles, namely requiring a large enough capital to rent a place. However, nowadays, the emergence of social media helps the business world both in the promotion process and the development of the business (Achen, 2017; Wu, 2020). To attract consumers' attention, it takes creativity to make captions on social media or create interesting content so that consumers are interested in buying. The growing number of social media requires business people to be careful in using and choosing the right and suitable social media for the products on offer (Mason et al., 2021). Social media in its development consists of Facebook, Instagram, Twitter, YouTube, and Tik Tok. Before new social media emerged, Facebook and Instagram were used as platforms for online business. However, technological advances that continue to grow daily give rise to YouTube and Tik Tok as media for business promotion (Du et al., 2020).

On the other hand, YouTube is an effective medium for MSMEs founders because some previous studies have shown that social media can increase product sales profits by creating content (Shay & Van Der Horst, 2019). However, not all MSMEs founders use YouTube as a promotional medium but only to create content and get entertainment. In addition, YouTube as a digital medium can provide useful information. Therefore, MSMEs founders should use YouTube effectively as their business innovation. Besides YouTube, the digital media that MSMEs founders can use is TikTok. TikTok is a digital medium that can provide information to the public (Du et al., 2020). The existence of YouTube and TikTok as the above social media platforms is currently more of a means of seeking entertainment and information (Wang & Chan-Olmsted, 2020). Thus, the intensity of the use of the two platforms has not been maximized, especially for MSMEs founders. The emergence of YouTube and TikTok as alternative promotional media allows MSMEs founders to minimize the cost of promoting their products. So, it is very appropriate if marketing business products or MSMEs to use YouTube and TikTok media as advertising promotion media (Telukdarie et al., 2022).

MSMEs in Indonesia has an important role in the national economy, especially in their contribution to Gross Domestic Product (GDP) (Tambunan, 2021). MSMEs have a strategic role in national economic development. In addition to playing a role in economic growth and employment, MSMEs also play a role in the distribution of development results. Therefore, the presence of YouTube and TikTok can make MSMEs more innovative and known in Indonesia and internationally. Thus, MSMEs can take advantage of national resources, including using labor following the interests of the people and achieving maximum economic growth (Kadarisman, 2019). In addition, MSMEs have shown their role in creating job opportunities and as one of the essential sources of the growth of Gross Domestic Product (GDP). Therefore, MSMEs significantly contribute to Indonesia's industrial, trade, and transportation economic growth. This important role of MSMEs must be maintained. However, not all MSMEs have the opportunity to use digital media as a promotional tool. Even though most MSMEs founders live in capital cities where technology is developing rapidly, it does not guarantee their understanding and knowledge of the latest technology. This is due to the lack of ability of MSMEs founders to use technology. So, they are left behind in being able to develop their business digitally. However, the government in

Indonesia strives to continue to socialize training activities on the use of social media as a promotional tool for MSMEs founders (Syuhada & Gambett, 2013).

Although training on the use of social media for business promotion is carried out, not a few still use the process of selling products and marketing with conventional models or still using the old promotion method, namely through word-of-mouth (Hu et al., 2018). In addition, there are still MSMEs founders who do promotions using posters, leaflets, and banners that read their products. This condition is a challenge for MSMEs in the capital city area. This is because technology access is easy to obtain, but the lack of ability makes MSME founders still trapped in conventional promotions. Therefore, this study seeks to analyze the use of YouTube and TikTok as media for promoting MSMEs in East Jakarta.

Literature Review

Marketing Communication Media

The technological revolution has brought about many new types of media, which are now playing a major role in disseminating information and entertainment to populations across the globe. Digital media is a content format that can be accessed by media devices (Guinibert, 2022). This digital media can be in the form of websites, blogs, social media, digital images and videos, digital audio, and others. One of the largest visual digital media is YouTube, which hosts billions of videos. At the same time, social media includes sites such as Twitter, Facebook, Instagram, LinkedIn, and Snapchat (Horst et al., 2020). Social media is a website-based feature that can form a network and allow people to interact in a community (Kite et al., 2016). The benefits of social media are determining the desired personal branding, finding the right environment, and learning how to communicate for consistency. Persuasive exchange of information and negotiation are all part of the process. One part of the total marketing communication process is promotion. Promotion can help parties involved in marketing to improve exchange relationships with others. Another part of the communication process is feedback. This feedback shows the impact of the communication and provides the possibility to adapt promotional efforts to market demands. Communication in marketing can be divided into three important parts: the communicator who acts as a sender, the receiver who will receive news from the communicator, and a tool to convey messages in the form of a channel that acts as a news channel media. Therefore, marketing communications allow companies to connect their brands with people, places, events, brands, experiences, feelings, and other things. Indeed, marketing communication also contributed to brand equity by imprinting brands in memory and creating their image, as well as driving sales and even influencing share value (Shin & Chang, 2013)

MSMEs in Indonesia

Micro, Small, and Medium Enterprises (MSMEs) are one of the popular business practices among the community. The full definition and rules have been formulated in Law Number 20 of 2008. MSMEs are businesses run by individuals, households, and small business entities. Several special characteristics distinguish MSMEs from other businesses, namely the types of goods or commodities that can change at any time or are not fixed. The place of business for the MSME sector can also move around if needed. In addition, this business also does not

have adequate administrative implementation. The characteristics of MSME businesses can also be seen in their human resources, which do not yet have a honed entrepreneurial spirit (Sutrisno, 2020). Most perpetrators do not have access to banking and do not have a business license or other legality, such as a taxpayer identification number (NPWP). Although not all MSMEs have professional financial management, permits, and other legalities, their existence plays an important role in the country's economy.

MSMEs in Indonesia play a role in encouraging economic equality (Noor Salim et al., 2020). Thus, people in rural areas have the opportunity to access goods and services or other primary needs around their place of residence. In addition, MSMEs can support the economy in critical situations, as was the case with the economic crisis in 1998 (Tambunan, 2021). On the other hand, during the Covid-19 pandemic, the MSME sector was able to adapt to a number of policies and participate in helping to suppress the spread of the Covid-19 virus (Sutrisno, 2020). Several factors can trigger the development of MSMEs in Indonesia, one of which is information and communication technology (Fauzi & Sheng, 2020). In 2017, around eight million MSME units had gone digital. Using good and appropriate technology can be the foundation of the success of MSMEs in competing with giant businesses in Indonesia (Situmorang et al., 2019). In addition, its development cannot be separated from banking support.

Methodology

Research Design

In this qualitative research, we systematically provide a basic picture of a condition and use descriptive analysis (Creswell, 2017). This case study is used to understand and investigate a problem or event that has occurred through the collection of various kinds of information, which is then processed to obtain a solution to solve a problem (Yin, 2009). In determining the informants, the researchers adjusted to the research objectives. This is in line with sources. Informants are sources of data in qualitative research to obtain information needed in research (Creswell, 2017).

For this reason, through these informants, researchers can dig deeper into information related to research. The informants are MSMEs founders who have businesses in the fields of crafts, beverages, and food. In addition, the informants have social media and smartphones. Based on Bank Indonesia data, the number of MSMEs in the East Jakarta Region is the highest compared to other areas in the Capital City of DKI Jakarta, namely 222. Therefore, the researchers chose MSMEs founder informants who live in the East Jakarta area.

Data Collected

Data were collected by conducting in-depth interviews and observations. Researchers conducted in-depth interviews to learn more about the business innovations by MSMEs founders in improving marketing communications. Thus, interviews were conducted face-to-face. This is because, at the time of the interview, it is not only spoken words (verbal) that are of concern, but also body posture (non-verbal) can be a source of information. The in-depth interview process was carried out for 120 minutes for each informant. Researchers conducted interviews for three days for 40 minutes each. The informant determined the interview

location. Thus, interviews were conducted at the informant's home and place of business. To collect data through interviews, researchers used a tape recorder. Tape recorders are used to facilitate researchers in transcribing interview results.

In addition, researchers use observation to observe and record systematically directly and indirectly at the place being observed. Researchers directly observed three MSMEs in the East Jakarta area by visiting their place of business at home and in stores. Observations were made to observe the founders' marketing communication process. Direct observation activities are carried out four times in one month. The observation process was carried out four times in one month.

Meanwhile, indirect observation was carried out by observing the social media accounts of MSMEs founders. This activity is carried out five times a month. This indirect observation aims to identify business promotion innovations by MSME founders. In addition, identify the difficulties they face in using social media as a promotional medium.

Data Analysis

Yin (2009) defines data analysis as a process that details efforts to formally find themes and formulate hypotheses (ideas) as suggested and as an attempt to provide assistance and hypothetical themes. Data collected through in-depth interviews and observations are then entered into several categories or coded as the results of observations in the data analysis process. The data obtained is then analyzed, described, analyzed, interpreted, and then arranged in units, categorizing the data then the researcher checks the validity of the data and ends with interpreting the data. After the data was collected, the researcher carried out the data reduction process. The presentation of the data was carried out by researchers using interpretive analysis. Researchers also carried out triangulation to test the validity of the data (Bowen, 2009). Triangulation was carried out on sources of information, research journals, reference books, and existing data. Triangulation of information sources will be carried out by researchers to resource persons, namely MSMEs founders.

Findings & Discussion

The application of knowledge and technology in the business world is related to the use of digital media. The use of digital media is closely related to aspects of marketing strategy in business development. Thus, in the marketing communication process, digital media becomes a tool that can be used to promote MSMEs products. However, the observations made by researchers on the three MSMEs founders, namely A, B, and C, found that they have smartphones as communication tools but do not yet have the expertise to use them properly. When conducting the interview, the researcher observed that informants A and B were already using smartphones to conduct promotions. It is just that the promotions that are being carried out are still limited to updating the status on WhatsApp stories. One participant of this study who has MSMEs stated that;

I am confused about starting to use apps like YouTube and TikTok for promotion. Because I don't understand how to promote by YouTube and TikTok. Usually, I use WhatsApp stories to promote products. For

YouTube, we have to make a video first. Not necessarily the product being marketed sells. (A, MSMEs founder)

The results of the interview show that the promotions carried out by A are digital. However, founder A still has not maximized the use of digital media for promotion. In addition, the findings of this study illustrate that marketing communication through digital media makes it easier for entrepreneurs to monitor and provide for all the needs and desires of potential consumers.

Introducing products through social media makes an impact and makes it easier for me as a seller. Usually, I use social media Facebook. Because I have quite a lot of friends on Facebook. I want to try using YouTube media, but it's hard to do because I do not understand. Especially if you want to make videos on YouTube or TikTok, the smartphone you use must be appropriate and good. Because if you have a smartphone like me, the camera is not that good when making videos. (B, MSMEs founder)

Social media presence makes it easy for sellers to promote their products. However, A and B have the same obstacles when they want to do marketing communications through digital media. On the other hand, potential consumers can also search and obtain product information only by browsing the virtual world so as to facilitate the search process. It is the same with sellers who easily offer their products through social media. Therefore, technology makes buyers more independent in purchasing decisions based on their search results (Kadarisman, 2019). Thus, digital and social media marketing communications can also reach all people wherever they are without any more geographical or time restrictions (Setiadi, 2016).

In promoting their products, A and B use marketing methods that have not been adapted to current trend conditions. On YouTube digital media, short videos only show short videos. So, MSME founders can use it as an innovation. However, because the ability to use digital media from informants is generally still lacking, the marketing methods used are still limited to status updates. Technological updates and the use of other digital media for promotion and sales are still not visible from the observations made by researchers. So, the researcher asked about Instagram social media, which is often used for promotions for other MSMEs founders.

I use social media, Instagram, to promote health drinks made from Moringa leaves. However, when I use Instagram, I get confused because only a few see my product. Besides, my followers on Instagram are just close friends. If I use YouTube, I still don't understand how to register an account. (C, MSMEs founder)

The interview with C shows that MSMEs founders have tried to innovate by promoting their products on social media. However, there are still obstacles to increasing the interest of potential buyers in their products. So, MSMEs founders need to be directed to improve their

skills using social media and digital media. For example, they were creating a YouTube account, TikTok, and other media. In addition, it provides directions for making posts that can attract the attention of potential buyers. Based on observations made by researchers in the field, MSMEs founders A and B are still doing the promotion process by offering them door to door.

In my opinion, offering door-to-door products is quicker to respond. Although there are often rejections, there are those who buy. (A, MSMEs founder)

I am more comfortable promoting products using WhatsApp stories. If you use Instagram, it's just an update. The response from buyers is much more than WhatsApp. Usually, I like to ask for the numbers of the child's parents or friends. (B, MSMEs founder)

Based on the two founders' statement, no one uses digital media as their promotional media. However, several previous studies have shown that MSME founders are generally already using digital media such as TikTok. The observations showed that in addition to skills that still need training, the lazy factor in creating content is a reason for not developing their marketing communication methods. This makes the products offered unpopularly and not widely known to the public. In addition, MSMEs founders still use social media as an alternative to conventional promotions. Social media is an online network that has the strongest influence because it has been integrated into social and economic life in the real world (Zeng & Gerritsen, 2014). Therefore, today's social media is not only used to establish relationships between individuals but is also used to drive the wheels of the economy. This is shown by A, B, and C, which show that they are still trying to use personal accounts on social media to move the wheels of the economy.

In line with Musa et al. (2016), social media makes marketing carried out by MSMEs more efficient. However, this condition is not in line with C, who does not feel the effects of using social media. Using social media in business will increase brand awareness, communication with consumers, efficient marketing, show company expertise, and get more business contacts (Karunasingha, 2021). Unfortunately, the findings of this study indicate that not all MSME founders have the skills to promote through social media. However, some previous research results show that social media can establish a relationship between sellers and buyers (Achen, 2017; Wu, 2020). They can easily communicate without having to meet in person. This will impact marketing methods that do not have to go door to door. MSMEs founders can also promote easily and without extra costs using social media so manufacturers can cut promotional costs. However, this study shows that in addition to the training needed, they still think that to use digital media as a promotional medium, the smartphone must have a good camera, even with social media encouraging contributions and feedback from everyone interested. However, attracting people through social media and digital media requires expertise. Thus, MSME actors need training to market products and create content on Instagram and digital media such as TikTok and YouTube.

The results of this study indicate that there are still MSMEs that use conventional methods to do marketing. Even though they tried to use social media, they still encountered some problems, such as the ability to make captions for the products offered. This is because every business requires a marketing aspect to make a profit. So, captions are important for marketing a product. Although the digital media YouTube has now developed by presenting short videos, the three MSME founders do not understand this. Therefore, they still use social media, Instagram, Facebook, and WhatsApp, for marketing their products. The purpose of marketing is to know and understand customers well so that the product or service can match the needs they sell themselves (Telukdarie et al., 2022).

For this reason, as MSMEs founders, they should follow the development of existing technology. Ideally, marketing should produce a customer who is ready to buy. However, the findings of this study indicate that the media they use have not been able to generate the expected customers. Thus, activities that communicate the product's benefits remind consumers directly or indirectly about a product.

Conclusion

This study concludes that the presence of digital media does not make MSMEs founders make changes in their promotions. They are still trying to keep learning how to use digital media. Thus, the role of the government is very important to improve the skills of MSMEs founders by conducting marketing communication training through digital media. In addition, the social media used by MSMEs founders cannot increase the reach of their known products. The three MSME founders still have problems making captions and using social media. However, Smartphones are also a necessity for MSMEs founders. Because they can carry out promotional activities by having an internet connection on their smartphone, this research implies that MSMEs founders cannot always use promotional activities through digital media. There are still MSMEs that use social media and conventional techniques. This is due to the unequal distribution of training in digital media. Thus, with this research, it is hoped that the government, especially the Ministry of Tourism and Creative Economy, will continue to conduct training on digital media as a marketing communication medium. Thus, MSME founders not only expect increased sales through the bazaar but also in the media. Therefore, MSME founders must continue to make aggressive sales and promotion efforts.

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