

APPLICATION OF *DIGITAL MARKETING* STRATEGIES TO INCREASE SALES OF UMKM PRODUCTS GUIDED BY BUMDES KUJATI PERDANA IN KARANGJATI VILLAGE PANDAAN PASURUAN

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Abstract: The aim of this research is to analyze the application of *Digital Marketing* strategies to increase sales of *MSME* products assisted by BUMDES Kujati Perdana in Karangjati Village, Pandaan Pasuruan District. *Digital Marketing* makes it easier for *MSME* to attract consumers and increase product sales. The obstacles experienced occurred because Human Resources were less competent in managing *Digital Marketing*. This study uses a qualitative method. The informants in this research are *MSME* business actors assisted by Bumdes Kujati Perdana. The research location chosen in this research is the Karangjati BUMDES Office Center, Pandaan Bypass, Karangjati Village, Pandaan Pasuruan District. The sample was selected using purposive sampling method. The subject population is 35 *MSME* entrepreneurs whose businesses have registered permits with the number of samples selected as many as 10 *MSME* entrepreneurs assisted by Bumdes Kujati with the aim of knowing the application of digital marketing strategies in increasing sales of *MSME* products. In this research are Technical Triangulation and Source Triangulation. The research data obtained using this technique is through interviews, then observation and documentation. The results of this research are that *Digital Marketing* is able to increase sales of *MSME* products. *Digital Marketing* also helps *MSME* in online product sales transactions with consumers via social media and E-Platforms. commerce. Obstacles experienced by *MSME* business actors First BUMDES Kujati development in Karangjati Village, Pandaan Pasuruan District, namely Human Resources are still less competent in using *Digital Marketing*. Apart from that, the inconsistency of Human Resources in managing Marketing Strategies through *Digital Marketing* is also an obstacle for *MSME* players to increase sales of *MSME* products. This obstacle occurs because *MSME* actors only focus on production and offline buying and selling systems.

Keywords: *Digital Marketing, Product Sale, MSME*

1. Introduction

In the post-Covid 19 transition era, many businesses and *MSME* that were surviving have seen their performance decline. *MSME* themselves are the pillars of the Indonesian economy. According to Tajuddien & Santoso (2019) *MSME* play an important role in being able to help

the government in reducing unemployment, reducing poverty, and creating jobs to help increase people's income. Reported from the Website of the Coordinating Ministry for *Economic Affairs* of the Republic Indonesia in 2022 with press release number HM.4.6/553/SET.M.EKON.3/10/2022 stated that with the results of a survey from LPEM UI and UNDP which researched 1180 respondents of *MSME* actors with the results obtained 48% experienced problems with raw materials, it turned out to be *MSME*, then results were obtained by 77%, a decrease in income earned, as well as *MSME* experiencing a decrease in product demand by 88% and there were *MSME* whose asset value decreased by 97%. To be able to survive and exist in business and *MSME* competition, at least they can provide new colors and innovations in their marketing strategies. BUMDES Kujati Perdana is a Village-Owned Enterprise established by Karangjati Village based on the Decree of the head of Karangjati Village. Bumdes Kujati Perdana is located in Karangjati Pandaan Pasuruan Village. Has more than 50 fostered *MSME* with 33 *MSME* that have been registered and have valid permits. The business focus of *MSME* under the guidance of Bumdes Kujati Perdana is mostly in the culinary sector and some in the property sector. With the establishment of BUMDES, it also provides many opportunities for business actors and *MSME* to have a positive impact on the community, especially the residents of Karangjati village, many of whom do not have jobs or permanent income.

Digitalization of Marketing is a better *Marketing Strategy*, because basically *digitalization of marketing* with technology is capable of reach all regions without spending a lot of marketing costs. Apart from that, it also provides product information to consumers, developments in technology and smartphones, the large number of social media users and over time this has become a big opportunity which can be a way to develop the market for *MSME*. In research, Widastuti et al (2021) stated that the results of their research stated analyzing *Digital Marketing* strategies to get consumers, build preferences, promote brands, increase sales and increase profits. In line with Hartana (2022) in his research results which stated that The use of *Digital Marketing* in the form of using technology is very important because it is an opportunity for information and knowledge for *MSME* players to know the methods or stages of the process in opening up opportunities to get and attract consumers by using social media to market their products, so that they can increase competitive advantage for *MSME*. itself. In Research conducted by Demar and Kiki (2021) with results stating that it is a strategy to increase sales and requires an understanding of *Digital Marketing*. *MSME* that are able to survive or develop often use *Digital Marketing* strategies. This statement is supported by research by Tabassum Tamanna (2021) in his research entitled Roles of *Brand Image* and *Effectiveness* on Smartphone usage over *Digital Marketing*, that *Digital Marketing* plays an important role in reaching *consumers* in purchasing a product using smartphones. There are also many phenomena in the field, especially for *MSME* under the guidance of BUMDES Kujati Perdana, Karangjati Village, Pandaan District, Pasuruan Regency has not yet implemented this.

In using *Digital Marketing*, not everything is applied to the *Marketing Strategy*. Only one social media or not consistent in the use of *Social Media*, especially to implement *Digital Marketing* in businesses and *MSME* that are being run. As a result, their business has not been able to and has experienced difficulties in selling or being known to the wider community. Currently, several *MSME* assisted by BUMDES Kujati Perdana are experiencing a decline in sales. There is even an *MSME* under the guidance of Bumdes Café Omah Pring, which is the *MSME* that BUMDES Kujati Perdana hopes to see its turnover and product sales decline drastically. Researchers are interested in conducting research on *Digital Marketing*

Strategies to Increase Sales of *MSME* Products Assisted by Bumdes Kujati Perdana in Karangjati Pandaan Village, Pasuruan. It is hoped that this research will be able to help increase sales of business people and *MSME* assisted by BUMDES Kujati Perdana through *Digital Marketing*. On this basis, the researcher gave the research title "Application of *Digital Marketing* Strategy to Increase Sales of *MSME* Products Assisted by Bumdes Kujati Perdana in Karangjati Pandaan Village, Pasuruan".

2. Literature Review

2.1 MSME

In Indonesia, MSME is a popular business that is being promoted. MSMEs are called by the public as saviours in the midst of economic transition due to the Covid 19 pandemic. In Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises, the government regulates all aspects of MSME business management. MSMEs are businesses that have an important role in the Indonesian economy, both in terms of employment created and in terms of the number of businesses (Rujito, 2022). Starting from young and old and teenagers are active as MSME business actors. In Purba's research (2019) states that MSMEs are small-scale independent populist economic activities whose management is carried out by community groups, families, or individuals. Quoted from the swa.co.id website, it is stated that data from the Ministry of Cooperatives and SMEs (Kemenkop UKM) as of May 2022 there are 65 million MSMEs in Indonesia. Reporting from the website of the ministry of cooperatives and umkm on the website kemenkopukm.go.id (2022), it states that the criteria for MSMEs are regulated in Government Regulation No. 7 of 2021 concerning the Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises (PP UMKM) article 35 to article 36, it is stated that the criteria for MSME capital are Micro Enterprises have a maximum business capital of IDR 1,000,000,000 (one billion rupiah) outside the land and building of the place of business. Small Enterprises have a business capital of more than Rp1,000,000,000 (one billion rupiah) with a maximum nominal value of up to Rp5,000,000,000 (five billion rupiah) outside the land and building of the business premises. In the regulation of Law No. 20/2008 on Micro, Small and Medium Enterprises (MSMEs), the difference between SMEs and MSMEs lies in the type of business that is separated based on asset and turnover criteria.

In the development of the country's economy, the most concerned aspect is MSMEs. These business activities have the potential to be something that can help the government to increase the percentage of the country's economy. MSMEs are also a field of work for the community where many companies are bankrupt and there are also many mass layoffs. From various aspects, for economic progress, we must also support MSMEs to become a better business. In encouraging the development of MSMEs in Indonesia, there are several things that must be considered, namely: technology, capital and government support. In addition, development must also be carried out within the MSMEs, such as the development of management and products. Especially in the era of technological development requires business actors and MSMEs to be creative and innovative. Product development must also listen to the growing needs and desires of consumers. With the desire for development, there are certainly demands that are in accordance with technological developments.

2.2 Digital Marketing

In promoting products to consumers, business people need marketing media of course. Along with technological developments, marketing strategies must also keep up with

technological developments. According to Berthon, Pitt, & Watson in Putri and fadli (2023), a tool that forms a relationship, a medium for bringing together and facilitating interactions from sellers and buyers is called Digital Marketing. According to Gunawan and Septiani (2021), Digital Marketing is put forward as a medium for using digital technology in an effort to achieve marketing goals as well as developing or adjusting the marketing concepts carried out by companies. Of course, with digital marketing, promotion becomes easy and can reach all geographical areas from around the MSME business is established. Apart from that, Digital marketing can help business actors and MSMEs to attract consumer interest, apart from that, Digital Marketing can also help provide product information provided to consumers. The convenience offered by the Digital Marketing concept also has a good impact on business people. Referring to the theoretical statement put forward by Chaffey & Ellis-Chadwick (2019), the process of Digital Marketing is referenced to a product branding that uses various web-based technology media or social media. In the process of using Digital Marketing strategies, currently what is more up to date is the use of social media.

Social media is the material for Digital Marketing strategies in providing information and knowledge to be able to develop product sales, product and business innovation. In addition, it helps business people and MSMEs enrich and expand existing business networks. Digital Marketing can also be a bridge where the relationship between business people and consumers. It is also expected that the application of Digital Marketing will be a driver of business improvement and MSMEs. In marketing, Digital marketing also has media in providing and disseminating information. In its development, before the development of technology, marketing was only carried out through, getok tular, spread panvlet, brochure and displayed on television and radio media. Currently, in its development, social media has become a digital marketing medium used by the public in disseminating information. Van Dijk in Nasrullah (2015) states that social media is a media platform that focuses on the existence of users who facilitate them in doing activities and collaborating. There are various kinds of social media, namely Facebook, Youtube, Instagram, Twitter, Tiktok, Blogs and others.

2.3 Product

In marketing by offering the results of the form of a company and offered in the market for the buying and selling process can be interpreted as a product. Kotler (2018) states that something that can be offered to meet the needs and desires of consumers is called a product. In the 2016 Tijiptono Book, it explains that products are everything that consumers receive in the exchange process with producers, in the form of basic benefits such as physical products and their packaging, as well as additional elements that are accompanied therein. To achieve a company goal, it must have a product that really has characteristics that can be termed something unique.

3. Research Method

The data analysis technique used is qualitative data analysis technique. In Sugiyono's book (2019: 318) it is explained that in qualitative research, data can be obtained from various sources, one of which is by using various data collection techniques (triangulation), and is carried out continuously until the data reaches a saturation point, in fulfilling data validity, testing data from the data collection process using triangulation. According to (Moleong in Monikasari Dkk 2021) triangulation is a data validity checking technique which in the process utilises something else outside the research data to be used as a check or comparison

against the data that has been obtained in a study. The sample was selected using purposive sampling method. According to Sugiyono (2018) explains that Purposive sampling is a data source sampling technique with certain considerations, for example, the sample is a person who can be said to know what the researcher expects. The subject population is 35 MSME entrepreneurs whose businesses have registered permits with the number of samples selected as many as 10 MSME entrepreneurs assisted by Bumdes Kujati with the aim of knowing the application of digital marketing strategies in increasing sales of MSME products.

Like wise With this theory, Sugiyono (2018:273) also states that triangulation is a credibility test which can be interpreted as checking data from various sources and then processing it in various ways and at various times. What is used in this research is Technical Triangulation and Source Triangulation. According to Sugiyono (2018), Technical Triangulation is a triangulation technique used to test the credibility of research data which is carried out by checking data from the same source with different techniques. Research data obtained using this technique is through interviews, then observation, documentation and questionnaires are carried out. The technique used besides technical triangulation is time triangulation. Source Triangulation is a triangulation technique used to compare and counter-check the degree of trustworthiness of information obtained through different tools. Source triangulation is obtained from comparing data and observational data.

4. Results and Discussion

Implementation of *Digital Marketing* Strategy in increasing Sales of MSME Products Assisted by Bumdes Kujati Perdana in Karangjati Pandaan Village, Pasuruan.

In the digital era, technology has become the main driver for change in social life, socio-economics and daily life. Technological developments are a challenge related to economic development. Where currently technology is the main way in economic activity. On the marketing side, marketers must follow technological developments and marketing strategies based on digital technology. In implementing *Digital Marketing* strategies to increase sales of MSME products, namely utilizing the potential of Social Media, the Internet and Digital media which act as information channels and marketing media. *Digital Marketing* has the ability to reach all levels of society wherever they are without being limited by geography or time (Purwana et al., 2021). There are a total of 33 MSME assisted by business actors and MSME assisted by Bumdes. The technique used was interviews with selected MSME informants. Research informants stated in the interview results that *Digital Marketing* was able to increase sales of MSME products. The first informant stated that they also stated that *Digital Marketing* helps MSME to promote their products through social media and other websites. The second informant stated that apart from helping with promotions, *Digital Marketing* also helps MSME in product sales transactions with consumers via social media and E-commerce platforms. This statement is in line with research conducted by Jasri Et Al (2022) with the results that *Digital Marketing* has a significant influence on the income of Micro, Small and Medium Enterprises (MSME) in Makassar City.

In line with research conducted by Widiastuti Et Al (2021) with results stating that *Digital Marketing* strategies are able to get consumers, build preferences, promote brands, increase sales and increase profits. The third informant stated in contrast to the statement above that even though they implemented *Digital Marketing*, their products were classified as stagnant or had mediocre sales levels. From the results of the observations and observations, this actually happened because there was no product innovation, and it gave the impression that the product was also considered ordinary. This product is classified as a culinary product

with a spicy food concept, namely Cilok with a simple menu. Meanwhile, for *MSME* under the guidance of BUMDES Kujati Perdana, there are 3 types of the same culinary delights which are sure to be other competitors for this product. *Digital Marketing* is defined in Danuri's statement (2019: 119) that rather than using human power, information technology is preferred using computer or digital activity processes. So with a process where activities are carried out digitally, it can make it easier for *MSME* to carry out marketing and sales processes.

Obstacles in Using *Digital Marketing* to Increase Sales of *MSME* Products Assisted by Bumdes Kujati Perdana in Karangjati Pandaan Village, Pasuruan.

In the process, *Digital Marketing* helps *MSME* make it easier to carry out business activities. Apart from that, *Digital Marketing* can also help *MSME* players provide product information, observe market needs and interact interactively with consumers regarding the product buying and selling process. With the systems provided by social media and E-Commerce platforms in *Digital Marketing*, it is also easier for consumers to search for features and information in a product being offered. This will mean that consumers can search for what they need and independently make decisions when considering purchasing or consuming a product. According to Chaffey & Ellis-Chadwick (2019), the *Digital Marketing* process is presented as product branding that uses various web-based technological media or social media. In line with this statement, Ridwan Sanjaya and Josua Tarigan (2009) presented the statement that *Digital Marketing* includes branding which involves marketing activities using web-based media, blogs, websites, email and social networking media. *Digital Marketing* Strategy makes it easier for *MSME* to run their business. However, there are not only positive things that can be obtained when implementing the *MSME* strategy, but there are obstacles in implementing *Digital Marketing* in carrying out the marketing strategy. According to the fourth, fifth, sixth and seventh informants, they all stated that there were several things that hindered implementing *Digital Marketing* strategies to increase sales of *MSME* products. The first thing conveyed by the fourth and seventh informants was in terms of access to use of social media and e-commerce platforms. The fourth informant stated that he lacked mastery in using social and E-Commerce platforms. In this regard, there are two things that can be obtained apart from the interviews, namely the researcher's observation that the ability to access social media and E-Commerce is minimal, even though they have received socialization on the use of Social Media and E-Commerce platforms.

Second, the fourth informant is not serious about using the system, focusing more on offline sales by attracting consumers from the word of mouth aspect. It is a shame that digital developments are not utilized properly, which actually makes things easier for *MSME*. The fifth and sixth informants agreed that the obstacles they experienced were a lack of adaptation in implementing *Digital Marketing* strategies based on the use of websites, social media and e-commerce. Because in their daily processes they only focus on the production and sales processes offline. So they ignore *Digital Marketing* strategies for marketing their products. According to Ratela & Taroreh (2021), the strategy for increasing production cannot be separated from attention to the beginning of the production process to the end of production. That means all aspects must be considered by *MSME* players. Technological developments also require *MSME* players to try to be able to compete competitively with other competitors in terms of reaching consumers and maintaining consumer loyalty. Apart from that, product innovation must also be maintained so as not to be left behind by other competitors. From the observations made, solutions can be provided for the obstacles experienced by several

informants. The main solution provided is to provide insight into the use and implementation of the *Digital Marketing* strategy being carried out. Its effectiveness may be based on the personal perspective of *MSME* actors, namely those who run the *MSME* business. Assisted by BUMDES as a facilitator in implementing *Digital Marketing* strategies. Furthermore, *MSME* players must also focus on creating ideas and implementing unique marketing strategies. When they have insight into the use and implementation of *Digital Marketing* strategies, players can create high-quality content concepts and superior customer product service. Actors can also know and understand the target audience can help *MSME* create more relevant and interesting messages. By overcoming these obstacles, *MSME* can more effectively harness the potential of *Digital Marketing* to increase sales and expand their online presence.

5. Conclusion

From the description above, it can be concluded that the *MSME* under the guidance of BUMDES Kujati Perdana have not yet fully implemented the *Digital Marketing* Strategy. *Digital Marketing* Strategy Used to Increase Sales of *MSME* Products. There are obstacles experienced by *MSME* players in implementing *Digital Marketing* Strategies to increase sales of *MSME* products. Apart from increasing sales of *MSME* products, *Digital Marketing* can also attract consumers. The obstacle experienced is lack of mastery of the use of *Digital Marketing* for marketing strategies. It can be interpreted that there is still a lack of Human Resources competency in the use of *Digital Marketing*. Because technically, in Karangjati Village, internet and digital access is very easy to reach. Apart from that, the inconsistency of Human Resources in managing Marketing Strategies through *Digital Marketing* is also an obstacle for *MSME* players to increase sales of *MSME* products. *MSME* players only focus on production and offline buying and selling systems.

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