

# Digital Marketing Communication Strategy for Micro, Small and Medium Enterprises (MSMEs) in Business Competition

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**Abstract.** The purpose of this study is to analyse the marketing communication strategies carried out by micro, small and medium enterprises in the face of competition in the digital era. This study used qualitative research methods. MSMEs usually produce on a small scale and require attention in marketing the products they produce. In revolution 4.0, communication is increasingly sophisticated because it can use social media in developing a business. Marketing communication can be a strategy for every MSME to learn to introduce the products produced to other parties, so that they have the same understanding and purpose for the products and brands being sold. Various types of marketing communication mix can be selected and adapted to the types of competitive products; they must also be able to market what they produce. In the early stages, every MSME must be able to read market needs, so that they can produce products that have high competitiveness. Increasing the competitiveness of MSMEs as the spearhead of the Indonesian economy towards the global market, therefore a good marketing communication strategy is needed. By using good marketing communication, it will have an impact on the progress of the business carried out and MSMEs will grow into MSMEs that have good competitiveness.

**Keywords:** Communication Marketing, Digital Marketing, MSMEs, Business Competition.

## 1. Introduction

With all the developments in the 4.0 revolution, the way to communicate is also increasingly sophisticated, such as using a smartphone with various features in it. The emergence of sophisticated communication technology can also facilitate people's lives. Using a smartphone can also make it easier to access social media. Not only used to capture the moment, social media can also be used for business. This can certainly be a trigger for increased competition in a business. One way that can make a business survive is by utilising social media as a marketing medium. Interactive media is very valuable for building relationships and trust between brands and consumers which will later affect consumer interest in the brand itself.

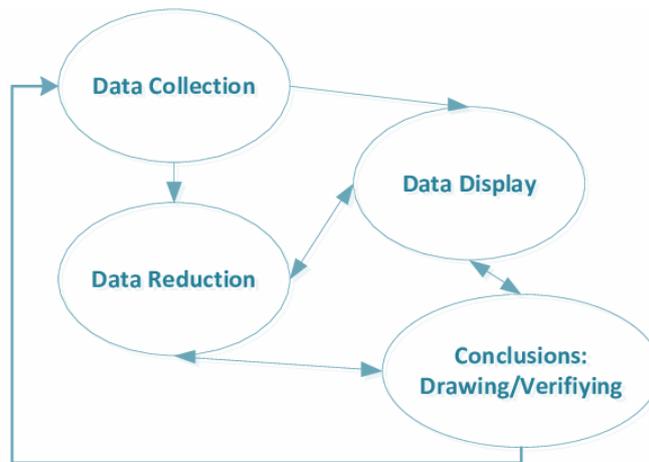
The marketing communication strategy studied by the author is how the communication strategy along with the development of technology is able to affect the welfare of the Micro and Small Enterprises themselves.

The role of marketing communications from year to year is becoming increasingly important and requires extra thought in order to introduce, inform, offer, influence, and maintain the buying behaviour of consumers and potential customers of a company [1]. A marketing communication strategy is also something that is needed to start or maintain a business. In developing the economy in Indonesia, micro, small and medium enterprises (MSMEs) have an important role because with these businesses people with low education are able to live in small business activities. Marketing communication has an important component called promotion. Promotion is synonymous with sales [2]. Using promotions, it is hoped that there will be an influence on ongoing business such as an increase in the number of product purchases, because promotions are also able to help increase brand awareness [3]. The competition that occurs between business actors gives consumers the advantage of offering cheaper prices and increasing the number of alternative choices of goods or services offered. Increasing the creativity of MSME actors is a necessity to be able to compete in the global market. The important thing to note in order to compete in the global market is to keep up with the latest developments, MSME players must be able to use online applications to market their products to a wide range. Strategy is very important to determine the success of MSME actors to achieve their long-term goals. By choosing the right strategy in the position of certain MSME actors, it will make an MSME actor have a competitive advantage [4]. Competition in business activities is in the same breath as the business activity itself. In principle, everyone has the right to sell or buy goods or services "what", "with whom", "how much" and "how" to produce, this is what is called a market economy. In line with that, market behaviour and structure are sometimes unpredictable, so that it is not uncommon for business actors to commit fraud, restrictions that cause some or some business actors to lose money or even end. Fair competition will have positive consequences for business actors, because it can generate motivation or stimulation to increase efficiency, productivity, innovation, and the quality of the products they produce. The determination of technology has changed the face of the world in all sectors [5]. Especially the industrial and trade sectors which have a very large impact. The technological revolution that touches all economic and social joints is forcing all business people to switch from the conventional manual to digital technology. Although a necessity, this revolution in internet technology does not necessarily push over control. It is still being considered how the condition of the readiness of the economic community for Small and Medium Enterprises in implementing this digital technology is still being considered.

The purpose of this study is to analyse the marketing communication strategies carried out by micro, small and medium enterprises in dealing with competition in the digital era. This study used qualitative research methods. And using a marketing communication theory approach to the Diffusion of Innovation Theory.

## **2. Method**

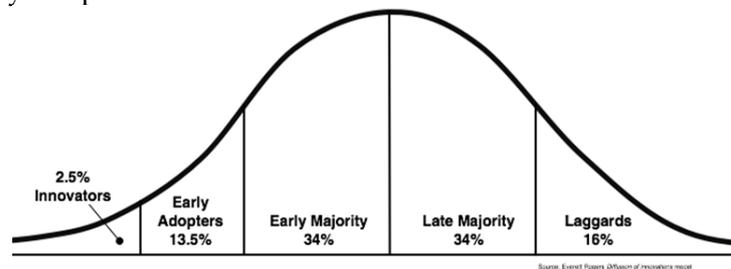
In this study the authors chose several methods of data collection and one of them is an interview. However, the research method that we use is a qualitative method. Descriptive qualitative method proposed by Miles and Huberman (1994). Here is a picture of the model for this method.



**Figure 1.** Descriptive qualitative method proposed by Miles and Huberman (1994)

In this research method, it is explained that the source of the description is broad and based on definite / concrete, and contains an explanation of all the processes that occur in the research objectives. With qualitative data we can follow and understand the flow of events in chronological order, assess cause and effect in the minds of local people and obtain many useful explanations. And again, qualitative data can make us understand and explore further. There are several things that must be reviewed carefully, including collecting data, then displaying the data, reducing the data, and reaching conclusions by describing or verifying all the data. So that the data can be accounted for in the future.

Not to mention strengthening the data by conducting interviews with MSME actors. The interviews were conducted to obtain more accurate results related to the marketing communication strategy carried out by MSME actors who are actively running the business. There is a little explanation about the guiding theory which is the basis for the author in determining what aspects the writer is trying to find in this research. That is the theory of diffusion of innovation put forward by Everett M who also put forward one of the theories of development communication and mass communication. adopted into the realm of marketing communications to describe the process by which a new product spreads in the market through purchase by adopters.



**Figure 2.** Behaviour innovation adopters

The process involves several stages, each of which has several important factors in marketing communication planning. According to Rogers, what is meant by diffusion is the

process of an innovation that is communicated over a certain period of time among members of a social system. There are 5 (five) categories of innovation adopters, that is:

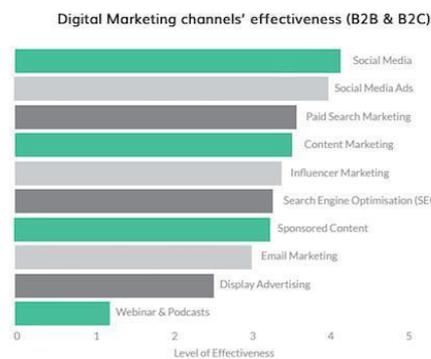
- Innovator – Pioneer.
- Early adopters – pioneer, opinion leader who is highly educated and open to new ideas.
- Early majority – early adherents who rely on informal data sources.
- Late majority – Slow adherents are those who are sceptical of new ideas and only adopt new products for economic and social reasons.
- Laggards – the conservatives are those who reject new ideas with closed minds and low incomes.

Those whose behaviour mostly falls into one of the categories above will have different communication behaviours such as the use of media and others.

### 3. Results and Discussion

Small, Micro and Medium Enterprises or commonly abbreviated as MSMEs are micro businesses that have a fairly important role and cannot be ignored in efforts to restore economic conditions in Indonesia. With the Covid-19 that hit Indonesia and even the world, it had an impact on the community's economy which declined. Therefore, competition in business is getting tighter and tighter, especially for SMEs. In business, competition is normal and commonplace. However, in order for businesses to survive in the midst of a pandemic and many competitors, MSME actors must have innovations and strategies to maintain their business. Basically, the marketing concept is very simple, because it is built on the basic principle of maximising satisfaction through the use of scarce resources.

The presence of digital media has clearly increased the level of effectiveness of product advertising, including in the MSME environment that is just starting their business which in the end makes all MSMEs who are just starting out able to shift their views to digital promotional media compared to ways outside of new technology. like spreading outside the network.



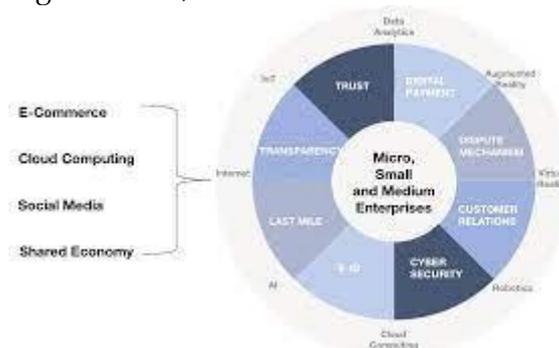
**Figure 3.** Digital Marketing Channels' effectiveness (B2B & B2C)

If we look at the images used by the author as sample images, it is clear that we can see how effective the use of social media as digital media for marketing has been since 2017, which means that the transfer of promotional media to areas such as online and digital media is not a bad thing to do. tried, even for the independent business sector.

Based on interviews conducted with one of the SMEs in Bandung, namely CV Nina Kreasi. The promotion carried out by CV Nina Kreasi is through exhibitions both domestically and abroad in a hybrid way during the pandemic. The media used for promotion are social media, namely Instagram, WhatsApp, Facebook, and Marketplace. Using some social media can certainly increase awareness of brands related to the products being sold. In order to always compete with similar businesses, these MSMEs innovate by maintaining product characteristics and creating new ideas that are different from previous products and different from competitors. And make a different way of marketing with competitors [6]. A strategy to attract consumer interest in the midst of intense competition, this business offers its products through easily accessible ways such as product offerings through content created on several social media Tiktok, Instagram Reels and Instastory by always getting new information about product information can also follow trends.

Even in a previous study entitled *The Impact of Integrated Marketing Communication on Consumer Behaviour: Influence on Consumer Decisions – The Making Process* written by Camelia Mihart (Kailani), in the journal the author discusses costume habits after they enjoy digital marketing communications so that consumers can make themselves and feel more comfortable by glancing at the product or food they want through digitalized medias [7].

The thing that must be understood is that competitiveness has also increased when everything has shifted to digitalization, even in the small business sector.



**Figure 4.** Micro Small and Medium Enterprises

Because it is undeniable, the easier the business field, the more volatile the potential for turbulence in competition in the realm of SMEs though. The only strategy that can be done in the end is how MSMEs can keep their name up, and innovate to stay ahead of the competition.

#### 4. Conclusion

So, the essence of everything that is researched from this research is the fact that the effectiveness of using digital media as a communication medium to spread the presence of an MSME in society, so that the spread of the presence of MSMEs is easier and can be quickly glimpsed by the community. Moreover, from the results of interviews with MSME owner CV Nina Kreasi, the author can understand that in addition to the marketplace, social media is also often used as the main marketing tool in raising the name of MSMEs themselves, and if drawn from the theory that guides this research, the influence of the presence of digital media also affects people's habits which ultimately change their habits in finding needs, which previously had to deliberately search and go out of the house, now people have a practical way of using only cell phones. and high competition can occur at any time, but the owners of MSMEs must still be able to innovate with high consistency so that their products continue to rise up.

## Acknowledgement

Praise and gratitude Because in the end the author was able to finish this research, with all the author's abilities in searching, observing, and even in the realm of studying. First and foremost, the writer would like to thank the entire teaching team of KWU UNIKOM, who always do not get tired of giving knowledge, up to specific understanding so that the author can learn during the process of forming this paper.

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