

The Culture Policy for MSME in Digital and Their Prospects

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Abstract

The current era of digitalization forces entrepreneurs to change their marketing strategy from direct sales to online sales, either in whole or in part. However, the transition is not easy for micro, small, and medium-sized enterprises (MSME) because of the limitations of knowledge and facilities they have, so the process goes gradually. The study aims to find out the contribution of online marketing for micro-small enterprises to the resilience of enterprises during the restrictions that have lasted for two years. The study is also a policy recommendation against some digital policy directions against MSME by the Ministry of Informatics and Communications of the Republic of Indonesia. The research object is a member of ISMEA (Indonesia Small Medium Enterprises Association), which meets the business age criteria of more than 2 years, actively performs hybrid sales (online and offline), and is able to survive during that time. Research methods are carried out qualitatively through descriptive, participatory observation. In-depth interviews were conducted with informants selected using snowball techniques. The results of the research found that online marketing on MSME is carried out through independent web hosting or through marketplace or e-commerce applications available or be used simultaneously. Self-marketing has the advantage that it does not require commission fees from the other party, so the entire profit becomes the seller's. However, it also has a weakness with its limited market accessibility as it requires costs to promote the site. While marketing through the marketplace has the advantages of the wide range of the market and the limitation of the promotion of the applicator, it also has disadvantages such as commission fees for applicators and price competition with providers of similar products or services in the same application or other applications. The conclusion obtained is that MSME is more familiar with using social media compared to the marketplace, in addition to the fact that web hosting is rarely used, even though it is free. The stages providing an appearance in the application require their own skills. While the direction of the marketing digitization policy on MSME that has been running for this time has begun to form a culture of marketing digitalization for micro and small enterprises, especially the use of the application for product delivery.

Keywords: Online marketing, Micro-small business, Marketplace, Applicator

INTRODUCTION

In 2018, micro, small, and medium enterprises (MSME) contributed 57.24% of Indonesia's gross domestic product (GDP), which is equivalent to IDR 5.721.14 trillion. MSME also plays a very significant role in the absorption of Indonesia's labor force. MSME employs 97.05% of workers in Indonesia, the equivalent of 116.97 million workers. MSME also contributes to Indonesian exports, with a share of 14.37% of total nonmigas exports (BI, 2022). This figure is equivalent to IDR 293.84 trillion. Digitalization is believed to be the solution for MSME to rise. The Government of Indonesia, through the Ministry of Communications and Informatics and the Bank of Indonesia, continues to accelerate the acceleration of inclusive digitalization to drive increased MSME transactions. One of them is onboarding MSME. The program helps empower MSME through the digital marketing of MSME products through digital platforms and marketplaces.

There are five digital policy directives for MSMEs, namely: Enhancing broadband access; Helping all MSMEs become digital; Expanding electronic payments, or e-payments; Extending access to digital MSME investments; and Expanding government services electronically (e-government) (Kominfo: 2022). Online marketing is defined as marketing through the Internet. The scope is quite wide, covering a variety of applications that can only be run through the Internet, such as social media, messaging apps, websites, e-commerce apps, and so on. Online marketing is becoming increasingly popular due to the massive technological support through mobile phones, the abundance of applications available, and the level of technology in the community and among entrepreneurs. In addition to the increasing number of barriers that buyers experience that are present directly in transactions, such as traffic jams, time constraints, and distances, consumers are increasingly encouraged to make online deals.

Online services are a choice in a variety of areas, such as education through online learning, business meetings through online meetings, remote presentations, and the purchase of goods and services using delivery services. Nevertheless, rapid change cannot always be followed well. MSME entrepreneurs, in general, have to keep track of the changing trends and technologies, either because of limited time and interest in learning, age, being busy managing a business, the absence of educated entrepreneurial assistants, a lack of understanding of the opportunities and challenges faced, or other factors. But for microentrepreneurs who are knowledgeable about information technology, the adjustment can go a lot faster.

Online marketing can be done by small businesses, commonly referred to as MSMEs. MSME is a general term that refers to productive economic enterprises owned by individuals or enterprises in accordance with the criteria established by Law No. 20 of 2008. The classification of MSME is based on the limits of annual revenue turnover, the amount of wealth or assets, as well as the number of employees. MSME enterprises are enterprises that have a net worth of IDR 50,000,000, excluding buildings and land where they are undertaken. The annual sales of microenterprises amounted to the most at IDR 300,000,000, while those that

included the criterion of small enterprises are enterprises that have net wealth between IDR 50,000,000 and IDR 500,000,000.

A MSME is an independent enterprise, whether managed by an individual or a group, and not a branch enterprise of a dominated and owned major enterprise. It is either a direct or indirect part of a medium or large enterprise. Medium effort, still under Law No. 20 (2008), is an enterprise in a productive economy that is not a branch or subsidiary of a central enterprise and is a direct or indirect part of a small enterprise or a large enterprise with a total net wealth of more than IDR 500,000,000, up to IDR 1 billion in sales turnover, ranging from IDR 2.5 billion to IDR 50 billion per year. When a company has more wealth or sales than that, it is classified as a big company.

In order to obtain valid and in-depth data about the research objects, the researchers focused on the members of the already existing MSME association, namely ISMEA (Indonesia Small and Medium Enterprises Association), a legal organization based in Jakarta. The organization ISMEA has been in existence since 2007 and has members in several provinces, but the majority are in Jabodetabek, with about 200 MSME. With an organizational approach, it is expected to facilitate communication and openness among informants, which are crucial in qualitative research. This study came up with several research questions; (1) How do you compare online marketing techniques independently and through the marketplace? Which is more profitable, reviewed from different sides? (2) How does the effort respond to the next situation and challenge? Are microbusinesses able to keep up with the demands of technological developments in online marketing?

LITERATURE REVIEW

A. Digital

Digital comes from the Greek word *digitus*, which means thumb. The normal adult has ten finger (10). These ten values consist of two radix, i.e., 1 and 0, so digital is a representation of the state of a number consisting of the numbers 0 (off) and 1 (on) in a binary number. All computer systems use digital systems as their databases. Can also be referred to as a bit (Binary Digit). In the Indonesian Great Dictionary, digital is understood as: (a) relating to numbers for a particular calculation system; (b) related to numeration. (Wikipedia). In later developments, digital is associated with technology, where objects, goods, and services, both physical and non-physical, are numerically marked so that they can be understood virtually. The digital age is characterized by the integration of virtual links in various fields, thus reducing physical exchanges without losing their essence. Digital technology has spread rapidly into the media, transport, public services, banking and financial services, education, health, and other fields. Its existence is supported by the availability of Internet access and mobile devices that are owned by the majority of the population in almost every country in the world.

B. Digital Marketing

According to Kotler and Armstrong (2012), marketing is a social and managerial process in which individuals or groups get what they need and want through the creation and exchange of products with others who need each other. Marketing is one of the keys to business sustainability, and success in marketing will have a direct impact on business turnover. Marketing success is characterized by increased demand for company products over time. On the contrary, marketing failures, which are characterized by declining demand, will result in a decline in company performance, a decrease in revenue, and even bankruptcy losses. Digital marketing can thus be understood as marketing activities that use digitization technology. This type of marketing uses a variety of media that can represent the physical presence of the marketer. It covers the use of television media, radio, the internet, and all kinds of derivatives.

Digital technology has significantly impacted the growth of digital marketing, as highlighted by Heidrick dan Struggless (2016:1). With the increasing capabilities of devices, applications, and internet access, the effectiveness of digital marketing is increasing, even at a lower cost. Digital marketing involves using web-based media, such as blogs, websites, and social networks, to create and connect dialogue between companies and consumers. Kleindl & Burrow (2005) emphasize the importance of planning and implementing ideas, concepts, prices, promotions, and distribution in digital marketing. Online sales can help micro and SME actors face challenges in marketing digitalization.

C. Cultural Policy

Towards Digital Policy Following the globalization trend, public policy has undergone a paradigm shift. The involvement of all parties—government, civil society, and the private sector—in the conduct of government within the framework of egalitarianism and democracy gives rise to a system of government that puts the interests of the public first. The UN Agenda 2030 for Sustainable Development defines a shared vision for a more just, inclusive, and sustainable world. It includes a framework to support countries in the development and implementation of their public policies at the local, national, regional, and international levels. Policies using old paradigms are often included in the category of "top-down approaches". This type of approach uses logic thinking from the top' and then mapping 'down' to see the success or failure of a policy implementation. It is often referred to as a policy-centered approach because the focus of researchers is only on the policy and trying to determine whether the policy is effective or not. It usually ends in failure to implement a policy because of clarification of issues or obstacles to program implementation. Examples of top-down implementation models are Mazmanian and Sabatier; van Meter and van Horn; Edward III; and Grindle. Top-down models consider the main actors to be policymakers, thus paying less attention to the influence of the target group or society. In the era of the new paradigm, the bottom-up approach believes that implementation will succeed if the target group is involved from the beginning of the process to the implementation of the policy.

The bottom-up approach was pioneered by Elmore (1978), Lipsky (1971), Berman (1978), and Herjn and Porter (1978). The process requires understanding through the lens of culture. When the target group becomes a stakeholder, the consequence is that policymakers have to understand the culture of the target group, which generally dominates group decision-making over policy. The development of a culture of digitalization in a group of people, in this case SMEs, will have a great influence on the success of the implementation of the digitalization policy.

What is meant by culture of digitalization here is how many SMEs absorb digital technology and make it part of their daily activities with high intensity, affecting even their daily traditions and behaviors and forming a new culture. Meanwhile, Jones's cultural policy uses two tools of post-colonial cultural policy to review the history of cultural policy in Indonesia: authoritarian cultural policy and commando culture. It is an attempt to show the relationship between country and culture through the processes of production, circulation, regulation, and acceptance of cultural policies under different regimes (Jones, 2015). Then the direction of the digitalization policy for MSME proposed by the Ministry of Communications and Informatics of Republic Indonesia is the culture policy of command.

RESEARCH METHODS

This qualitative research uses a research approach that is conducted in a natural setting, uses the researcher as a data collection instrument, uses inductive analysis, and focuses on meaning from a participant's perspective. It is also a study that uses multiple data collection techniques and multiple data sources, selects data in words and images, uses expressive and persuasive narrative reporting patterns, and is based on certain methodological traditions. Qualitative research data collection demands the role of researchers as instruments. This format of research requires detailed and in-depth information about the research objectives. In-depth interviews, observations, and documentation, which are carried out hybridally, online, and trailing. The ability to reveal as optimally as possible information that is "hidden" in the mind of the informant does not exist in static instruments such as an interview or a test. Researchers are very dynamically able to make various strategic and technical adjustments in pursuit of obtaining the various pieces of information needed (Creswell & Creswell, 2017).

An informant is a person who can provide information in various sectors of life. An informant is an individual being interviewed to obtain information and data from the individual for informational purposes. For Crapo (2002), an informant is a person who speaks his own dialect, a native speaker, while the respondent is the person who answers a list of questions asked by a researcher. Questions for respondents almost always use the language of social scientists, whereas questions for informants rely entirely on the language of informants, where questions arise from the culture of informers.

In this study, we got informants from members of the ISMEA (Indonesia Small and Medium Enterprises Association) who could provide information to answer research questions. Researchers interview informants while performing cross-checks of data when

processing in-depth interviews. The interview starts with the head of the association as the entrance to the informants. The snowball searching technique is used to choose informants. Business area of the informants: 1. Food: ready-to-eat, ready meals, frozen food to eat, and frozen food packaging; 2. Clothing: ready-to-wear, shoes, bags, and accessories; 3. Cleaning: room cleaning, equipment cleaning, and body care.

RESULT AND DISCUSSION

Building your own marketing site isn't easy, especially when it comes to getting it crowded. Then some beginners directly use social media that has links to other, more popular social media or has more followers. While the more practical way is to join the marketplace that has provided space for sellers of services and products, this marketplace has some paying, some free, and some charging a cut as a sales commission for each transaction. Some also provide digital payment facilities, i.e., direct payments between accounts using balances on collaborating payment platforms. To be able to run an online marketing strategy, an entrepreneur must be equipped with adequate equipment, operators with capabilities, and consistent products and services. It means there needs to be a system and management adjustment, and it's worth it to add costs or investments. Micro-enterprises with limited employees usually require the help of more educated family members to start, at least for a certain period of time until they can manage themselves. There are also those who take courses, take training, and take seminars, both offline and online. For entrepreneurs who become members of a community or association, information about training and upgrades is usually available and sometimes even organized collectively. These organized entrepreneurs are more accessible to others and tend to meet certain standards of quality and sustainability.

MSME Digital Marketing Culture

MSME actors need online marketing training to address the changing ways of marketing and the challenges of digitization in the business world. The rapid development of this business is not comparable to the sustainability of SMEs in developing their retail businesses. Many of them pursue customers without knowing how to build and communicate brands to reach customers themselves, which is among the fastest forms of online marketing. There has been a change in consumer behavior due to the digitization of business as well as because of the boundaries of movement due to pandemics. The business world has begun to shift to online transactions with its payment system, which has also shifted to cashless transactions

and the use of delivery facilities. What becomes an obstacle to SMEs is the difficult access to technology because the SME producers have capital and SDM constraints, so they have to work on their own for all the production processes up to marketing. As a result, the time to learn how to use online technology is very limited, while many opportunities are gained when SMEs use online marketing. For example, to cut costs and facilitate the accuracy and speed of reaching customers through online marketplaces or transportation, go check and grab. On the other hand, SMEs must remain vigilant and cautious of possible fraud in the online marketing process.

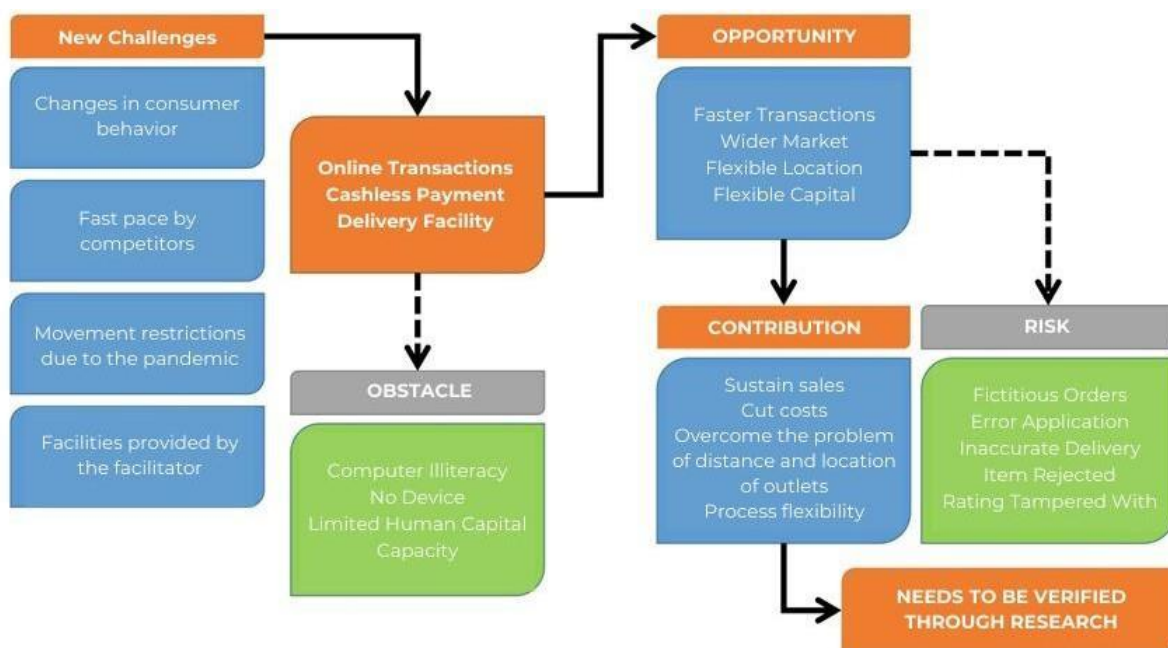


Figure 1. MSME Digital Marketing Culture Map

Source : Author

Digital Technology and Culture Policy Direction of MSME

The government, through the Ministry of Communications and Informatics (Kominfo), has launched the Digital Technology Adoption Programme 4.0 for SME, a sustained support program for SME manufacturers in the processing sector. Through the SME 4.0 digital technology adoption program, it is expected that there will be an increase in the level or scaling-up of SME on the adoption side of digital technology, which is divided into four levels: beginner, observer, adopter, and leader. The beginner level is aimed at SMEs with low business, financial, and technological dimensions. "First-level beginners are the earliest to use social media, to know how to use social media properly. Secondly, an observer or marketplace that has been managed relatively modernly but with a low rate of technology use, to fight and introduce the marketplace. The third is the adopter, i.e., companies with a fairly good level of

adoption and technological knowledge but whose business management still tends to be traditional, using fintech and aggregator platforms and point-of-sale systems. While level leaders are those that have been managed relatively modernly and have had a relatively high level of adoption and knowledge of technology (Press Release No. 175/HM/COMINFO/05/2022, Friday, May 13, 2022).

According to Kominfo (2015), there are five digital policy directives for MSMEs, namely: (1) enhance broadband access; (2) help all MSMEs become digital; (3) expand electronic payments, or e-payments; (4) expand access to digital MSME investment; and (5) expand government services electronically. (e-government). Currently, there are 65.4 million MSMEs in Indonesia, which have employed 114.7 million people, or about 56% of the Indonesian workforce. In addition, MSME contributes more than 60% of the country's GDP. According to the MSME Empowerment Report (2022:38), there are 83.8% of MSME perpetrators who digitize or use technology to support their business operations. 40% of SMEs use social media, 38% use instant messaging, 13% use e-commerce, and 5% use ride-hailing. The International Finance Corporation reports that lack of access to finance is a major obstacle to MSME digitization in developing countries. The data shows that about 60% of MSMEs in developing countries lack formal credit, making it difficult for them to invest in digital technology. It was found that 44% of cyberattacks occurred against enterprises. (MSME Empowerment Report 2022: 24). To provide an explanation of policy direction, implementation, or implementation, as well as reach targets in accelerating the digital transformation of Indonesia, Kominfo (2022) launched the Digital Indonesia Road Map 2021–2024, which is a major strategic guideline for facilitating Indonesia's digital transformation in four sectors. First digital infrastructure, second digital governance, third digital economy, and four digital societies. The road map has outlined 100 key initiatives in 10 priority sectors, including digital transformation and tourism, digital trade, digital financial services, digital media and entertainment, digital agriculture and fishing, digital real estate and urban, digital education, digital health, industrial digitalization, and digitalization of government institutions (Fidela et al., 2020).

According to data from Bank Indonesia, transactions on e-commerce platforms compared to February last year grew by about 12%, reaching IDR 30.8 trillion (Department of Communications, May 31, 2022). This transition will undoubtedly encourage Bank Indonesia to develop MSME digitization programs. The acceleration of MSME digitization is aimed at broadening market access and improving competitiveness. This hope can drive a stronger MSME. Through the three pillars of the MSME Development Programme, Bank Indonesia aims to increase production capacity, cost efficiency, and market expansion. One of the program implementations of the three pillars of MSME development is through the MSME Digitalization Program, i.e., e-Farming with the use of digital technologies in agriculture to increase production capacity; cost efficiency and e-Commerce, which include capacity-building in digital marketing and MSMEs marketing to the global market through digital platforms; and supporting e-Financing in the form of digital applications for MSMEs called "SI APIK". As well, digital payment means to facilitate MSME transactions ("QRIS MSMEs).



Figure 2. Digital Indonesia Road Map 2021-2024

Digital marketing requires good and proper promotion packaging and, most importantly, a reputation for building a sustainable brand. For the MSME, it is better to do an affiliation related to digital-based marketing communications that can enhance their knowledge of competing with similar brands in the digital age. The continuation of educational assistance on marketing communications on a regular basis for the SMEs that move into things like frozen food needs to be done on a periodic basis. The frozen food MSMEs compete through the digital platform with the strength of the brand to build a positive MSME reputation. In the digital business world, MSME perpetrators must remain careful and vigilant against possible fraud in the online marketing process. MSMEs who rarely use digital marketing generally do not want to go out of their comfort zone, still use direct sales to customers, and rely on friendship, integrity, and affinity. At family arrests, bag communities, among RT and RW, as well as at gatherings and crowd events. They're avoiding spending on new marketing systems that they think are risky and changing their habits. The behavior of the SMEs is not free from the culture of affinity that is attached to society in general in the areas of Indonesia (Rudiatin & Hadiwardoyo, 2021), and MSME perpetrators already have internet facilities but still use them relatively rarely for their businesses, according to the results of the Bank of Indonesia's research (BI Institute, 2022).

MSME actors need online marketing training to address the changing ways of marketing and the challenges of digitalization in the business world. The rapid development of this business is not comparable to the continuity of MSME operators in developing their retail

businesses. Many of them pursue customers without knowing how to build and communicate brands to reach customers themselves, which is among the fastest forms of online marketing. There has been a change in consumer behavior as a result of digitization, which is also due to the boundaries of movement as a consequence of the pandemic. The business world has begun to switch to online transactions, with any payment system turning to cashless and delivery facilities. The obstacle for the members is the difficult access to technology because the producers have limited capital and human resources, so they have to work on their own through all the production processes up to marketing. As a result, the time to learn how to use online technology is very limited, while many opportunities are gained when MSME perpetrators use online marketing. For example, to cut costs and facilitate accuracy and speed of reaching customers through online marketplaces as well as transportation services such as Gojek and Grab, there are also those who take courses, take training, and take seminars, both offline and online. For entrepreneurs who become members of a community or association, information about training and upgrades is usually available and sometimes even organized collectively. These organized entrepreneurs are more accessible to others and tend to meet certain standards of quality and sustainability. On the other hand, MSME perpetrators must remain careful and vigilant against possible fraud in the online marketing process.

Digital Technology Prospects Against Cultural Policy for MSME

Online marketing is part of digital marketing. This concept needs to be distinguished from the fact that digital marketing has very broad coverage, while entrepreneurs are not always able to do it all. Online marketing can be limited to a simpler coverage area and can be done relatively easily by even MSMEs. In the Oxford Language Dictionary, online means "controlled by or connected to another computer or to a network" (adjective) or "while so connected or under computer control". (adverb). The other word means "in or into operation or existence." It is similar to the definition given by the Miriam Webster Dictionary: "connected to, served by, or available through a system, especially a computer or telecommunications system (such as the Internet); also, done while connected to such a system." This dictionary even complements it with information connected to others via the Internet, a computer device, or a communication system such as handphone,.

Online marketing can be understood as an attempt to satisfy the needs of others (sell) through the Internet using a computer or other communication device. Online self-marketing Self-controlled Online marketing can be achieved in a variety of ways. According to Marketing Consultant Accurate, there are at least 10 online marketing models, namely: 1. Social media Reaches consumers through paid advertising or organic posts using media such as Facebook, Twitter, Instagram, and so on. 2. Search Engine Optimization (SEO) optimizes websites with a variety of content to get top-ranked in search engine results. 3. Email marketing Commercial messages such as promotions, product offers, discounts, membership offers, and so on are personally sent using email media. 4. Search Engine Marketing (SEM) and other forms of paid online marketing You make a payment to the search engine to get the website's visibility on

that search engine. 5. Affiliate marketing uses a requested affiliate or sales partner to place your business ads on their website or social media. 6. Influencer marketing involves creating content about your product or service and promoting it on various channels to reach potential consumers. 8. Lead generation generates more conversions from people visiting your website, such as sales from them and obtaining potential consumer email addresses. 9. Google Ads is an online advertising platform developed by Google. Advertisers pay to display short ads, service offers, product lists, video content, and the installation of mobile applications in Google's advertising network to web users. 10. Web optimization uses controlled experiments to enhance the ability of the website to drive business targets. To improve the performance of their website, website owners implement A/B testing to experiment with variations on their website pages to determine which changes will eventually result in more conversions. Out of ten independent online marketers MSME is more familiar with using social media, especially among middle-aged mothers. Whereas those who are MSME millennials or Z generations use ten different ways of digital marketing.

Online marketing through the marketplace. A marketplace is a place where sellers and buyers meet. In the real world, a marketplace is a physical market where suppliers of goods and services come together and buyers come in. The marketplace of ideas is an exchange of ideas, and the public can pick up the best ideas they have. In the digital world, a marketplace is perceived as an address provided by its creators to gather service providers and offer fans the opportunity to visit the addresses. The marketplace in the virtual world is divided into two categories: the pure marketplace and the consignment marketplace (Muditomo & Wahyudi, 2020)

Pure marketplace cooperation is when the marketplace site only provides a box for sales and payment facilities. Sellers who do marketplace cooperation are given more privileges than those who do conventional cooperation. The seller is obliged to provide product descriptions and photos independently. The seller also receives a price offer from the buyer. After obtaining the price agreed upon by both parties, the buyer can send a sum of money to the account provided by the marketplace. Examples of Indonesian marketplaces that are popular with the first type of cooperation are Tokopedia, Bukalapak, Elevenia, Blanja, and BliBli. Some examples of marketplaces from abroad that are popular in Indonesia are Shopee, Lazada, JD.ID., and Amazon (Wastam & Rudiatin, 2021).

The second type of co-operation is consignment or the simple term is merchandise. If the seller is working with a marketplace site, he only has to provide the product and information details to the marketplace. One example of a marketplace that provides consignment cooperation is Zalora. Another example of marketplaces that use this type of collaboration is Berrybenka. Doing online marketing through the marketplace can save resources, because the seller is not required to handle or maintain the site. But there are also risks when the marketplace organizers make policy changes, such as the amount of commission, the type of goods, the method of delivery, the payment system, and so on. Some of these marketplaces are paid, some are free, and some charge a cut as a sales commission for every transaction.

Some also provide digital payment facilities, i.e. direct payments between accounts using balances on collaborating payment platforms.

MSMEs are more likely to choose free marketplaces, especially those with offline customers. Unlike MSMEs who have limited time, labor and capital, their marketing relies on online applications. In general, they often move marketplaces when they start to feel unable to change their policies. Nevertheless, these SMEs still rely on customers who are familiar and familiar with the type of products, for example, a lot happens in food, beverage, fashion and craft manufacturers that are cultural heritage; gudeg, slang, soto, pecel or spice pecel, herbal drink, type of sambal etc.

Influencer Marketing

Influencer marketing, which is part of this type of online marketing, needs to be discussed in more detail here because it has a more established theoretical foundation. Before the digital world, marketing using the influence of others was widely known. It refers to the two-step flow theory of communication developed by Paul Lazarsfeld and Elihu Katz in their 1955 book *Personal Influence*. Lazarsfeld basically stated that communication would be more effective when it was done by influencers, so the message was distributed through two stages: (1) from the owner of the message to the influencer, and (2) from the influencer to the public. In the past, influencers meant political figures, group leaders, public figures, artists, poets, print and electronic media activists, and others known to the community. In today's digital age, the category of influencers is growing with the presence of vloggers, bloggers, YouTubers, TikToks, and other social media activists (Ausat & Suherlan, 2021).

Marketers nowadays can use the services of influencers, even buzzers, to increase public recognition and interest in their products. MSMEs more often use friends or relatives as influencers or community figures among them. Building your own marketing site is not easy, especially when it comes to getting it crowded. Then some beginners directly use social media that has links to other, more popular social media or has more followers. The more practical way is to join a marketplace that has provided space for both service and product sellers. To be able to run an online marketing strategy, an entrepreneur must be equipped with adequate equipment, operators with capabilities, and consistent products and services. It means there's a need for system and management adjustments, and it also means additional costs or investments. Micro-enterprises with limited employees require the help of more educated family members to start, at least within a certain period of time, managing themselves.

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enterprises with limited employees require the help of more educated family members to start, at least within a certain period of time, to manage themselves.

CONCLUSION

There are six issues faced by micro- and small-medium businesses in the transition of their strategy from direct sales to online sales: 1) the obstacles and facilities achieved; 2) the learning process undertaken; 3) the role of governments, associations, colleges, and other private entities in supporting the process of transition; 4) the proportion of online sales turnover compared to the overall turnover before and after online use; 5) the way online marketing is overcome, whether independently, using influencers, through marketplaces, or mixed, and their respective proportions; 6) the cost and price structure of the new system; and 7) future business prospects. The conclusion obtained is that MSME are more familiar with using social media compared to the marketplace, in addition to the fact that web hosting is rarely used, even though it is free. The stages providing an appearance in the application require their own skills.

While the direction of the marketing digitization policy on MSME that has been running for this time has begun to form a culture of marketing digitalization on the MSME's of risk avoidance and traditions of selling that rely on acquaintances, relatives, and social gathering arenas as their market share, especially in areas where internet access is limited and gadgets are not yet the main means of marketing ..

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