



Effective Digital Marketing Strategies to Increase Sales and Reach of MSMEs in Banjarbaru City

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Abstract

Increasing sales and market reach is a major challenge for Micro, Small, and Medium Enterprises (MSMEs) in Banjarbaru City. In the digital era, implementing an effective digital marketing strategy can be a solution to expand the market and increase sales volume. This study aims to identify and analyze digital marketing strategies that can be implemented by MSMEs in Banjarbaru City to achieve these goals. Using a qualitative approach, this study collected data through interviews and case studies on several MSME actors who have utilized digital marketing. The results of the study show that the use of social media, search engine optimization (SEO), and paid advertising (Google Ads, Facebook Ads) are the most effective strategies in increasing the visibility and competitiveness of MSMEs. In addition, managing interesting content and good interaction with consumers have also been shown to play an important role in building customer loyalty. Overall, digital marketing strategies can have a positive impact on increasing sales and reach of MSMEs in Banjarbaru City, but proper and consistent implementation is needed so that optimal results can be achieved.

Keywords: Digital Marketing, UMKM, Sales

INTRODUCTION

In the era of increasingly developing globalization, advances in information and communication technology have had a significant impact on various sectors of life, including the business world. One sector that feels the positive impact of this technological development is the Micro, Small, and Medium Enterprises (MSMEs) sector. MSMEs have a very important role in the Indonesian economy, contributing to job creation, poverty reduction, and community economic empowerment.(Gobal et al., 2024). In Banjarbaru City, as in other regions in Indonesia, MSMEs are one of the main pillars of the economy that support growth and equal distribution of welfare. However, MSMEs in Banjarbaru still face various challenges in increasing sales and market reach, especially in facing increasingly tight competition in this digital era.

One solution that can be implemented by MSMEs in Banjarbaru is the use of digital marketing strategies. Digital marketing refers to the use of digital platforms and internet technology to promote products or services to consumers. By utilizing various digital tools such as social media, search engines, and paid advertising, MSMEs can significantly increase their visibility(Kotler et al., 2018). The implementation of digital marketing allows MSMEs to reach a wider audience



without being limited by geographical space. Therefore, this strategy is very relevant to support MSMEs in overcoming the limitations of traditional marketing and increasing their competitiveness in an increasingly competitive market.

The use of the right digital marketing strategy can provide many benefits for MSMEs. One of the main advantages of digital marketing is that it is more cost efficient compared to conventional marketing methods. Through social media, for example, MSMEs can market their products for free or at a very low cost compared to television, radio, or print media advertising. (Wijoyo et al., 2020). In addition, digital marketing allows MSMEs to conduct more segmented and personalized marketing, which means they can target a more specific and relevant audience with the products they offer. This can increase the effectiveness of marketing campaigns and increase the chances of sales conversions. (Celia et al., 2023).

However, although many MSMEs have started using digital marketing, not all have succeeded in implementing it effectively. One of the main factors that influences the success of digital marketing for MSMEs is a limited understanding of the right strategy and how to optimize it. Many MSMEs still rely on traditional marketing and have not fully utilized the potential of digital marketing to its full potential. (Arumsari et al., 2022). Therefore, a deeper understanding of digital marketing concepts, techniques, and tools that can be applied by MSMEs is needed so that they can maximize the existing market potential.

In Banjarbaru City, although MSMEs have great potential, many of them have not fully utilized digital technology in their marketing activities. This is due to several factors, including limited knowledge about the use of digital platforms, lack of skilled human resources in the technology field, and limited funds to invest in effective digital marketing tools. (Iriani et al., 2022). For example, many MSMEs still use very traditional marketing methods, such as selling in physical markets or relying on word of mouth, which of course has limitations in terms of reach and effectiveness. In addition, many MSMEs feel hesitant and worried about the costs and complexity of using digital marketing tools, such as paid advertising or search engine optimization (SEO).

However, there are a number of MSMEs in Banjarbaru that have successfully implemented digital marketing strategies effectively and felt the positive impact of using this technology. They have utilized social media such as Instagram, Facebook, and WhatsApp to promote their products, interact with customers, and increase sales. In addition, several MSMEs have also utilized e-commerce platforms to expand their market reach, both locally and nationally. This success shows that with the right understanding and strategy, digital marketing can be a very effective tool in increasing sales and expanding the MSME market in Banjarbaru.

It is important to remember that digital marketing is not just about placing ads on the internet, but also includes various other aspects such as creating interesting content, managing customer relationships, and analyzing data to measure the effectiveness of marketing campaigns. Therefore, for MSMEs in Banjarbaru, it is very important to understand in depth the various digital marketing tools and techniques available. For example, the use of appropriate social media and in accordance with audience characteristics can increase interaction and engagement with customers. (Solomon et al., 2017). In addition, good SEO techniques can help SMEs to

get better rankings in search engines like Google, which in turn will increase their visibility and appeal in the market.(Manik et al., 2024).

However, effective digital marketing implementation does not only depend on choosing the right tools, but also on other factors, such as content strategy and customer relationship management. Relevant and interesting content can help MSMEs build a strong brand image and increase customer loyalty. In this case, it is important for MSMEs to understand their customers' preferences and needs, and present content that suits their desires. Customer relationship management is also no less important, because good interaction with customers can increase satisfaction levels and create a closer relationship between businesses and consumers.(Peppers et al., 2016).

Along with the development of technology, there are more and more digital tools and platforms that can be used by MSMEs to market their products. E-commerce platforms such as Tokopedia, Bukalapak, and Shopee have become very effective channels for many MSMEs to sell their products online. In addition, instant messaging applications such as WhatsApp are also widely used by MSMEs to communicate directly with customers and offer products personally. The use of these digital platforms not only helps MSMEs reach more customers, but also allows them to monitor market trends and respond to customer needs more quickly and efficiently.(Sifwah et al., 2024).

However, despite the many opportunities available, the biggest challenge for MSMEs is how to manage and utilize existing resources effectively. Limited funds, time, and skills in digital marketing are often barriers for MSMEs to invest in more advanced marketing strategies. Therefore, it is very important for the government, educational institutions, and other related organizations to provide training and support to MSMEs in adopting digital technology. Training programs that focus on developing digital skills and understanding online marketing strategies can help MSMEs in Banjarbaru to maximize the potential of digital marketing.

This study aims to identify and analyze effective digital marketing strategies in increasing sales and market reach of MSMEs in Banjarbaru City. By understanding the various digital marketing strategies implemented by MSMEs in this area, it is hoped that this study can provide useful recommendations to increase the competitiveness and sustainability of MSMEs in Banjarbaru, as well as provide a positive contribution to the local economy.

RESEARCH METHODS

This study uses a qualitative approach with a case study research type to analyze the implementation of digital marketing strategies by Micro, Small, and Medium Enterprises (MSMEs) in Banjarbaru City. The qualitative approach was chosen because it can provide an in-depth understanding of the phenomena that occur in the implementation of digital marketing strategies, as well as to explore various factors that influence the success or failure of these strategies in increasing sales and market reach of MSMEs.(Pugu et al., 2024). Case studies were chosen because they allow researchers to explore in depth the practices implemented by several MSMEs that have used digital marketing in their business operations in Banjarbaru.

The data in this study were collected through in-depth interviews with MSME owners or managers who have implemented digital marketing strategies in their businesses. The selection of informants was carried out purposively, namely by selecting MSMEs that have used various digital platforms such as social media (Instagram, Facebook, WhatsApp), websites, and e-commerce platforms in their marketing activities. (Syailendra et al., 2024). Interviews were conducted in a semi-structured manner to give respondents the freedom to provide their views and experiences related to the use of digital marketing, while ensuring that the information obtained is relevant to the objectives of the study. In addition, this study also collected secondary data from MSME annual reports, related articles, and literature studies on digital marketing and MSMEs.

Data analysis was carried out using a thematic analysis approach, namely by identifying the main themes that emerged from the interviews conducted. (Rozali, 2022). Each interview transcript is carefully analyzed to find patterns related to the digital marketing strategies implemented, the challenges faced, and the results obtained from implementing the strategies. The collected data will be compiled and analyzed to gain a deeper understanding of the effectiveness of digital marketing in increasing sales and market reach of MSMEs in Banjarbaru.

RESEARCH RESULT

This study aims to analyze the implementation of digital marketing strategies by Micro, Small, and Medium Enterprises (MSMEs) in Banjarbaru City in increasing their sales and market reach. Based on in-depth interviews with several MSME owners who have used digital marketing strategies, various findings were obtained related to the types of strategies implemented, challenges faced, and results obtained from the implementation of digital marketing.

Most of the MSMEs interviewed in Banjarbaru have started to utilize digital platforms to introduce their products to a wider market. Some of them utilize social media, such as Instagram, Facebook, and WhatsApp, as the main means of interacting with consumers and promoting products. In addition, there are also those who utilize e-commerce platforms such as Tokopedia, Bukalapak, and Shopee to sell their products online. From the interviews conducted, it was found that the majority of MSMEs in Banjarbaru are still in the early stages of adopting digital marketing, and although they have gained some benefits, there are also a number of challenges faced in the implementation process.

Using Social Media as a Marketing Tool

Most of the interviewed MSMEs revealed that they utilize social media as the main tool in marketing their products. Platforms such as Instagram and Facebook are used to introduce products, provide the latest information, and interact directly with customers. Social media is considered a very effective tool because it can connect MSMEs with consumers directly and without geographical limitations. This is in line with research conducted by Chaffey (2015), which states that social media allows MSMEs to build closer relationships with customers and introduce their products widely without high costs.

At first, the SMEs admitted that they did not understand how to use social media optimally. However, after attending several trainings and gaining insights from

online resources, they began to realize the importance of more structured marketing techniques. One of the most important things they learned was the importance of consistency in posting content that is relevant and interesting to the audience. This has been proven to increase customer interaction and build brand loyalty.

Based on the data obtained, it was found that MSMEs that consistently post interesting content on social media experienced a significant increase in the number of followers and interactions. They also reported an increase in sales from direct messages or purchases made through social media. This data is supported by the findings in a study by Tuten and Solomon (2017), which showed that marketing through social media can increase customer engagement and drive more sales than conventional marketing.

E-Commerce Platform and Paid Advertising

In addition to social media, many MSMEs in Banjarbaru also utilize e-commerce platforms as their main marketing channels. Platforms such as Tokopedia, Bukalapak, and Shopee make it easy for MSMEs to sell their products online. In this study, it was found that e-commerce platforms provide MSMEs with the opportunity to expand their markets to the national and even international levels. This is very important considering that many MSMEs in Banjarbaru have local products that have the potential to be in demand outside their area.

However, although many MSMEs have successfully utilized this platform, most of them admit that they do not fully understand how to optimize the use of e-commerce platforms. One of the main challenges faced is the limitations in terms of account management, product optimization, and utilization of the features available on the platform. On the other hand, several MSMEs reported that they felt helped by the paid advertising features available on these platforms. Paid advertising, such as those on Google Ads and Facebook Ads, helps them reach more consumers who are more segmented and relevant to the products they sell.

Several interviewed MSMEs also revealed that they have started allocating part of their marketing budget for paid advertising on e-commerce platforms and social media. Although the costs required for paid advertising are quite significant, they reported that the results obtained were quite comparable, namely a significant increase in sales. This is in accordance with the findings of Ryan (2016), who revealed that paid advertising can increase product visibility and increase sales conversions if implemented with the right strategy.

Challenges Faced by MSMEs

Although digital marketing provides many benefits for MSMEs in Banjarbaru, there are also many challenges faced in its implementation. One of the biggest challenges is the limited human resources who are skilled in digital marketing. Many MSMEs find it difficult to manage their social media accounts professionally, create interesting content, and manage paid advertising. Most MSMEs do not have staff trained in digital marketing and often have to rely on themselves to manage all aspects of online marketing. This is in accordance with the results of Soeharto's research (2019), which states that many MSMEs have difficulty finding competent human resources in the field of digital marketing.

In addition, the costs required to run a digital marketing campaign, such as the cost of paid advertising or the cost of managing social media accounts by

professionals, are also obstacles for many MSMEs. Although some MSMEs have reported positive results from using paid advertising, many feel that these advertising costs do not always provide optimal results, especially when compared to a limited marketing budget.

Another challenge faced by MSMEs is their dependence on digital platforms managed by third parties, such as social media and e-commerce platforms. Several MSMEs reported that although they can reach a wider audience through these platforms, they also feel they have less control over the sustainability of their relationships with customers. In addition, unexpected algorithm changes on these platforms often affect the reach and effectiveness of their marketing campaigns. This underscores the importance of not relying on just one platform or marketing channel, but rather building a more holistic and diverse digital marketing strategy.

Results of Increased Sales and Market Reach

Despite these challenges, most of the MSMEs interviewed reported a significant increase in sales and market reach after implementing digital marketing. One example found was a local food business that had used Instagram and Facebook to promote their products. After taking digital marketing training and starting to focus on creating more engaging content, they reported a 30% increase in sales in the first three months. In addition, the use of paid advertising features on Facebook Ads and Instagram Ads also succeeded in bringing in new customers from outside the city of Banjarbaru.

The following table presents data on the increase in sales and market reach after the implementation of digital marketing in several MSMEs in Banjarbaru.

Name of UMKM	Types of Digital Marketing Strategies	Sales Increase (%)	Market Reach Increase (%)
UMKM A (Food)	Instagram, Facebook, Paid Ads	30%	40%
UMKM B (Crafts)	Shopee, Instagram, SEO	25%	35%
UMKM C (Fashion)	Facebook, WhatsApp, Paid Ads	20%	50%
UMKM D (Culinary)	WhatsApp, Facebook, Google Ads	40%	45%

Based on the table above, it can be seen that most MSMEs that implement digital marketing have succeeded in increasing sales and expanding their market reach. These results indicate that the use of the right digital marketing strategy can have a significant positive impact on MSMEs in Banjarbaru.

DISCUSSION

The results of the study obtained from the implementation of digital marketing strategies by MSMEs in Banjarbaru City show various interesting findings related to the effectiveness, challenges, and opportunities in using digital technology to increase sales and market reach. The implementation of digital marketing by MSMEs in Banjarbaru can be said to have a positive impact although there are still several obstacles that need to be overcome. This discussion will further describe these

findings, and compare them with existing literature, to provide a deeper understanding of the factors that influence the success of digital marketing for MSMEs in Banjarbaru City.

One of the main findings that can be identified is the high interest of MSMEs in Banjarbaru to use social media as the main channel in marketing their products. The majority of MSMEs interviewed use platforms such as Instagram, Facebook, and WhatsApp to introduce their products and interact directly with customers. This is in line with the results of research by Chaffey (2015), which states that social media has become one of the main channels for many businesses to reach consumers more directly and personally. In the context of MSMEs in Banjarbaru, social media not only functions as a marketing tool, but also as a means to build closer relationships with customers. MSMEs revealed that by using social media, they can communicate directly with consumers and get faster feedback on the products they offer.

In addition, the implementation of more structured marketing techniques on social media has also been proven to help MSMEs increase sales. MSMEs admitted that they have started to utilize features on social media platforms, such as Instagram Stories, Facebook Ads, and paid posts, to increase the visibility of their products. Consistency in posting relevant and interesting content for the audience also plays an important role in increasing customer interaction and engagement, which in turn can drive more sales. This finding is consistent with research conducted by Tuten and Solomon (2017), which emphasized that marketing through social media can create closer relationships between companies and customers, as well as accelerate the sales process.

However, although the use of social media is very effective in increasing product visibility, not all MSMEs in Banjarbaru have succeeded in optimizing this strategy well. Several MSMEs admitted that they still find it difficult to manage social media accounts professionally, especially in terms of creating interesting content and managing paid advertising. This is understandable considering that many MSMEs do not have an educational background or training in digital marketing. Some MSMEs also feel overwhelmed by the various platforms that they have to manage simultaneously. Limited time and energy are factors that often hinder the management of digital marketing optimally, which ultimately impacts the effectiveness of their marketing campaigns. Research conducted by Soeharto (2019) also shows that one of the biggest challenges faced by MSMEs in implementing digital marketing is the limited human resources who have skills in technology and digital marketing.

In addition to social media, e-commerce platforms such as Tokopedia, Bukalapak, and Shopee have also been found to be very effective marketing channels for several MSMEs in Banjarbaru. These platforms make it easy for MSMEs to sell their products online and reach customers from outside the region. This is very important for MSMEs in Banjarbaru, because many of them initially only sold their products locally or in physical markets. With the existence of e-commerce platforms, they can expand their market reach to the national level, even internationally. The use of e-commerce platforms also allows MSMEs to take advantage of the paid advertising features available in them. This feature helps them to increase the visibility of their products and attract customers who are more relevant to the products they offer.

Research by Ryan (2016) also supports this finding by stating that e-commerce platforms can provide great opportunities for MSMEs to sell their products at a more efficient cost compared to using traditional marketing channels.

However, even though e-commerce platforms provide many benefits, several MSMEs in Banjarbaru revealed that they face obstacles in managing their accounts on the platform. Many of them are not familiar with the features available on e-commerce platforms, such as product optimization, stock management, and utilization of paid advertising. This limited understanding and skills hinder them from maximizing the potential offered by the platform. Research conducted by Hidayat et al. (2018) shows that many MSMEs do not fully understand how to optimally utilize e-commerce platforms, which ultimately impacts the effectiveness of their marketing strategies.

Another important finding is that although many MSMEs have succeeded in increasing sales through digital marketing, most still face challenges in managing their marketing budgets. Many MSMEs admitted that they had to allocate a significant budget to run digital marketing campaigns, especially paid advertising on social media and e-commerce platforms. Several MSMEs revealed that paid advertising costs do not always provide optimal results, especially when compared to their limited marketing budgets. This raises questions about how effective the costs spent on paid advertising are in increasing sales conversions. In this case, it is important for MSMEs to continue to monitor and evaluate the performance of their advertising campaigns, and make adjustments to their strategies if necessary.

Despite the challenges faced, the results of the study show that the implementation of digital marketing has had a positive impact on most MSMEs in Banjarbaru, both in terms of increasing sales and market reach. The use of social media and e-commerce platforms integrated with paid advertising has been shown to have a significant impact on product visibility and the number of customers acquired. In addition, direct engagement with customers through digital platforms also helps build customer loyalty and strengthen brand image. Therefore, although there are still challenges that need to be overcome, digital marketing has great potential to support the development of MSMEs in Banjarbaru, especially in facing increasingly tight market competition.

However, to achieve optimal results, it is important for MSMEs to continue to develop their digital marketing skills. The government and related institutions also need to provide training and support for MSME actors so that they can better understand effective digital marketing strategies and can implement them optimally. Thus, MSMEs in Banjarbaru can continue to grow and increase their competitiveness in the global market.

CONCLUSION

Based on the results of research conducted on the implementation of digital marketing strategies by Micro, Small, and Medium Enterprises (MSMEs) in Banjarbaru City, it can be concluded that the use of digital technology has had a significant impact on increasing sales and expanding the market reach of MSMEs. Although still facing several challenges, such as limited human resources skilled in digital marketing and limited marketing budgets, the majority of MSMEs who have adopted digital marketing reported a significant increase in sales and market reach.

The use of social media such as Instagram, Facebook, and WhatsApp has proven to be an effective tool in building closer relationships with customers and promoting products widely. In addition, e-commerce platforms also provide great opportunities for MSMEs to expand their markets, both locally and nationally, and increase product visibility through paid advertising. However, many MSMEs still face difficulties in managing their digital accounts professionally and optimizing the use of features available on digital platforms.

The main challenges faced by MSMEs are limited knowledge and skills in digital marketing, as well as difficulties in allocating adequate budget for digital marketing campaigns. Therefore, greater support is needed from the government and related institutions, such as training and access to resources that can help MSMEs maximize their digital marketing potential. In addition, MSMEs need to continue to evaluate and adjust their digital marketing strategies so that the results obtained are increasingly optimal.

Overall, the implementation of digital marketing provides a great opportunity for MSMEs in Banjarbaru City to increase competitiveness and expand the market. With a better understanding of digital marketing strategies and more structured implementation, MSMEs can achieve greater success in this increasingly competitive market.

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