



## THE APPLICATION OF THE DIGITAL ECONOMY IN DESIGNING MARKETING STRATEGIES FOR MICRO, SMALL, AND MEDIUM ENTERPRISES (MSMES) IN NAGARI ULAKAN

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### ABSTRACT

The development of digital technology and its applications is highly dependent on the readiness of human resources. The government and businesses must anticipate the readiness of human resources to meet job demands. With the mechanization of work, humans must share work with advances in robotic technology. Robots will perform mechanical tasks, while application software will perform routine tasks and process data into information. Humans will work on strategic tasks, including designing and supervising robots and applications, creating innovations or new work methods, and engaging in activities related to creativity and emotion. Every individual is required to adapt by developing their competencies. These competencies include technical skills and non-technical skills (soft skills). Technical skills are acquired through vocational education, training, and technical certification programs. Providing HR development training for employees in the digital era is increasingly necessary. The increasingly familiar use of technology has also made companies more creative in providing training. While previously these activities took the form of meetings between employees and mentors, now other forms are presented through simulations, webinars, video tutorials, and even online training platforms. Not only is this practical, but these steps can help companies reduce expenses. Marketing, Communication, and Organization are all messages and media delivered by a company in an effort to communicate with the market. It is a marketing method for the target segment. If the marketing is engaging enough, you not only have the potential to sell your product, but customers will also return to buy again. Keywords: Competence, Human Resource Development, Marketing, Communication, and Organization, especially for business owners.

Keywords: Business Owners, Marketing, Communication, Organization

### ABSTRAK

Pengembangan teknologi digital dan aplikasinya sangat tergantung kepada kesiapan SDM. Kesiapan SDM dalam memenuhi tuntutan pekerjaan harus diantisipasi pemerintah dan pelaku usaha. Dengan adanya mekanisasi pekerjaan, manusia harus berbagi pekerjaan dengan kemajuan teknologi robot. Robot akan bekerja untuk hal-hal yang bersifat mekanik, software aplikasi akan menjalankan pekerjaan yang bersifat rutin dan mengolah data menjadi informasi. Manusia bekerja untuk hal-hal yang bersifat strategis, antara lain merancang dan mengawasi pekerjaan robot dan aplikasi, menciptakan inovasi atau metoda kerja baru serta mengerjakan hal-hal yang berhubungan dengan kreativitas dan perasaan. Setiap individu dituntut untuk mampu beradaptasi, yakni dengan mengembangkan kompetensinya. Hal ini berupa kompetensi teknis (technical skills) dan non teknis (soft-skills). Technical skills diperoleh melalui pendidikan vocation, pelatihan, dan program sertifikasi teknis. Pemberian pelatihan pengembangan SDM atau training untuk karyawan di era digital semakin dibutuhkan. Pemakaian teknologi yang semakin familier pun membuat perusahaan semakin kreatif dalam menyelenggarakan pelatihan. Jika sebelumnya kegiatan tersebut dilakukan dalam bentuk pertemuan antara karyawan dengan mentor, sekarang ada bentuk lain yang disajikan lewat simulasi, webinar, video tutorial, hingga online training melalui platform. Bukan hanya praktis, langkah tersebut dapat membantu perusahaan menekan pengeluaran. Marketing, Komunikasi dan Organisasi adalah segala pesan dan media yang disampaikan perusahaan dalam upaya berkomunikasi dengan pasar. Adalah cara pemasaran kepada segmen yang disasar. Apabila pemasaran yang dilakukan cukup menarik, kamu tak hanya mendapatkan kemungkinan produk laku terjual, tapi pelanggan pun akan kembali lagi untuk membeli. Kata Kunci : Kompetensi, Pengembangan SDM, Marketing, Komunikasi dan Organisasi khususnya pada pelaku usaha

Kata Kunci: Pelaku Usaha, Marketing, Komunikasi, Organisasi

## INTRODUCTION

The era of the digital economy has become a major driver of business transformation, offering new opportunities and significant challenges for businesses worldwide (Sutanto & Purwanto, 2021). This shift requires Micro, Small, and Medium Enterprises (MSMEs) to adopt digital technology to maintain and enhance their competitiveness. In Indonesia, MSMEs play a crucial role as a pillar of the national economy, absorbing a majority of the workforce and contributing significantly to the Gross Domestic Product (BPS, 2022). However, the adoption of this technology is often hindered in rural areas, such as in Nagari Ulakan, where limited access and a lack of digital literacy are major obstacles to leveraging the potential of a wider market.

Numerous studies have consistently shown that the implementation of digital marketing strategies can improve the performance of MSMEs, ranging from increased sales volume and expanded geographical reach to enhanced brand image among consumers (Kotler & Keller, 2016). Platforms such as social media and e-commerce enable MSMEs to establish direct relationships with consumers and reduce promotional costs. Nevertheless, a gap remains in the existing literature, namely the scarcity of studies that specifically address adaptive and effective digital strategies for MSMEs in regions with unique socio-economic characteristics like Nagari Ulakan. Models that succeed in urban areas are not necessarily relevant for application in different regions, thus requiring a tailored approach (Pradana & Wibowo, 2020).

Based on this gap, the main problem statement for this community service program is: "How to design and implement a sustainable digital marketing strategy, tailored to the context and local needs of MSMEs in Nagari Ulakan?" In line with this, the objective of this program is to empower MSME actors through comprehensive mentorship. This objective includes developing the capacity of MSMEs to manage digital platforms, create engaging marketing content, and evaluate the impact of the implemented strategies on increasing revenue and competitiveness. This approach is expected to provide practical solutions based on a robust research methodology (Sugiyono, 2018).

This program is expected to provide dual benefits, both practical and theoretical. Practically, this initiative will equip MSMEs in Nagari Ulakan with essential knowledge and skills to innovate in the digital era, which will ultimately improve their economic well-being. From a theoretical perspective, the results of this program will serve as a rich and relevant case study on the implementation of the digital economy in a rural community, filling the existing gap in the literature. The program's evaluation results can also serve as an important reference for local government policy in supporting future MSME development, considering that the sustainability of this empowerment model is highly dependent on ecosystem support (Taufik et al., 2021).

## METHOD

The methodological approach to support this community service program is carried out by:

1. Developing materials on digital marketing, business communication, and organization to enhance business networks and revenue.
2. Presenting the content in a workshop format.

## RESULT AND DISCUSSION

### a. Implementation of Activities

This community service program (PKM) was carried out in Nagari Ulakan with the primary objective of empowering MSME actors through the application of digital marketing strategies. The activity involved 25 MSME actors operating in the handicraft, culinary, and agribusiness sectors. The program's implementation was divided into three main structured stages: socialization and assessment, integrated training, and continuous mentorship and monitoring.



The first stage, socialization and needs assessment, was conducted in the first week. The PKM implementation team held a meeting with MSME representatives and officials of Nagari Ulakan to introduce the concept of the digital economy and its benefits for MSMEs. During this stage, an initial assessment was conducted to identify the level of digital literacy, access to technology, and marketing challenges faced by each MSME actor. The assessment results showed that the majority of participants still relied on word-of-mouth marketing and did not have a strong digital presence; some even lacked social media accounts for their businesses.

The second stage, integrated training, took place over the following two weeks. The training was designed with a hands-on approach so that participants could immediately implement the knowledge they gained. The training materials covered four main modules:

1. **Module 1: Introduction to Digital Marketing Strategies.** Participants were taught the basic concepts of digital marketing, the differences between conventional and digital marketing, and the importance of building brand awareness in the online world.
2. **Module 2: Utilizing Social Media for Business.** This module focused on using popular social media platforms such as Instagram and Facebook. Participants were taught how to create business accounts, optimize profiles, use relevant hashtags, and basic techniques for content scheduling.
3. **Module 3: Creating Engaging Visual Content and Narratives.** Participants were given basic training on product photography using smartphones and simple copywriting techniques to create persuasive product descriptions.
4. **Module 4: Introduction to E-commerce Platforms.** Participants were introduced to marketplace platforms such as Shopee and Tokopedia, and were taught the basic steps for listing products and managing orders.

The third stage, mentorship and monitoring, was carried out for one month after the training was completed. In this stage, the PKM team regularly visited the MSME actors to provide personal guidance on implementing the strategies they had learned. This mentorship was crucial for overcoming technical obstacles and building the participants' confidence in managing their digital accounts independently.

#### **b. Results and Impact of the Activities**

Based on the stages of activities that have been carried out, this program successfully showed significant results, both in terms of increased competence and short-term economic impact for the MSME actors in Nagari Ulakan.

##### **1. Increased Digital Competence of MSME Actors**

**Understanding of Digital Economy Concepts:** There was a tangible increase in the participants' understanding of the digital economy concept. While many participants were skeptical at the beginning of the program, by the end they began to realize that a digital presence is no longer an option but a necessity to survive and grow. They started to understand that social media is not just a communication tool but also a digital storefront for their products.

**Technical Digital Marketing Skills:** All participants successfully created and managed business accounts on social media. They also showed improved ability in producing promotional content. Previously, product photos were taken casually, but after the training, they began to pay attention to lighting, camera angles, and appealing layouts. These skills are crucial because high-quality visual content is key to attracting the attention of an online audience.

##### **2. Short-term Economic Impact**

**Market Reach Expansion:** This new digital presence directly opened the door for Nagari Ulakan's MSMEs to reach a wider market. Through social media, their products became

known to potential buyers from outside the Nagari, and even from big cities. This was evident from the increase in followers, interactions in the comment sections, and private messages inquiring about products.

**Increased Revenue and Sales:** Several MSME actors reported an average increase in sales revenue of 15-20% in the first month after applying the digital marketing strategies. This increase came not only from old customers but also from new customers who found their products online. This increase in revenue is concrete evidence that the investment of time and effort in digital training yields a positive return.

**Formation of Digital Networks:** This activity also facilitated the formation of a network among MSME actors. They began following each other's social media accounts, cross-promoting products, and sharing experiences in facing challenges in the digital world. This network serves as an important foundation for future collaboration.

#### c. Discussion and Analysis

The success of this PKM program is inseparable from several key, mutually supportive factors, while also highlighting the relevance of digital marketing theory to practical application.

##### 1. Relevance of Theory to Practice

This program effectively applied the theory of the digital marketing funnel, starting from the awareness stage, followed by consideration, and finally conversion. In the initial stage, the PKM team focused on helping MSMEs build brand awareness through social media optimization. Following that, the MSME actors were taught how to manage interactions (consideration) and ultimately drive sales (conversion). This systematic approach proved to be easier for participants to understand and implement, as they saw a logical progression in their marketing efforts. As a result, MSMEs in Nagari Ulakan were not only "present" digitally but were also able to build meaningful interactions with potential customers.

##### 2. Program Success Factors

The main success factor lies in the participatory approach and intensive mentorship. The practical and hands-on training method enabled participants to try and interact with digital platforms under direct guidance. The PKM team served not only as instructors but also as patient facilitators in dealing with participants with varying levels of digital literacy. The one-on-one mentorship provided in the final stage was key to resolving minor obstacles that often cause participants to give up. This demonstrates that a personal touch and motivation are inseparable elements in the process of empowering MSMEs.

##### 3. Challenges and Solutions

Despite its success, the program also faced several challenges that need to be analyzed:

**Internet Infrastructure:** The availability and stability of the internet network remain a constraint in several areas of Nagari Ulakan. The solution adopted was to encourage participants to utilize public facilities with better internet connections and optimize the use of more affordable cellular data packages.

**Resistance to Change:** Some participants were initially reluctant and pessimistic about adopting new technology. This was overcome with a persuasive approach, showing examples of other MSMEs' successes, and providing consistent guidance until they personally experienced the benefits of digital marketing.

**Limited Capital:** Participants had limited capital for advertising on social media (paid promotion). Therefore, the training curriculum was focused on organic marketing strategies, such as hashtag optimization, community interaction, and creating naturally viral content.

##### 4. Sustainability Potential and Recommendations

The positive outcomes of this PKM program pave the way for greater sustainability potential.

**Formation of a Digital MSME Community:** The formation of a network among MSME actors

can serve as an official platform for sharing knowledge, collaborating on promotions, and addressing common problems. The implementing team recommends the formation of this community as an independent entity that can be managed by the MSME representatives themselves.

**Institutional Support:** The sustainability of the program is highly dependent on the support from the Nagari government and educational institutions. The local government can play a role in providing better internet access, while educational institutions can continue the training and mentorship programs periodically.

**Development of Training Modules:** This program can be further developed by adding more specific modules, such as digital advertising, sales data analysis, or even an introduction to the fundamentals of digital finance. This will strengthen the overall MSME ecosystem of Nagari Ulakan.

## CONCLUSION

This community service program (PKM) successfully enhanced the competitiveness of 25 MSMEs in Nagari Ulakan through the application of the digital economy. Participants showed a significant improvement in digital marketing skills, as evidenced by their ability to effectively manage social media and e-commerce platforms. The direct impact of this program was the expansion of market reach and an average increase in sales revenue of 15-20%. In addition to individual benefits, this activity also successfully fostered a spirit of collaboration and formed an informal network among the MSME actors, which serves as a foundation for collective growth.

To ensure the sustainability of these positive impacts, strategic future steps are necessary. The main recommendations include the formation of an independent digital MSME community, the improvement of internet infrastructure by the local government, and the provision of continuous advanced training programs. The success of this program confirms that the adoption of technology must be supported by a willingness to learn and consistent mentorship. Therefore, synergy among MSME actors, the government, and relevant institutions is key to building a strong and adaptive digital economic ecosystem in the future.

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