

## **Improving Marketing Performance through Digital Marketing for Micro Business Actors in the Trade Sector Registered at the Cooperatives and SMEs Service Office**

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### **ABSTRACT**

This study aims to (1) describe and analyze marketing performance through digital marketing for micro business actors in the trade sector at South Sulawesi (2) describe and analyze the dominant factors that affect marketing performance through digital marketing on micro businesses in the trading sector at South Sulawesi. This type of research is descriptive qualitative research with data collection techniques were carried out by interviews, observation, and documentation. Validation of data using credibility, transferability, dependability, and confirmability. Data analysis used is data collection, data condensation, data presentation, and drawing conclusions. The results of the data analysis as well as those that have been described show the three indicators which as a measure in analyzing Marketing Performance Improvement through Digital Marketing show very good results.

**Keywords:** Digital Marketing; MSME; Marketing Performance; Trading; Micro Business

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### **INTRODUCTION**

In Indonesia, Micro, Small and Medium Enterprises (MSMEs) are recognized as one of the business sectors that make a very significant contribution to economic growth (Berisha & Pula, 2015; Bigliardi et al., 2011; Legg et al., 2015). MSMEs are a type of business field that has a large potential in the formation of Gross Domestic Product (GDP) (Hadiyati, 2015; Tambunan, 2012, 2020). In addition, MSMEs are also able to reduce the number of unemployed and overcome poverty by absorbing workers who are still unemployed.

The number of MSMEs that continues to increase every year requires guidance to increase micro entrepreneurs to become small entrepreneurs or even to become big entrepreneurs (Candraningrat et al., 2021; Herliansyah et al., 2020; Kusuma & Darma, 2020; Susanti & Widajatun, 2021). However, there are still many challenges faced by MSMEs such as constraints on ability, skills, expertise, human resource management, marketing

performance, and financial records (Agyapong, 2010; Inmyxai & Takahashi, 2015; Mishra et al., 2021; Mukherjee, 2018).

Marketing performance is still often ignored by business actors. Whereas marketing performance is a measure of success achieved by business actors in the marketing process (Dangelico, 2017; Firman et al., 2020; Riwayati, 2017). According to (Wang et al., 2012) there are several factors that affect marketing performance consisting of environmental factors, product innovation, and market orientation. However, in this study, researchers only used market orientation and product innovation variables to determine their effect on marketing performance.

Based on the results of preliminary observations that have been made, there are several problems related to the marketing performance of trading businesses in South Sulawesi, the first is that many business actors are not fully aware of the importance of marketing performance for a business and the second is that there are still many business actors who do not understand. in mapping the market to be targeted in order to compete with similar businesses.

The use of *digital marketing* in an effort to improve the marketing performance of MSMEs is one of the marketing media that is currently in great demand by MSME actors to support various activities carried out (Purba et al., 2021). Business actors are gradually starting to leave conventional/traditional marketing models and then switch to modern marketing, namely *digital marketing*.

*Digital marketing* is very suitable for businesses / businesses that have just been started because they are cost-effective (Bala & Verma, 2018; Charlesworth, 2014; Kingsnorth, 2019), can be controlled independently without having to recruit employees, flexible working hours or hours, and wide market reach because *online marketing* is supported by the existence of websites or social media such as *WhatsApp*, *Instagram*, and others.

A business that prioritizes marketing will always strive to produce products or services that have satisfactory value for consumers so that consumers are interested in buying and using them. Business actors do not only focus on how to create products or services, but also focus on how these products or services can be reached by consumers.

Based on the background of the description above, the authors are interested in conducting research with the title "Improving Marketing Performance through Digital Marketing in Micro Business Actors in the Trade Sector Registered at the Cooperatives and SMEs Service Office of South Sulawesi Province".

## METHOD

This research was conducted with a qualitative approach. The data sources required consist of primary data (data obtained directly from research results) and secondary data (data obtained both unprocessed and processed). Data collection techniques are the methods used to collect data. Data collection was carried out to obtain the information needed to achieve the research objectives (Kurniawan and Puspaningtyas, 2016). The data collection techniques in this study are interviews, observation, and documentation. According to Sugiyono (2013) explaining that the validity of the data in qualitative research includes the *credibility* test (internal validity), *transferability* (external validity), *dependability*

(reliability) and *confirmability* (objectivity). For the purposes of qualitative data analysis, the sequence of analysis activities is carried out in stages. The first is a data reduction process that focuses on selecting, simplifying, abstracting and transforming rough data from field notes. The second is the presentation of data or the preparation of information conclusions into statements that allow drawing conclusions. And finally, drawing conclusions based on data reduction and presentation.

## **RESULT AND DISCUSSION**

The presentation of the research data was obtained from the results of interviews, the results of document studies, and the results of observations and data that support this research. The purpose of this research is to find out how digital marketing can improve marketing performance.

The total number of informants in this study amounted to 25 people including the Head of the SME Division of the Cooperatives and SMEs Office of South Sulawesi Province and 24 micro-enterprises in the trading sector from each district in South Sulawesi. After the list of research informants was determined, the researchers then conducted research through interviews with informants and field observations.

Research results obtained from interviews as the most important data collection tool to obtain data and reveal increased marketing performance through digital marketing are presented based on the definition of research concepts, namely sales growth, profit growth, and customer growth. To find out the increase in marketing performance through digital marketing, it can be seen through the responses of informants who are considered representative and observations obtained in the field. For more details, each indicator result will be described in detail as follows:

### **Sales Growth**

Sales growth is growth that occurs due to the number of purchases made by consumers on the products produced. The results of research related to improving marketing performance through digital marketing as measured using sales growth indicators can be concluded to be very good, based on this category it is concluded that micro business actors in the trading sector in South Sulawesi have utilized technology (digital marketing) to increase sales so that they feel the change. for his business. This is due to the statement of business actors who say that technological advances in the current era bring changes for the better.

### **Profit Growth**

Profit growth is the increase in profit earned by a business. Good marketing performance is indicated by good profit growth. The results of research related to increasing marketing performance through digital marketing as measured using profit growth indicators can be concluded to be very good, based on this category it is concluded that micro business actors in the trading sector in South Sulawesi have felt the impact caused by digital marketing for their business sustainability, namely increase the percentage of operating profit. This is due to the statement of business actors who say that after using digital marketing in their marketing process, they feel an increase in profits compared to before using digital marketing.

## Customer Growth

Customer growth is the growth in the number of customers obtained each year. The results of research related to increasing marketing performance through digital marketing as measured using customer growth indicators can be concluded to be very good, based on this category it is concluded that micro business actors in the trading sector in South Sulawesi have felt the impact caused by digital marketing for their business sustainability, namely unexpected increase in the number of customers. This is due to the statement of business actors who say that the digital-based marketing process has a very good impact on businesses because the business being run can be recognized by many people both from the same area and from outside the region, thereby increasing the number of customers.

## CONCLUSION

Based on the results of data analysis and the discussion that has been described, it shows that the three indicators used as a measure in analyzing Marketing Performance Improvement through Digital Marketing show very good results. Overall, it is concluded that Marketing Performance Improvement through Digital Marketing is considered to be running well. The results of the research shown are very good because business actors understand the importance of digital marketing in the marketing process.

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