INNOVATION IN SOCIAL MEDIA STRATEGY: A STUDY OF SMEs IN JEMBER

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ABSTRACT

Promotion is the key to spreading information about a business or product. Today, SMEs utilize social media for promotion. Because social media has a wider range, promotion is done by seizing social media to reach a wider market share. This research aims to analyze the utilization of social media as a promotional medium by SMEs in the Jember Regency. The research results show that SMEs utilize social media for promotion, such as Facebook, Whatsapp, Instagram, and Telegram. Each social media is used following the functions and features. Social media Instagram is utilized as a place to upload promotional videos, product photos, posters, booking info, and product reviews. Social Media Facebook is utilized to reach people who are in the community to sell and buy. Social Media Whatsapp and Telegram can be used for two-way communication between SMEs and consumers.

Keywords: social media, Strategy, Small and medium-sized Enterprises.

INTRODUCTION

Micro, Small, and Medium Enterprises, known as MSMEs, are one of the infrastructures used by the community to support national development, especially in building the nation’s economy. The role of MSMEs is very important and strategic in the national economy. MSMEs have a great ability to absorb labor, their dominant contribution to Gross Domestic Product (GDP) income, and become people’s economic developers. According to Law No. 20 of 2008 concerning Micro, Small, and Medium Enterprises, MSMEs are productive businesses that stand alone, owned by individuals or business entities that qualify as micro-enterprises, small and medium enterprises. In 2018, MSMEs contributed up to Rp8,400 trillion to GDP, whereas at that time, Indonesia’s GDP was Rp14,000 trillion. It means that MSMEs contributed 60% to GDP. MSMEs could also absorb 121 million workers in the same year, reaching 97% of the total Indonesian workforce. Based on data from the Indonesian MSME Association, the contribution of MSMEs to GDP in 2019 was 60.3% and experienced a significant decrease of 23% in 2020 to 37.3%. It was due to the sluggish economy due to the Covid-19 pandemic.

The development of technology and information has a crucial role in supporting the development of MSMEs in Indonesia. The development of technology and information, in addition to triggering the development of creativity, information technology can also be the main contributor in conveying information about MSME products so that they are delivered well and on target. The government itself supports the development of MSMEs by utilizing information technology, as evidenced by the government issuing a 2017 Presidential Regulation concerning the 2017-2019 Electronic-Based National Trade System Roadmap (E-Commerce Road Map), where
this Presidential Regulation has been enforced since August 3, 2017. Enriches organizational capability theory as it pertains to innovation, and it provides managers with guidance for implementing social media strategies in practice (Muninger et al., 2019).

Word of Mouth and Social Media Activities individually or partially affect consumer buying interest (Aulia & Abednego, 2023). For less hedonic brands, tweets perceived as easy to read tend to result in greater engagement, and for more hedonic brands, tweets perceived as difficult to read tend to result in greater engagement (Davis et al., 2019). Easy discussions with consumers and cost efficiency. If business people promote on the internet, especially through social media, the costs incurred are less. Social media strategies are still largely limited to push notifications, suggesting universities are missing opportunities to strengthen their brand and counter negative messaging (Pringle & Fritz, 2019). Experimentally investigate how social media strategies can defend and protect non-profit reputations in the fake news era (Vafeiadis et al., 2020). Based on data from the Ministry of Cooperatives and Micro, Small and Medium Enterprises, As of February 2021, as many as 12 million MSMEs have used digital technology to market their products. This figure exceeds the government’s target of 10 million by the end of 2020.

Jember Regency is known as a student city in the East Java region. Many students from various regions in Indonesia are studying in Jember Regency. Several large campuses are spread across the Jember Regency. Then, the people of Jember are interested in establishing MSMEs in the culinary sector in Jember Regency, especially Sumbersari District. According to data from the Central Bureau of Statistics of Jember Regency, the existence of MSMEs in the culinary sector in Jember Regency since 2015 is known to number 24101 (twenty-four thousand one hundred and one), based on data from the Cooperative and Micro Business Office of Jember Regency, in Sumbersari District itself all MSMEs amounted to 524 with the number of MSMEs engaged in the culinary sector amounting to 170 MSMEs. We also find that firm digital technology resources serve as enablement factors that shape the effects of the social media strategies that inside salespeople use (Chaker et al., 2022).

LITERATURE REVIEW

Social media is a medium on the internet that allows users to represent themselves or interact, cooperate, share, and communicate with other users to form social bonds virtually (Salma et al., 2021). Retail managers need to adopt social media strategies that could elicit interest and curiosity on the part of the customer to excite them to participate in the brand’s social interactions (Osei-Frimpong, 2019). Firms must measure engagement levels to manage such fruitful relationships and develop social media strategies accordingly (Denktaş-Şakar & Sürück, 2020). Social media strategies and practices of government agencies while government social media users’ behaviors and perspectives remain understudied (Gintova, 2019).

Enriches organizational capability theory as it pertains to innovation, and it provides managers with guidance for implementing social media strategies in practice (Muninger et al., 2019). Social media strategy affects performance, entrepreneurial orientation, and innovation orientation (Wu et al., 2020). Investigation of the formalization of social media strategies and return on investment for social media marketing efforts is also warranted (Cripps et al., 2020). Social media strategy and to capitalize on the possible benefits of social media to increase business performance (Halawani et al., 2020).

Social media strategy has defined a specific goal, target audience, and channel selection for Instagram, Facebook, YouTube, WhatsApp, and LINE (ER & Wardati, 2020). Social media strategies to secure financial sustainability beyond the short term, as well as to enhance their medium- and long-term social performance (Aracil-Jordá et al., 2023). It is up to every individual small business to decide on an optimal social media strategy to grow and strengthen the business (Marušić, 2021).

Social media strategy and be aware of the guests’ opinions, reviews, and satisfaction (Clara et al., 2022). Social media strategies only influence the preferences of swing voters and not the electorate. However, amongst the general population, it can be used as a tool to reinforce preconceived political positions (Arteaga & Clark, 2020). Small and medium-sized enterprises (SMEs) possess neither the human nor financial resources to systematically investigate the potential and risks of introducing Industry 4.0. Addressing this obstacle, the international team of authors focuses on the development of smart manufacturing concepts, logistics solutions, and managerial models specifically for SMEs (Matt et al., 2021).

Small- and medium-sized enterprises (SMEs), representing more than 90% of companies worldwide, must be creative and innovative (Gay & Szostak, 2019). An appropriate way of thinking about risk starts with
amalgamating both past and present theories and enabling SMEs to find a solution to improve the effectiveness of their risk management strategies (Crovini, 2019). The fundamental marketing principles applied to tourism and hospitality businesses emphasize SMEs in the international tourism industry (George, 2021). As such, internationalization, considered among the most challenging strategies, can allow Small and Medium-Sized Enterprises (SMEs) to seek performance and growth (Jafari-Sadeghi & Dana, 2022).

RESEARCH METHODS

This research is descriptive research with a qualitative approach. The location of the study is determined by purposive area, which is a sampling technique based on consideration of the objectives set by the researcher. The location of the study is Sumbersari District, one of the sub-districts in the Jember Regency. The study subjects were informants who had information related to the research conducted, namely the owners of MSMEs in the culinary sector in the Sumbersari District. Data collection using observation, interviews with informants, and documentation. This study's main informants were Mursida, Mie Goceng, Jongor Chicken, and Roti John.

The data that has been obtained is processed and analyzed using an interactive analysis model (Analysis Interactive Model) developed by Miles and Huberman (1994), where analysis activities are divided into several parts, namely data collection, data reduction, namely the process of selecting data, presenting data and drawing conclusions. Data is collected by conducting interviews, observations, and documentation of key informants. Data reduction was carried out after making observations and interviews with research informants. Data reduction aims to focus research results so that they are more centralized and easier to analyze. Data were selected from observations at the research location and interviewed with informants. The presentation of data is an organized set of information that allows drawing conclusions and acting, and concluding is the essence of research findings that describe the latest opinions based on previous descriptions.

RESULTS

Based on the results of research conducted on MSME owners in the culinary sector in Sumbersari District, data was obtained that four social media used as promotional media, namely Instagram, WhatsApp, Facebook, and Telegram. Each social media is utilized according to its functions and features. Social media brings several benefits to MSMEs, including increasing visits and sales, expanding market reach, maintaining communication with consumers, and saving energy and production costs.

Utilization of social media as a Promotional Media

MSMEs use four types of social media to promote: Instagram, WhatsApp, Facebook, and Telegram. Of the four main informants, four MSMEs use Instagram, three MSMEs use Facebook, four MSMEs use WhatsApp, and one MSME uses Telegram. Informants have various goals in utilizing social media as a promotional medium. Some have in common that they want to be widely known. The selection of social media has been carefully considered by each MSME, which is adjusted to their market share by choosing the most popular and most widely used social media by their market share.

MSMEs have diverse goals in utilizing social media as a promotional medium, 'Roti John answers their goals in utilizing social media as a promotional medium because they want to be easier to find, widely known, and make people want to buy their bread. The purpose of 'Mursida' is not much different from Roti John. Mursida revealed the purpose of utilizing social media as a promotional medium so that 'Mursida' is more quickly widely known, not only by people in the Sumbersari District but also by people outside the Sumbersari area. In addition, Mursida also uses social media to inform the concept of MSMEs and their unique menus. Not much different from Mursida, the purpose of 'Mie Goceng' is to use social media as a promotional medium, increase visits and sales, and provide information about unique products owned by 'Mie Goceng' to the public. Furthermore, 'Ayam Jongor' utilizes social media as a promotional medium is first, 'Ayam Jongor' wants their products to be widely known by Jember people and people outside Jember. Second, the owner of 'Ayam Jongor' uses social media to remind his old customers of their existence.

Social media is used by each MSME in almost the same way, namely, creating promotional content in the form of an image and video that shows their products. The interview results showed that all informants worked with influencers to make reviews about their MSME products. An influencer has tens of thousands of followers on their social media and is trusted to work with MSMEs to bring in new customers for MSMEs. Product reviews carried out by influencers are usually in videos uploaded on the influencer and MSME accounts. The purpose of the
review video is expected to be many followers of the influencer who are curious about the product reviewed and then buy it. In addition to these review videos, MSMEs create other content, usually product photos, posters, and product videos.

The use of each social media in each MSME is carried out almost the same way, even though they use several different social media with different features. The use of Instagram social media is more directed at carefully conceptualized content. Informants use Instagram social media to upload promotional content through product videos or product reviews, customer testimonials, product photos, pamphlets, and games to entertain followers. Facebook social media is used to upload photos and promote in the buying and selling community or marketplace provided on Facebook social media. WhatsApp and Telegram are used to respond to orders or serve questions about products consumers submit. There is a difference between WhatsApp and Telegram. On WhatsApp, MSME owners can upload promotions through the WhatsApp story feature, while on Telegram, there is no story feature, so Telegram cannot be used to upload promotional content.

The intensity of promotion through social media by MSMEs is carried out with planning, as evidenced by the mature concept of each promotional content that will be uploaded to social media. Promotional content uploaded on the WhatsApp and Instagram story features is a reminder or notification, such as operating hours or available menus. Therefore, MSMEs upload it daily on the Instagram story feature, which only lasts 24 hours. Informative promotional content, such as notifications of new menus and discounts, usually requires a different concept in each content to attract consumers’ attention.

Constraints and Disadvantages of Using Social Media as Promotional Media

The use of social media also has shortcomings, and there are obstacles in practice, including in the creation of promotional content where not all MSME owners can create content and social media algorithms that often change, so inevitably, MSME owners have to adjust to these algorithm changes.

The main obstacle for MSME owners in Sumbersari District who use social media as a promotional medium is content creation. Not all owners have the ability to create attractive promotional content. Some MSMEs have a special team to create content, while others create their own content. MSME owners try to create promotional content by utilizing image or video editing applications. Often, MSME owners run out of ideas to create promotional content. To overcome these problems, MSME owners usually work with influencers to get content, usually in the form of product review videos.

In addition to creating promotional content, other obstacles are encountered, namely changes in social media algorithms, which are also an obstacle for MSME owners. Because MSME owners must continue to adjust to the new social media algorithm, before the social media algorithm changed, all consumers who followed MSME-owned accounts could see promotional content uploads displayed based on chronological time on each consumer’s homepage. However, after the social media algorithm changed, especially on Facebook and Instagram social media, uploads were no longer displayed on the homepage of all followers or consumers but only displayed to consumer accounts that often interacted. Interactions in the form of often leaving comments on MSME accounts or often liking every post uploaded.

Benefits of Social Media as a Promotional Media

The use of social media as promotional media by MSMEs has a positive impact on the survival of MSMEs themselves. The use of social media in informant MSMEs also has a positive impact, and MSME owners greatly feel the benefits. The benefits of using social media as a promotional medium felt by MSME players in the culinary sector in Sumbersari District who become informants are being able to introduce MSMEs, expand market reach, maintain communication with consumers, and save energy and promotional costs.

The results showed that using social media as a promotional medium for MSMEs in the culinary sector in Sumbersari District is useful for introducing MSMEs quickly due to the speed of social media in reaching the public. Any information uploaded on social media will spread quickly because social media has a share feature so that users can share the information obtained with anyone. Because the speed of social media makes MSME owners switch to promoting by utilizing social media. MSME owners revealed that the use of social media brings benefits, namely, the number of buyers who come is increasing compared to before utilizing social media, which has an impact on turnover, which also increases. Buyers who come are not only people who are around MSMEs, but people who are far from MSMEs also come after MSMEs are promoted through social media.

The use of social media also helps expand market reach because one of the MSMEs that became an informant has customers outside cities such as Surabaya, Jakarta and even outside islands such as Bali and
Pontianak after utilizing social media to promote. It shows that promotions carried out by utilizing social media have succeeded in reaching areas that are not physically reached so that customers from MSMEs are not only limited to the Jember area.

Another benefit of using social media as a promotional medium is that MSMEs make it easier to maintain communication and interact with consumers. Communication with consumers is very important for sellers. Based on the research results, it is known that MSME informants often get reviews about their products quickly. Usually, consumers do reviews through social media. MSMEs also receive suggestions and criticisms from consumers through social media. The results of the interview show how MSMEs maintain comfortable communication and interaction with consumers, one of which is by creating game content on Instagram social media so that it can entertain consumers.

Based on interviews conducted by researchers with informants, it is known that utilizing social media in promoting is very cost-effective. Promotion through social media is enough to create content using photo or video editing applications and upload it on Instagram, Facebook, or WhatsApp, unlike conventional promotions that require costs to print brochures and energy to distribute them. Using social media as a promotional medium is very helpful for MSMEs in saving energy and costs.

DISCUSSION

Social media as a promotional medium is seen as an activity to make social media a tool for sharing content and information, a medium that supports promotional activities. A seller who carries out conventional promotional activities may experience obstacles in practice, such as geographical limitations, costs, or energy. Social media presence provides the widest opportunity for these sellers to promote their products without worrying about the obstacles that befall conventional promotional activities.

In communication, promotion in the real world can also be carried out via social media. Social media can communicate a product virtually by not changing the shape of the product. Self-promotion has three goals: informing, persuading, and reminding (Tjiptono, 2008: 219). Social media can realize these three goals, considering that social media is a tool or platform for sharing content users create interactively (Markham, 2017: 782). It means that activities to provide information about the product, persuade and remind can be done by sellers by utilizing social media and the features available in it.

Research data obtained from Mursida show that purpose. Mursida uses social media to make them widely known and quickly provide information about their products to the public. So is Mie Goceng, the destination. Mie Goceng uses social media as a promotional medium to disseminate information about its unique products. Bread John revealed that their goal in utilizing social media is to let people quickly know where they are and make people want to buy the bread they sell. Next, Ayam Jongor revealed that their goal is to utilize social media so that they have consumers who come from Jember and outside Jember. "Ayam Jongor" also revealed that promoting on social media reminds their old customers of their existence. Jongor chicken. The study results match Tjiptono's theory regarding three promotional goals, namely informing, persuading, and reminding, where the fourth. Informants have such goals, namely. Mursida and Mie Goceng aim to provide information regarding their products next. Roti John, who aims to persuade people to buy their products with promotions through social media, and Ayam Jongor, who revealed his goal of utilizing social media as a promotional medium to remind his old customers of existence.

Social media has different ways of using it. First, Instagram is the first step to promote through Instagram. Create an Instagram account that will be used as a promotional medium in advance. Next, tidy up the biodata section in the profile section and the biodata on the account. Contains the address, operating hours, and booking contacts. The feed section is filled with interesting promotional content. All promotional content has the same concept, ranging from color selection and the type of font used to how to take pictures; the feed itself is a profile page that displays images and videos that have been uploaded to Instagram. Utilizing Instagram social media to upload more diverse content is adjusted to Instagram's various features, such as the video reels feature, which usually contains short review videos from influencers, images usually in the form of product photos, information pamphlets about new menus, discounts, buy one get one event, give away or the like. In the profile section, some highlights contain types of menus, prices, and how to order. Highlights are pinned to the profile to make it easier for buyers to find menus and prices. In addition to uploading promotional content, accept orders through the direct message feature. Second, Facebook. Create a Facebook page account before promoting it on a Facebook account owned. The biodata section contains the order number. Based on observations made by
researchers, promotional content uploaded on Facebook belongs to images, namely menu pamphlets and product photos. Third, Whatsapp, the Whatsapp account used by MSMEs, is a personal Whatsapp account belonging to. All ordering activities and consumer communication are directly addressed through WhatsApp. Fourth, Telegram has the same function as WhatsApp, which is used to receive orders or answer consumer questions about the products or menus provided.

Even if the use of social media has a positive impact, in the course, using social media is not entirely easy; in practice, the use of social media also encounters some of the first obstacles in content creation. Not all owners. Qualified in terms of creating promotional content, and this is an obstacle for them. Finding new content ideas also requires more effort because if the promotional content uploaded on social media is the same, it will not be interesting anymore over time. Must continue to create new and fresh content. The owners. It is required to be creative and up-to-date on the phenomena. The next obstacle is algorithm changes. Some complain about how the social media algorithms of Instagram and Facebook are changing, which is a concern. Because it could be that promotional content cannot reach the public as well as before. The latest algorithm makes a post on social media not appear on other users' homepages based on chronological time as before but based on how often they interact between users. Hence, the owners. Must create interesting content so that the promotion gets much interaction with consumers. Interaction can be in the form of liking or commenting on the promotional content so that those who see the upload of promotional content will also increase.

CONCLUSION

The social media used by MSMEs is the most popular social media or the most widely used by their market share. Utilizing Facebook social media to promote its products in the buying and selling community and marketplace within Facebook social media. Instagram social media is used to build product image and branding because Instagram has an attractive appearance and complete features compared to other social media. WhatsApp, in addition to WhatsApp promotion, is also used as a medium of communicating in two directions with consumers, such as receiving orders or answering questions asked by consumers. Finally, Telegram is almost the same as WhatsApp, which serves orders and answers questions asked by consumers. However, this social media does not have a story feature to upload promotional content. Benefits felt by After utilizing the first four social media, experienced an increase in sales and visits. Second, market coverage is expanding. Third, communication between consumers is well preserved. Fourth, the use of social media can save time and promotional costs incurred by.

REFERENCE


