

3. THE USE OF E-COMMERCE WEBSITE IN MSME PRODUCT MARKETING IN

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THE USE OF E-COMMERCE WEBSITE IN MSME PRODUCT MARKETING IN BENGKULU PROVINCE

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Abstract— Technological developments in recent time of globalization, especially computer-based communication and information technology, where technology is the mainstay and needs of the world community are highly important. This is due to the very rapid development in the field of telecommunications and computers, which has pushed the world community into a fast-paced reform era, even though it has made information central in the industrial and business.

Keywords- Website, E-Commerce, MSME

I. INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) are one of the business units that play an important role in economic growth and development in Indonesia. MSMEs are also one of the supporters of the economy in Indonesia, especially in the lower and middle classes. MSMEs have a strategic role in the government's efforts to overcome poverty and unemployment, because MSMEs can absorb labor so that unemployment due to not being absorbed by the workforce in the world of work decreases[1][2][3][4][5].

At the beginning of 2020, the COVID-19 pandemic has triggered negative sentiment towards various lines of business, especially the MSME business. The negative impact of the COVID-19 pandemic has hampered the growth of MSMEs[6].

Indonesia, which is dominated by MSMEs as the backbone of the national economy, has been affected by the COVID-19 pandemic, not only in terms of production and income, but also in the number of workers that must be reduced and so on. limit yourself as long as a cure or vaccine for COVID-19 has not been found," said Bengkulu Province Cooperatives and Small and Medium Enterprises (MSMEs) Head Erdiwan. Erdiwan added that the implementation of the new normal era initiated by the government to deal with the COVID-19 pandemic had created many new business opportunities. According to him, in this new normal era, people's shopping habits will change from conventional to modern digital-based ways, because many people will choose to do activities at home to avoid transmission of the new type of corona virus[7][8][9][10][11].

SMEs in Bengkulu are asked to be able to adapt to the new normal era if they don't want to be left behind. "This is an opportunity for business actors to take advantage of digital technology and hopefully with this pandemic there is a lesson, SMEs can market their products through digital or online. Bengkulu does not make economic efforts, it is

estimated that regional economic growth will only grow below one percent. "If Bengkulu does not make economic efforts, does not adapt to new habits this June, the result of the economic calculation could be minus below zero percent. According to Bengkulu Governor Rohidin Mersyah, efforts to recover the economy in the midst of the Covid-19 pandemic, the menu of financial services for business actors and the public as consumers in each region requires adjustments, in accordance with the conditions of MSMEs (Micro, Small and Medium Enterprises) and the understanding of the local community[12][13][14][15][16]. In terms of providing access to credit, banks must also provide explanations or socialization to MSMEs and the public. Even if, it is necessary to carry out intensive assistance, starting from applying for capital loans to sustainable development but if there is assistance, I believe that MSMEs will be more productive," explained the 10th Bengkulu Governor[17][18][19][20][21][22].

It is known from a survey from the Central Statistics Agency of Bengkulu that until the third semester of 2020, 84 percent of MSMEs experienced a decrease in income, 78.35 percent of MSMEs experienced a decline in demand because customers were affected by Covid-19. cannot operate normally, 62.21 percent of MSMEs experience financial constraints related to employees and operations and 33.23 percent of MSMEs reduce the number of employees[23][24][25].

As a formulation of the problem in this paper, what are the characteristics and roles of SMEs in the economy and how are the motivations and strategies of SMEs in dealing with the COVID-19 pandemic. The purpose of this study was to determine the characteristics and roles of MSMEs in the economy and to find out how MSMEs' motivations and strategies were in dealing with the COVID-19 pandemic. The expected benefits of this paper are to provide information to the public regarding matters relating to MSMEs, as well as to motivate the community to play an active role in developing MSMEs in Bengkulu Province.

II. RESEARCH METHODOLOGY

This research method uses a method that is to provide a set of questions or written statements to be answered. In general, MSMEs are known as an acronym for Micro, Small, Medium Enterprises. However, if it is traced from different definitions and perspectives, MSMEs have a much

broader meaning. For business actors, MSMEs are businesses or businesses run by individuals, households, or small business entities.

According to the senior economist, Prof. Ina Primiana (2021: 2), that MSMEs are small-scale business activities that encourage the movement of development and the Indonesian economy. On the other hand, M. Kwartono Adi explained the definition of MSMEs more specifically, namely as a business entity that has a profit or profit of not more than 200 million based on the calculation of annual profit. (2021: 3)

A business or business can be referred to as an MSME if it meets the criteria for a micro-enterprise.

Several experts have explained the definition of MSMEs, including:

Rudjito. According to Rudjito, the definition of MSME is a business that has an important role in the Indonesian economy, both in terms of the jobs created and in terms of the number of businesses. (2020: 3)

Ina Primiana. According to Ina Primiana, the definition of MSMEs is the development of four main economic activities that are the driving force of Indonesia's development, namely (2020: 3)

Manufacturing industry.

Agribusiness. Marine business. Human Resources.

In addition, Ina Primiana also said that MSMEs can be interpreted as the development of a mainstay area to accelerate economic recovery to accommodate priority programs and the development of various sectors and potentials. While small businesses are an increase in various community empowerment efforts.

III. SULTS AND DISCUSSION

The Role of MSMEs in the Economy in Bengkulu.

The results of the National Seminar on MSME Business Management Strategies Rise and Empower UNIB Masters in Management, it is hoped that MSME actors in Bengkulu will always have high fighting power and competitiveness, so they don't give up quickly facing the reality of existing business and we as MSME actors always have an attitude and think positively.

The Head of the Bengkulu Cooperatives and UMKM Service, Erdiwan, SH said that currently the Bengkulu Provincial Government continues to encourage stakeholders to work together in economic recovery affected by COVID-19 by synergizing in creating creative and innovative programs and managing CSR funds for MSMEs. "This economic synergy is by maximizing the role of the SOE Creative House (RKB) and forming a snack center for regional superior MSME products on the protocol road," he added. Meanwhile, Arif Sudibyo, Chairman of the MSME Association of Bengkulu Province hopes that the MSME community in Bengkulu will continue to build a network between MSME actors so that MSMEs are promoted. This is as Bung Karno hoped, the Indonesian people 'move on' or move from an inferior mental attitude of inferiority. "There is a link between Mental Revolution and MSMEs, if MSMEs in Bengkulu want to progress, they must immediately 'move on' from old habits. Currently, many MSMEs are using technology to maximize their marketing," said Arif. According to him, MSMEs in Bengkulu have many problems that have not developed. In his presentation, he said, the main problem was the lack of access to financing and the lack of product innovation for MSMEs. "The main

problem faced by MSME actors in Bengkulu is the lack of access to financing and the lack of product innovation, so that the solution includes Equity Crowd Funding and continues to create new innovations for MSME products.

3.2. Motivation and Strategies of MSMEs in Bengkulu During the Pandemic Period which was the impact of the COVID-19 pandemic caused low investor sentiment towards the market which ultimately led the market to tend to be negative. Strategic steps related to fiscal and monetary matters are urgently needed to provide economic stimulation. As the pandemic case develops COVID-19, the market has fluctuated more in a negative direction. Not only that, the slow pace of Indonesian exports to China also has a significant impact on the Indonesian economy.

COVID-19 is an infectious disease caused by acute respiratory syndrome coronavirus 2 (severe acute respiratory syndrome coronavirus 2 or SARS-CoV-2). This virus is a large family of Coronaviruses that can infect animals. When attacking humans, Coronaviruses usually cause respiratory infections respiratory disease, such as flu to cause a global pandemic that continues to this day. One of the impacts of the COVID-19 pandemic is MSMEs in Indonesia, First, the impact on sales turnover. BI research results report that the rate of decline that occurs in the average sales of MSME products is 50%. The cause of this decline was conveyed by LIPI as influenced by the decision of 58.8% of MSMEs to lower the prices of their products and services for the purpose of maintaining business so that profits fell by more than 75%, Second, the impact on capital. According to the explanation from the Minister of Cooperatives and SMEs delivered in mid-August 2020, 40% of MSMEs have gone out of business as a result of the difficulty of getting capital back due to the Covid-19 pandemic The results of the research also reported that as many as 19.93 % of the total existing SMEs, tried to survive in the midst of the Covid-19 pandemic despite experiencing capital difficulties. For efficiency purposes, they were forced to lay off their employees so that the amount of production also decreased. distribution. Research from the Ministry of Cooperatives and SMEs reports that as many as 20.01% of MSMEs admit to experiencing distribution constraints due to the PSBB policy. The downward trend due to the PSBB also occurred in product demand and was experienced by a total of 22.90% of MSMEs. As a result, based on this latest research, a total of approximately 62.84% of MSMEs are constrained by the pandemic with indications of complaints occurring in the distribution sector, decreased sales profits and capital difficulties. The remaining 40% (37.16%) is a number that is reported to have partially gone bankrupt. There are several possible reasons for going out of business. The most dominant cause is market influence. In the midst of the COVID-19 pandemic as it is today, MSME actors must be able to innovate and take advantage of online marketing and sales channels to maintain business continuity. In addition, MSME actors must also be able to rearrange their business strategies. In conditions like today, MSMEs need to make adjustments in terms of products and carry out several marketing strategies to survive. Seeing the economic conditions in Indonesia that have had a huge impact due to the emergence of the COVID-19 outbreak since one year ago, it poses a big enough challenge for business people, including SMEs in Bengkulu City. How important it is for MSME actors to be able to increase business digitization in order to achieve productivity and increase credibility during the pandemic.

Digital marketing is very influential in today's marketing strategy. It is highly recommended for MSMEs to innovate in introducing and promoting products by optimizing sales content through social media such as Instagram, Facebook, and even Tiktok.

Some things that can be done by MSMEs are: E-commerce. In the midst of the COVID-19 pandemic, direct sales generally decreased due to the implementation of Large-Scale Social Restrictions so that people prefer to stay at home. In response to this, one way that can be done is to expand the network by utilizing e-commerce sales so that MSMEs can still run their business and reach many consumers and expand market share.

In the era of the industrial revolution 4.0, MSME business actors should indeed move to e-commerce trade because consumer spending patterns have shifted, coupled with the COVID-19 pandemic which makes e-commerce trade the right choice for MSME actors to trade survive and even have the potential to be able to reach a new larger market share.

E-Commerce is a new concept that is usually described as the process of buying and selling goods or services on the World Wide Web Internet or the process of buying and selling or exchanging products, services, and information through information networks including the internet. E-commerce is a business activity that is run electronically through an internet network or the activity of buying and selling goods or services through digital communication channels. (Adi Nugroho, 2006:1) .

E-Commerce is doing business online. In its most obvious form e-commerce sells products to consumers online, but in fact any type of business that is conducted electronically is E-commerce. Simply put E-commerce is creating, managing and expanding commercial relationships online (Kienna, 2001:4).

The benefits of using e-commerce as a transaction system are:

a. Can increase market exposure (market share).

On-line transactions that allow everyone around the world to order and buy products that are sold only through computer media and are not limited by distance and time.

b. Reducing operational costs

E-commerce transactions are transactions where most of the operations are programmed on a computer so that costs such as showrooms, excessive salary expenses, and others do not need to occur.

c. Increasing customer loyalty

This is because the e-commerce transaction system provides complete information and this information can be accessed at any time, besides that, in terms of purchasing, it can also be done at any time, even consumers can choose the product they want.

Digital Marketing.

The COVID-19 pandemic has caused a reduction in the number of consumers in several sectors and industries, this requires MSME actors to be able to market their products optimally and think of creative and innovative ideas. The rapid development of the digital era like today is impossible to avoid. Especially during the COVID-19 pandemic As it is today, if they want to survive, MSMEs must be able to maximize the benefits of digital development.

There are several forms of digital marketing that can be done by MSMEs to be able to do product marketing, namely as follows:

1. Publishing product videos and photos on social media intensively.

2. Creating a marketing product video which will later be broadcast through social media or carry out live product promotions.

3. Involving consumers in product selection, conducting education and introduction to product quality intensively on social media accounts.

In doing digital marketing, MSME actors are required to always learn and think openly towards developing technology. Of course, digital marketing also considers using suitable media and the right way of communication that is tailored to the selected segment or market share.

4.3. Improving Product and Service Quality

In the midst of the COVID-19 pandemic, consumers must be more careful in using goods and services, causing a decrease in consumer confidence in the goods and services traded. For this reason, MSME actors must improve product quality to increase consumer confidence and intensively communicate with others quality products.

In addition to improving product quality, MSME actors can also improve service quality and add types of services such as delivery orders and online purchasing services and by using special service hotlines related to sales that can be easily accessed by consumers. Service standard is done by improving and ensuring the cleanliness of the products.

IV. CONCLUSION

The COVID-19 pandemic that occurred in Indonesia had an impact on instability in the economy, especially for MSMEs. MSME actors feel a direct impact in the form of a decrease in sales turnover due to the government's appeal and the implementation of Large-Scale Social Restrictions which urges people to stay at home so that quite a lot of MSMEs have to stop operating for a while. In conditions like today, there are many challenges that must be faced by MSME actors. For this reason, MSME actors must have a strategy to be able to survive in the midst of a pandemic so that they can turn existing challenges into opportunities.

There are several strategies that MSMEs can do to maintain their business, namely (1) selling through e-commerce. (2) Conducting product marketing by utilizing digital technology. (3) Improving product quality and quality and type of service. (4) Conducting customer relationship marketing.

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