



Capacity Building of MSMEs Through social media and Marketplace-Based Digital Marketing Implementation in the Bayuning Village Digital Community

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Abstract: *Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in the Indonesian economy; however, rural MSMEs, including those in Bayuning Village, have not optimally utilized digital marketing due to limited digital literacy, human resources, and technical assistance. This community service activity aimed to enhance the capacity of members of the Bayuning Village Digital Community in implementing social media- and marketplace-based digital marketing. The program was conducted through situation analysis, socialization and training, technical assistance, and sustainability evaluation, referring to the marketing frameworks of Kotler and Keller and the digital marketing framework of Chaffey and Ellis-Chadwick. The results showed improved understanding of content strategy, management of social media and marketplace business accounts, and awareness of compliance with electronic commerce regulations. This activity supports stronger competitiveness among rural MSMEs and inclusive economic growth.*

Introduction

Digital transformation has fundamentally reshaped both the global and national economic landscape, including the way business actors interact with consumers. Data from the Indonesian Internet Service Providers Association (APJII) show that Indonesia's internet penetration rate at the beginning of 2024 reached 79.5%, equivalent to 221.5 million users out of a total population of 278.7 million (APJII, 2024). Generation Z and millennials dominate the national internet user structure, accounting for 34.40% and 30.62% of total users, respectively (APJII, 2024). This condition creates major opportunities for business actors, including MSMEs, to expand their market reach through digital channels, while simultaneously requiring the adaptation of marketing strategies from conventional approaches to information technology-based approaches.

MSMEs occupy a strategic position as a pillar of the national economy. Data from the Ministry of Cooperatives and SMEs show that the number of MSMEs in Indonesia has reached 65.5 million business units, or approximately 99% of all national business units, contributing 61% to GDP or IDR 9,580 trillion per year and absorbing around 97% of the

total national workforce (Coordinating Ministry for Economic Affairs, 2024). The government has also targeted an increase in the number of MSMEs connected to the digital market ecosystem to 30 million units by 2024 through various digitalization programs (GAPEMBI, 2024). Nevertheless, this achievement remains uneven across regions, particularly in rural areas that continue to face gaps in digital literacy, limited human resources, and a lack of sustained technical assistance.

This condition is also reflected among MSME actors in Bayuning Village, who generally continue to rely on conventional marketing methods such as direct sales and word-of-mouth promotion. Preliminary observations by the community service team showed that most business actors already owned smartphones and had basic internet access, but had not yet used these devices strategically for digital marketing activities. This gap is consistent with the findings of Purwana, Rahmi, and Aditya (2017) in a community service activity in Malaka Sari Subdistrict, which identified that MSME actors generally had not separated personal social media accounts from business accounts and had limited technical skills, despite showing strong interest in sustainably adopting social media-based marketing.

Based on these conditions, the Bayuning Village Digital Community was established as a collaborative platform for local MSME actors to exchange knowledge and receive assistance in adopting marketing technology. The community service team from the Digital Business Study Program, Faculty of Economics and Business, Kuningan University, considered it necessary to implement a structured intervention in the form of socialization, training, and assistance for social media- and marketplace-based digital marketing implementation, while continuing to observe the electronic commerce regulatory framework applicable in Indonesia.

Community in implementing digital marketing. Before the activity was conducted, it was important to determine the extent to which MSME actors understood the use of digital platforms for business purposes, particularly social media and marketplaces. This initial mapping served as the basis for designing an appropriate community service program that responded to the actual needs and conditions of rural MSMEs.

Furthermore, the activity focused on identifying the most relevant social media- and marketplace-based digital marketing training and assistance strategies for rural MSMEs. The training and technical assistance were designed to strengthen participants' ability to manage business accounts, create promotional content, utilize marketplace platforms, and apply digital marketing strategies in accordance with marketing management principles. The approach was also adjusted to the characteristics, level of digital literacy, and practical needs of MSME actors in the Bayuning Village Digital Community.

In addition, this community service activity aimed to evaluate the extent to which the program could improve the capacity and regulatory compliance of MSME actors in

conducting digital marketing. Specifically, the activity sought to map the initial conditions of digital literacy and readiness, provide relevant training and technical assistance, and assess the improvement and sustainability potential of digital marketing practices among the partner group. Through these efforts, the program was expected to support MSME actors in adopting digital marketing more effectively, independently, and in accordance with applicable regulations.

Marketing Management and Digital Marketing

The classical marketing management framework proposed by Kotler and Keller (2016) emphasizes that the marketing process includes identifying market needs, creating value, and continuously managing customer relationships through the marketing mix (product, price, place, promotion). These principles remain relevant in the digital era but have undergone transformation in distribution channels and marketing communication. Chaffey and Ellis-Chadwick (2019) define digital marketing as the application of digital technologies that create online channels, including the web, social media, email, and mobile applications, to achieve marketing objectives through measurable strategies based on customer data. This framework emphasizes that successful digital marketing depends not merely on presence in digital channels, but on the consistency of content strategy, audience segmentation, and continuous evaluation of marketing performance.

Marketing through social media and marketplaces provides particular advantages for MSMEs because it offers relatively low market entry costs, broad audience reach, and the ability to interact directly with consumers. Tiago and Verissimo (2014) emphasize that social media transforms marketing relationships from a one-way approach into a two-way dialogue that enables business actors to build consumer trust and loyalty more efficiently than conventional marketing media. The community service study conducted by Purwana, Rahmi, and Aditya (2017) further strengthens the argument that digital marketing training accompanied by direct practical assistance contributes to improving the online marketing competence of MSME actors.

Technology Adoption and Digital Consumer Behavior

The willingness of MSME actors to adopt new marketing technologies can be explained through the Technology Acceptance Model (TAM) developed by Davis (1989), which states that perceived ease of use and perceived usefulness are the main determinants of behavioral intention to adopt a technology. This framework is relevant for explaining why hands-on training using familiar platform interfaces such as WhatsApp Business, Instagram Business, and popular marketplace applications tends to be more readily accepted by MSME actors than the introduction of complex technological systems. From the consumer behavior perspective, the shift in Indonesian consumers' shopping preferences toward digital channels is also driven by the dominance of digital native generations (Gen Z and millennials), which together account for more than 65% of

the national internet user population (APJII, 2024). Therefore, mastery of digital channels has become a strategic necessity for business sustainability rather than merely an additional option.

From the perspective of competitive advantage, the Resource-Based View (Barney, 1991) explains that valuable, rare, difficult-to-imitate, and organized internal capabilities can become a source of sustainable competitive advantage. In this context, digital marketing competence embedded in MSME human resources is an intangible asset that can strengthen the bargaining position of rural MSMEs amid increasingly digitally connected market competition.

Legal Framework for Electronic Commerce in Indonesia

The implementation of digital marketing and electronic commerce in Indonesia is regulated through a comprehensive legal framework. Law Number 20 of 2008 on Micro, Small, and Medium Enterprises serves as the legal umbrella for national MSME empowerment and was subsequently strengthened by Government Regulation Number 7 of 2021 on the Facilitation, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises. Electronic marketing and transaction activities are subject to Law Number 19 of 2016 concerning the Amendment to Law Number 11 of 2008 on Electronic Information and Transactions (EIT Law), as well as Government Regulation Number 80 of 2019 on Trade Through Electronic Systems (TTES), which regulates the obligations of online business actors, including transparency of product information and consumer protection. In addition, the management of customer data in digital marketing activities must comply with Law Number 27 of 2022 on Personal Data Protection (PDP Law), which requires business actors to obtain explicit consent before collecting and processing consumers' personal data. Understanding this regulatory framework is an important component of the community service activity so that the digital marketing practices implemented by partners are not only commercially effective but also compliant with applicable law.

Method

Target Participants, Location, and Time

This community service activity involved members of the Bayuning Village Digital Community in Kadugede District, Kuningan Regency, consisting of MSME actors across sectors, including culinary businesses, handicrafts, and retail trade. The activity was conducted at the Bayuning Village Hall through a series of face-to-face meetings supplemented by follow-up assistance sessions during [enter the actual implementation date range].

Implementation Stages

The activity was carried out through four mutually continuous stages, as follows.

1. Situation Analysis Stage: the implementation team conducted field observations and preliminary interviews to map business profiles, marketing channels already in use, and the main constraints faced by partners in adopting digital marketing.
2. Socialization and Training Stage: the implementation team delivered structured materials on basic digital marketing concepts, content strategy, simple product photography, management of social media business accounts (Instagram Business, WhatsApp Business, TikTok), as well as procedures for registering and managing stores on marketplace platforms (Shopee, Tokopedia, TikTok Shop).
3. Technical Assistance Stage: participants received direct assistance in creating business accounts, preparing content calendars, and simulating product uploads to marketplaces, accompanied by reinforcement of compliance materials related to TTES regulations and consumer personal data protection.
4. Evaluation and Sustainability Stage: the implementation team measured improvements in participants' understanding using pre-test and post-test instruments and prepared follow-up plans in the form of periodic assistance and the establishment of peer mentoring groups among community members.

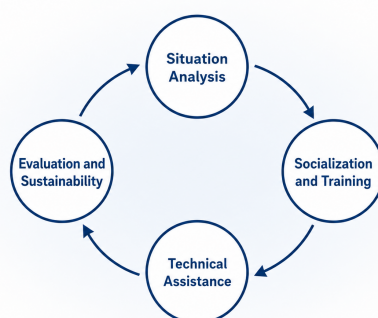


Figure 1. Stages of Community Service Activity Implementation

Instruments and Analysis Techniques

The success of the activity was evaluated using quantitative and qualitative descriptive approaches. The pre-test and post-test questionnaire instruments were developed based on indicators of conceptual understanding of digital marketing, technical account management skills, and awareness of regulatory aspects. Questionnaire results were analyzed descriptively to measure changes in participants' level of understanding before and after the intervention, complemented by participatory observation and reflective post-activity interviews to obtain a qualitative overview of implementation constraints in the field.

Result

Initial Conditions of Partners

The initial situation analysis showed that the majority of participants already owned smartphones and had internet access, but their use was still limited to personal

communication and had not been strategically directed toward marketing activities. Some participants already had social media accounts; however, these accounts were generally not managed as business accounts and did not contain adequate product information. This condition is consistent with the pattern identified by Purwana, Rahmi, and Aditya (2017) among MSME actors in Malaka Sari Subdistrict, where mixing personal and business accounts was also identified as a common constraint in the early stages of digital marketing adoption.

Implementation of Socialization, Training, and Assistance

Training materials were arranged gradually, progressing from basic concepts to technical practice. In the initial session, the implementation team introduced a digital marketing mix framework that included identifying target audiences, determining product value propositions, and selecting marketing channels that matched the characteristics of local MSME products, referring to the framework of Chaffey and Ellis-Chadwick (2019). Subsequent sessions focused on technical skills, including simple product photography techniques using smartphones, the preparation of persuasive yet informative promotional copy (copywriting), and hands-on practice in creating and optimizing business accounts on Instagram Business and WhatsApp Business.

Regarding marketplaces, participants were assisted in registering online stores, arranging product displays, determining pricing structures that considered platform service fees, and simulating buying and selling transactions. The implementation team also delivered legal compliance materials, including the obligation to provide transparent product information as regulated in Government Regulation Number 80 of 2019 on TTES and the principle of prudence in collecting customer data in accordance with Law Number 27 of 2022 on PDP, so that the digital marketing practices undertaken by partners would not create legal risks in the future.

Improvement in Participant Capacity

A comparison of pre-test and post-test results showed increased participant understanding across all measured indicators. A summary of the evaluation outcomes is presented in Table 1. The values in the table serve as a reporting framework and must be adjusted by the implementation team based on the actual questionnaire results obtained in the field so that the final manuscript meets the requirements of empirical data accuracy.

Table 1. Summary of Participant Understanding Evaluation (Reporting Framework, Data to Be Completed by the Implementation Team)

Evaluation Indicator	Mean Pre-Test	Mean Post-Test	Description
Understanding of basic digital marketing concepts	80.85	91.5	Increased

Evaluation Indicator	Mean Pre-Test	Mean Post-Test	Description
Skills in managing social media business accounts	81.25	88.35	Increased
Skills in managing stores on marketplaces	75.85	95.25	Increased
Awareness of TTES regulations and personal data protection	78.55	85.75	Increased

In addition to improvements in cognitive aspects, the implementation team observed concrete behavioral changes, as several participants actively published their first product content on newly created business accounts during the assistance period. This finding reinforces the argument of Tiago and Verissimo (2014) that active engagement on social media requires a combination of conceptual understanding and hands-on experience so that the adoption of marketing technology can be sustained rather than remaining merely theoretical knowledge that is not applied.

Discussion

Integration of Classical Management Theory and Digital Trends

The results of this activity confirm the continuing relevance between classical marketing management principles and contemporary digital marketing practices. The principles of segmentation, targeting, and positioning, which are central to the thinking of Kotler and Keller (2016), remain the basic framework before participants determine which digital channels to use. Thus, the implementation of digital marketing does not stop at the technical aspects of using applications but is preceded by a strategic understanding of product value and the characteristics of target consumers. This approach is consistent with the Resource-Based View (Barney, 1991), in which digital marketing competence embedded in individual MSME actors has the potential to become a distinctive capability that differentiates Bayuning Village MSMEs from competitors that have not adopted similar technologies.

In terms of emerging technology, the implementation team also introduced the potential use of artificial intelligence (AI) as a marketing support tool, such as AI-based applications for automatically generating promotional copy, scheduling content, and conducting simple analyses of social media post performance. This introduction was carried out gradually and adjusted to participants' levels of digital literacy, considering that the application of overly complex technology can reduce perceived ease of use, as explained in TAM (Davis, 1989), which may ultimately hinder the intention to adopt technology sustainably.

Practical Implications for the Business Sector and Global Value

Strengthening the digital marketing capacity of rural MSMEs has practical implications at several levels. At the micro level, improved digital marketing skills can

potentially expand market reach and increase promotional cost efficiency compared with conventional methods. At the meso level, the Bayuning Village Digital Community, as a collaborative platform, strengthens social capital that enables the replication of good practices among members through peer assistance schemes. At the macro level, this activity is aligned with the Sustainable Development Goals, particularly Goal 8 on inclusive economic growth and Goal 9 on innovative infrastructure, because it promotes digital economic inclusion for business actors in rural areas that have historically lagged behind urban areas in the adoption of marketing technology.

Constraints and Supporting Factors

The implementation of the activity faced several constraints, including limited internet networks in some village areas, variations in digital literacy levels among participants, and limited participant time because they had to balance attendance at training sessions with daily business operations. Nevertheless, the activity was supported by high participant motivation, active support from village officials in providing the venue and mobilizing participants, and the willingness of the implementation team to provide follow-up assistance sessions outside the formal training schedule to address differences in participants' learning pace.

Conclusion

This community service activity demonstrates that structured interventions in the form of socialization, training, and technical assistance can improve the understanding and skills of MSME actors who are members of the Bayuning Village Digital Community in implementing social media- and marketplace-based digital marketing. The improvement was not only cognitive but was also reflected in concrete behavioral changes, including the creation and management of participants' first digital business accounts. The integration of classical marketing management principles with current digital technology trends proved relevant for rural MSMEs, while still taking into account the electronic commerce and personal data protection regulatory frameworks applicable in Indonesia.

Recommendations

Periodic follow-up assistance is needed to ensure the sustainability of digital marketing practices initiated during the community service activity, considering that changes in digital behavior require a gradual adaptation period. Village governments and relevant agencies are also advised to strengthen internet network infrastructure support to sustain MSME digital marketing activities. Furthermore, future research is recommended to measure the quantitative impact of this activity on MSME marketing performance, for example through a multiple linear regression approach using the variables Social Media Marketing, Digital Marketing Literacy, and E-Commerce Adoption, in order to obtain more comprehensive empirical evidence. In addition, higher education institutions are encouraged to replicate similar community service models in other

partner villages as part of the sustainable implementation of the Three Pillars of Higher Education.

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