

Contribution of Social Media in Increasing Marketing of Creative Economy Product

Jefry Romdonny*, Soesanty Maulany

Department Management, Faculty of Economic
Universitas Swadaya Gunung Jati
Cirebon, Indonesia

*romdonnyjefry@gmail.com, maulanysoesanty@gmail.com

Abstract—Entering the digital era, social media is the right tool for creative economy ventures and consumers to conduct business transactions without being limited to time and space. Therefore, the aim of this research is to find out how much the contribution of social media in increasing the marketing of creative economy products. The method used is a qualitative method with descriptive analytical and exploratory approaches. Data collection techniques use triangulation, which is collecting different data from the same source using direct observation, in-depth interviews and documentation that are carried out simultaneously at the same time. The results showed that social media contributed greatly to the marketing of creative economy products. The main obstacle faced by creative economic ventures is related to the quality of human resources in mastery of internet technology and limitation in capital. The role of central and regional government and banking institution can be expected to develop creative economic ventures.

Keywords: creative economic, social media, marketing, product

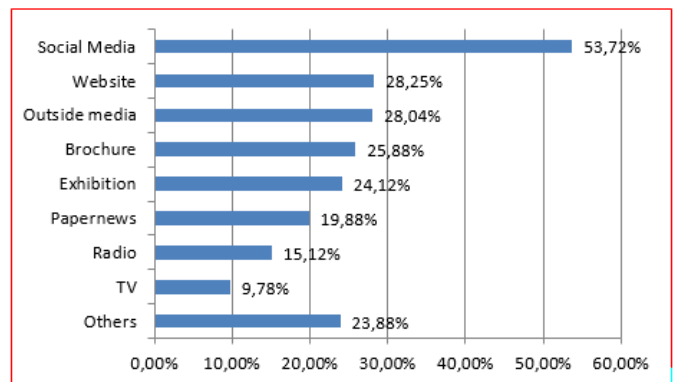
I. INTRODUCTION

Creative economy is a populist industry sector that has the potential to be developed in an effort to support the growth of the national economy [1-2]. This is due to the fact that this industry has a wider and broader market and grows in accordance with the current development [3-5] and can foster creativity and innovation and can generate added value for its business actors. Foray et al. [6], Domenech and Koster [7] and Rosmadi [8] argued that the creative economy can increase income and contribute to the distribution of public welfare.

In marketing and promoting the results of creative economy production can be done conventionally or by utilizing information technology including through social media [9-11]. The results of empirical research conducted by Mangold and Faulds [12], Saravanakumar and Lakshmi [13], and Kaplan and Haenlein [14] can be concluded that social media is very supportive for creative economic actors as a media of promotion and to market their products widely and does not require substantial costs.

Social media can also make it easier for consumers to know product specifications, quality and prices of goods produced by creative economic actors without having to deal directly [15-18]. In addition, communication of business transactions between consumers and producers can be done easily without

having to meet in person [19,20]. This is reinforced by the opinion expressed by Alsanie [21] and Mefolere [22], that social media can also improve the familial relationship between consumers and producers. From the results of a study conducted by Burns [23], Thackeray et al. [24], and March and Quinton [25], it can be concluded that social media has an influential role in marketing production, business transactions, and the development of business organizations.



Source: Creative Economy Agency of The Republic of Indonesia (data processed).

Fig. 1. Data on media marketing for the creative economy in Indonesia in 2017.

In figure 1 above it can be seen that in general social media has been widely used by business actors as a business strategy to promote and market their production.

With social media, it will be easier for consumers to choose the products they need and adapted to their purchasing power. Murdough [26] believed the use of social media is one of the marketing strategies used by businesses to market their products. Another opinion put forward by Bruhn et al. [27], Vries et al. [28], and Kim and Ko [29] that by utilizing social media, business actors, besides being able to market their production, can also compare with the results of similar products produced by other companies.

This opinion was confirmed by Kavisera and Abeysekera [30] and Ramsaran-Fowdar and Fowdar [31] who stated that social media such as Facebook, Instagram, WhatsApp were the most visited media, especially among the younger generation. Empirical research conducted by Moe and Schweidel [32], Veloutsou and Moutinho [33], and Ahmed and Ibrahim [34] the results can be concluded that social media is one of the

business strategies that are used by business actors in addition to promoting their production results also to improve number of business transactions.

The development of information technology in this millennial century must certainly be captured by businesses as a new strategy in marketing their products to be wider and be able to reach all levels of consumers, especially for creative economic actors. This condition attracts the attention of researchers to find out more about the extent to which the contribution of social media has an impact on creative economic activities, especially in marketing their production. The benefit of this research is to find out the magnitude of the contribution of social media to the marketing of creative economy products.

II. RESEARCH METHODS

The study was conducted from May to July 2019. The method used was a qualitative method with a descriptive analytical and explorative approach. The object of research is the light food industry with the trademark "Mitoha Snack" located in Kp. Babakan PGRI RT. 03 RW 08 Pasirjambu Regency of Bandung. The type of data collected is primary data obtained through in-depth interviews with information sources (informants). In conducting the survey, researchers used a personal approach (unstructured questionnaire) to obtain information related to the light food industry business.

Data collection techniques use triangulation, which is collecting different data from the same source using direct observation, in-depth interviews and documentation that are carried out simultaneously at the same time. The data comes from key informants, informants (employees), and researchers as informants. While the data analysis technique uses an interactive qualitative descriptive model in the form of data collection, data reduction, data display, and interpretive conclusions / verification.

III. RESULTS AND DISCUSSION

The creative economy in Indonesia has good potential to be developed. The micro industry players such as MSME, creative economy, and entrepreneurship must be able to create innovation and creativity for the products they produce while remaining based on people's economy based on local wisdom. The development of information technology such as social media must be utilized by small businesses as one of the business strategies to promote and market their production. This method is the right step to introduce products directly to consumers, especially potential customers and to increase the value of the products they produce [35,36].

Research conducted on creative economic actors that produce snack products can be conveyed by researchers as follows:



Fig. 2. Creative economy production results "Camilan Mitoha".

Figure 1 above is a snack business owned by Mr. Herman Permana with the trademark "Camilan Mitoha". The snacks that are produced in the form of stick noodles and macaroni with various flavors are made, processed, packaged and marketed by themselves both conventionally and through social media.

The business which was pioneered since 2016 has been done conventionally. In April 2019, his business used social media like Instagram, Facebook, Shopee as marketing media. The following table shows the number of products sold in 2018 and 2019 for the same period from April to June.

TABLE I. SALES OF SNACK PRODUCTS "CAMILAN MITOHA" IN 2018-2019

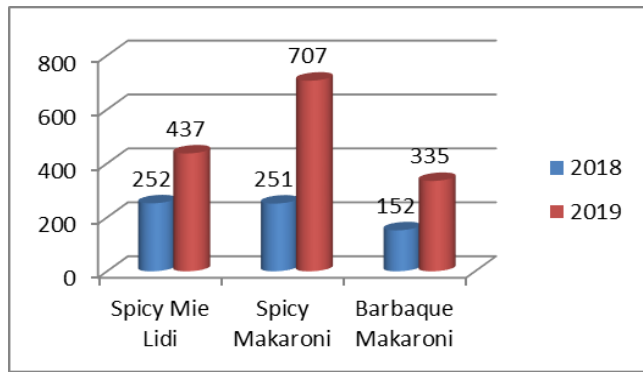
Product	Flavor Variant	2018*			2019*			Average increase
		Apr	May	Jun	Apr	May	Jun	
Mie Lidi	Cheese	45	49	40	55	64	70	52
	Spicy	77	84	91	121	147	169	185
	Chocolate	28	31	35	60	63	71	100
	Original	33	35	37	50	76	82	103
Makaroni	Spicy	69	83	99	148	321	238	456
	Original	50	55	62	80	86	93	92
	Barbeque	37	50	65	87	103	145	183
Total		339	387	429	601	860	867	

Source: The Business owner (data processed)

*in units

From table 1 above it can be seen the number of sales of "Camilan Mitoha " products before and after utilizing social media as one of the promotional media and marketing strategies undertaken by business actors. The number of product sales increased significantly occurred in Mie Lidi products with spicy flavor variants and Makaroni with spicy and barbecue flavors.

This is certainly in accordance with the opinions expressed by Baruah [9], Awolusi [10], and Miller and Lammas [11], that social media is an appropriate means for media promotion and marketing of a product. This opinion is supported by research conducted by Mangold and Faulds [12], Saravanakumar & Lakshmi [13], and Kaplan and Haenlein [14] that social media is very supportive for business actors as promotional media and to market their products without being limited to space and time and does not require large costs. The significant increase in sales of snack products "Camilan Mitoha" after utilizing social media in 2018 and 2019 in the April-June period can be seen in the following graph:



Source: The Business owner(data processed).

Fig. 3. Product marketing data which rose significantly.

From graph 2 above, it can be seen that the spicy noodles, spicy macaroni and barbeque products have very significant sales levels after utilizing social media as their marketing media. this has an impact on increasing income for creative economy entrepreneurs. This is in line with the opinion expressed by Foray et al. [6], Domenech and Koster [7] and Rosmadi [8] that small business activities (microeconomics) that are carried out seriously and are supported by the power of innovation and creativity of their business actors have a positive impact on increasing people's income and as a support for community welfare. This opinion is supported by research conducted by Moe and Schweidel [32], Veloutsou and Moutinho [33], and Ahmed and Ibrahim [34] that businesses in promoting and marketing their products must have the right business strategy in order to accepted by consumers and increasing business transactions.

IV. CONCLUSION

The development of information technology must be optimally utilized by business actors. The use of social media as one of the promotion and marketing strategies has a significant effect on increasing business transactions and can increase the income of the business actors. The next researcher is suggested to use other research methods so that the expected results are more comprehensive and in-depth. Table 1. Model Summary.

REFERENCES

[1] J. Potts, S. Cunningham, J. Hartley, and P Ormerod, "Social Network Markets: a New Definition of the Creative Industries," *Journal of Cultural Economics*, vol. 32, no. 3, pp. 167-185, 2008.

[2] A. Chan and S.J. Raharja, "Marketing Strategy of a Creative Industry Company in Bandung City," *Review of Integrative Business and Economics Research*, vol. 7, no. 2, pp. 232-240, 2018.

[3] J. Howkins, *The creative economy*. London, England: Penguin, 2001.

[4] R. Florida, *The Rise of the Creative Class*. New York. New York, USA: Basic Books, 2002.

[5] R. Caves, *Creative Industries: Contracts between Art and Commerce*. Harvard, England: Harvard University, 2000.

[6] Foray D. Goddard, XG. Beldarrain, Landabaso M. McCann P., P. Morgan, and Ortega Argiles R., *Guide to Research and Innovation Strategies for Smart Specialisations (RIS 3)*. Luxembourg: European Commission: DG Regional Policy, 2012.

[7] R.B. Domenech and P.R. Koster, *The Economic Impact of the Creative Industry in the European Union*. Switzerland: Springer Nature, 2018.

[8] M.L.N. Rosmadi, "Factors in Developing Creative Industry," *Budapest International Research and Critics Institute (Birci-Journal)*, vol. 1, no. 4, pp. 64-69, 2018.

[9] T.D. Baruah, "Effectiveness of Social Media as a tool of communication and its potential for technology enabled connections: A micro-level study," *International Journal of Scientific and Research Publications*, vol. 2, no. 5, pp. 1-10, 2012.

[10] F. Awolusi, "The impacts of social networking sites on workplace productivity," *Journal of Industrial Technology*, vol. 28, no. 1, pp. 1-7, 2012.

[11] R. Miller and N. Lammas, "Social Media and its Implications for Viral Marketing," *Asia Pasific Public Relation Journal*, vol. 11, no. 1, pp. 1-9, 2010.

[12] W.G. Mangold and D.J. Faulds, "Social Media: The New Hybrid Element of the Promotion Mix," *Business Horizons*, vol. 52, no. 4, pp. 357-365, 2009.

[13] M. Saranamakumar and T.S. Lakshmi, "Social Media Marketing," *Life Science Journal Sci J.*, vol. 99, no. 44, pp. 4444-4451, 2012.

[14] A.M. Kaplan and M. Haenlein, "Users of the World, Unite! The Challenges and Opportunities of Social Media," *Business Horizons*, vol. 53, no. 1, pp. 59-68, 2010.

[15] T.C. Schelling, "Hockey Helmets, Concealed Weapons, and Daylight Saving: A Study of Binary Choices with Externalities," *The Journal of Conflict Resolution*, vol. 17, no. 3, pp. 381-428, 1973.

[16] A. Kirman, "Ants, Rationality and Recruitment," *The Quarterly Journal of Economics*, vol. 108, no. 1, pp. 137-156, 1993.

[17] P. Ormerod and A.P. Roach, "The Medieval Inquisition: Scale-free Networks and the Suppression of Heresy," *Physica A: Statistical Mechanics and its Applications*, vol. 339, no. (3-4), pp. 645-652, 2004.

[18] J. Beck, "The Sale Effect of Word of Mouth: A Model for Creative Goods and Estimation for Novels," *Journal of Cultural Economics*, vol. 31, no. 1, pp. 5-23, 2007.

[19] J. Foster, "From Simplistic to Complex Systems in Economics," *Cambridge Journal of Economics*, vol. 29, no. 6, pp. 873-892, 2005.

[20] P.E. Earl and J. Potts, "The Market for Preferences," *Cambridge Journal of Economics*, vol. 28, no. 4, pp. 619-633, 2004.

[21] S.I. Alsanie, "Social Media (Facebook, Twitter, Whatsapp) Used, and it's Relationship with the University Students Contact with their Families in Saudi Arabia," *Univers. Journal Psychology*, vol. 3, no. 3, pp. 69-72, 2015.

[22] K.F. Meforele, "WhatsApp and Information Sharing: Prospect and Challenges," *International Journal of Social Science and Humanities Research*, vol. 4, no. 1, pp. 615-625, 2016.

[23] K.S. Burns, "The Misuse of Social Media: Reactions to and Important Lessons from a Blog Fiasco," *Journal of New Communication Research*, vol. 3, no. 1, pp. 41-54, 2008.

[24] R. Thackeray, B.L. Neiger, C.L. Hanson, and J.F. McKenzie, "Enhancing Promotional Strategies Within Social Marketing Programs: Use of Web 2.0 Social Media," *Health Promotion Practice*, vol. 9, no. 4, pp. 338-343, 2008.

[25] S.H. March and S. Quinton, "Virtual snakes and ladders: social networks and the relationship marketing loyalty ladder," *The Marketing Review*, vol. 9, no. 2, pp. 171-181, 2009.

[26] C. Murdough, "Social Media Measurement: It's not Impossible," *Journal of Interactive Advertising*, vol. 10, no. 1, pp. 94-99, 2009.

[27] M. Bruhn, V. Schoenmueller, and D.B. Schafer, "Are social media replacing traditional media in terms of brand equity creation?," *Management Research Review*, vol. 35, no. 9, pp. 770-790, 2012.

[28] L. de Vries, S. Gensler, and P.S.H. Leeflang, "Popularity of Brand Posts on Brand Fan Pages: An Investigation of the Effects of Social Media Marketing," *Journal of Interactive Marketing*, vol. 26, no. 2, pp. 83-91, 2012.

[29] A.J. Kim and E. Ko, "Impacts of Luxury Fashion Brand's Social Media Marketing on Customer Relationship and Purchase Intention," *Journal of Global Fashion Marketing*, vol. 1, no. 3, pp. 164-171, 2010.

- [30] S. Kavisekera and N. Abeyssekera, "Effect of Social Media Marketing on Brand Equity of Online Companies," *Management and Marketing Journal*, vol. XIV, no. 2, pp. 201-216, 2016.
- [31] R.R.R. Fowdar and S. Fowdar, "The Implications of Facebook Marketing for Organizations," *Contemporary Management research*, vol. 9, no. 1, pp. 73-84, 2013.
- [32] W.W. Moe and D.A. Schweidel, "Opportunities for Innovation in Social Media Analytics," *Journal of Product Innovation Management*, vol. 34, no. 5, pp. 697-702, 2017.
- [33] C. Veloutsou and L. Moutinho, "Brand relationships through brand reputation and brand tribalism," *Journal of Business Research*, vol. 62, no. 3, pp. 314-322, 2009.
- [34] A. Ahmed and M. Ibrahim, "Business Value of Facebook: A Multiple Case Study from a Developing Country," *Pacific Asia Journal of the Association for Information System*, vol. 8, no. 4, pp. 53-68, 2016.
- [35] S.L. Vargo, P.P. Maglio, and M.A. Akaka, "On value and value co-creation: A service systems and service logic perspective," *European Management Journal*, vol. 26, no. 3, pp. 145-152, 2008.
- [36] A. Ahmed and M. Ibrahim, "Business Value of Facebook: A Multiple Case Study from a Developing Country," *Pacific Asia Journal of the Association for Information Systems*, vol. 8, no. 4, pp. 53-68, 2017. Sanjeev MA. Impact of Individual and Employment Variable on Job Satisfaction & Turnover Intention among Sales and Marketing Professionals. *Procedia Comput Sci [Internet]*. 2017;122:55-62. Available from: <https://doi.org/10.1016/j.procs.2017.11.341>