

A Study of Marketing Communication in Improving the Ability of MSMEs to Survive in the COVID-19 Pandemic: Digital Literacy Perspective

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ABSTRACT

This study, namely the impact of the COVID-19 outbreak on MSMEs was examined in a qualitative way, while the purpose of this study was to be able to explain how the phenomenon occurred, namely to examine it more deeply using qualitative methods. The impact of the spread of the entire COVID-19 outbreak, especially in the MSME sector in Indonesia, where a drastic decline will have an impact on the MSME economy. This has resulted in the closure of the MSME business and there are still a few MSME actors who are trying to survive in an environment like this. In general, consumers will get goods or services that will approach a need. This study activity is expected to provide benefits and is also expected to provide sustainable output for them, especially in terms of how to manage MSMEs in the midst of the Covid-19 Pandemic. So that business continuity is maintained in the midst of the COVID-19 pandemic so that MSMEs can continue their business.

Keywords: *marketing communications, MSMEs, digital literacy*

1. INTRODUCTION

Currently, the worldwide outbreak, namely COVID-19, has a negative impact on the activities of the MSME sector. Around 96% of MSME users feel the impact is quite bitter in their business sector, this is in accordance with the data that has been collected. It was also found that 75% of them experienced a decline sales and experiencing uncertainty in obtaining access to emergency funds. Corona Virus or also known as COVID-19 is a mysterious disease that paralyzed the city of Wuhan, China at the end of 2019 which eventually spread widely throughout the world. Corona Virus or COVID-19 started from Pneumonia or mysterious pneumonia. This case is suspected to be related to [1].

The government has issued a policy, namely 2020 number 21 regarding social restrictions on a large scale with the aim of limiting the activities of citizens and having to stay at home without any urgent need. With this policy, it will indirectly have an impact on MSME operations and limited customers like never before. With this policy, MSME actors must turn around how to do their business by opening online and using e-commerce. Amri, Andi [2] explain where e-commerce is

a system used for the purpose of marketing a product, or purchasing by using the latest technology.

In a study conducted by Octavia, Graceica and Wulan Purnama Sari [3] and Aribawa, Dwitya [4], the results showed that MSMEs using e-commerce turned out to have a positive influence on income and marketing would be even better. Not only doing e-commerce trade, MSME business players can reduce promotional costs because they use technology where consumers can be reached directly, using digital marketing. Digital marketing is a way of marketing through internet access and using other digital tools. By using digital marketing, it can help MSME businesses to be able to promote a product related to their business and be able to open new markets which were previously closed due to long distances and time [5]. This is in accordance with what was found by Dipa Teruna Awaloedin Sazali [6] where an increase in sales in the MSME sector turned out to have an influence on digital marketing.

Currently, with the epidemic that is happening, many business behaviors change business strategies, behavior and business maps. Many business people have turned back the methods that have been used or

reset the way to promote their business [5]. Most of the theories regarding business, management and marketing in the midst of the COVID-19 pandemic do not apply at this time [6]. Currently, business has gone through phases towards normalcy, where business people and consumers are doing new things. This is aimed at responding to the new normal period after the pandemic. Consumers who are direct partners in business transactions will experience a change as well. Consumers will see or choose with value [7].

Sri, Aliami [1] as conducted a study which found that marketing activities, especially during the current pandemic, were able to create economic value [8]. With the existence of this economic value serves to determine the price of goods. Argues that consumers will not only refer to value but awareness will also be rebuilt [9]. During this epidemic, consumers no longer see a brand, so that communication using digital advertising will provide an increase in brand awareness [9]. Digital users provide an encouragement to online consumers not only for the younger generation but also for the older generation that can easily access it [10].

These changes are an attempt or defense in the uncertain times of COVID-19. According to MSMEs experienced a very severe impact in the midst of the ongoing epidemic [11]. MSMEs are reported to have experienced a very drastic decline in the midst of this outbreak by 56%. Research conducted explains where MSME actors not only get a decline but also get raw materials, distribution and difficulties in financing [10]. This condition occurs due to disease outbreaks that occur and it is difficult to know when it will stop.

Explained that MSMEs experienced a 60% decline in capital due to the COVID-19 outbreak. This results in the funding of each company [12]. The development of MSMEs can become bankrupt because of the uncertainty of this outbreak [12]. Not a few entrepreneurs were able to rise again from adversity due to current conditions. MSME actors who are able to rise again are actors who are able to carry out renovations in accordance with the current environment and carry out strategies that can be carried out in today's business. Therefore, in this study, we will examine the sustainability of MSME Business and E-Commerce as a Marketplace suggestion which has been supported in digital marketing [13].

This study was conducted to answer what can be done in "Improving the Ability of MSMEs to Survive during the COVID-19 Pandemic: Digital Literacy Perspectives".

2. METHOD

This research uses qualitative. The purpose of research using qualitative which has been explained by Kriyanto is to be able to explain the current

phenomenon in a very deep way which shows that the importance of depth or detail of the data to be studied further. In research using qualitative research, the deeper the results obtained, namely the data, it can be interpreted that the research carried out will have very good quality. So the object of research or respondents in qualitative research is lower than quantitative, this is due to getting very deep data again. In this study using a survey, it was found that MSMEs did not understand how to make policies during a crisis like this Satt, there were 75% of MSME actors. MSME actors who consider themselves capable of obtaining a management plan during a crisis to maintain the business that have been formed are around 13%.

In this case the researchers used the following data collection methods:

a. Observation

Observation is the systematic observation and recording of the phenomena being investigated.

b. Interview/ Interview

The interview method or interview is a method that is carried out by conducting communication with data sources through dialogue (question and answer) orally, either directly or indirectly.

c. Documentation Method

Written goods documents. In using the documentation method, the researcher investigates written objects such as books, magazines, documents, regulations, and so on.

3. DISCUSSION

The COVID-19 pandemic has changed the behavior of both consumers and producers. This change in behavior cannot be separated from the rules during the pandemic that force individuals to carry out physical distancing. Everyone was reluctant to go out, crowding, and even their activities were restricted. All these limitations in the end also have a serious impact on business people. Social interaction is almost cut off during the pandemic. Social interaction is limited to partitions and virtual world spaces. The crowd market where consumers interact with business people directly has suspended animation. Another impact experienced by MSME actors is quite serious, data compiled from states that only 5.9% of MSMEs are able to benefit during the pandemic. The remaining 82.9% were negatively affected.

The impact does not stop there. Some SMEs have experienced a decline in their turnover. Of the 37 thousand MSMEs in the data, 63.9% experienced a decline in turnover > 30%. Meanwhile, another 31.7% experienced a decrease in turnover between 0-30%. This

situation shows that the business world is in bad shape. This condition cannot be separated from the decline in their turnover.

Digital Marketing MSMEs Expansion of customers in being able to go through various doors. Business actors can also create new customers from the businesses they have done. Digital marketing through social media is one of the doors for expanding potential customers. A study conducted [14] revealed that the use of digital marketing media was able to increase customer loyalty. The ability of MSMEs to survive during this pandemic is not only supported by good financial management but also by their adaptation strategy. The adaptation made by MSME actors is related to the use of digital marketing facilities to increase awareness, encouraging consumers to remember the brand of a product. Furthermore, consumers will make instant purchases using the marketplace. Consumers will make instant buying decisions faster when the product being promoted uses a digital marketing model and the goods are available in the marketplace. MSME actors who understand this change, immediately adapt. The adaptation is related to promotion and sales. This adaptation is one of the strategies to survive in times of uncertainty. The sustainability of an MSME level business must survive if it does not want to be lost from the market. The study reveals that an important component in business continuity is the customer [15]. The study revealed that the customer value in determining business continuity is 86% of the total components. Thus, retaining customers and seeking new customer expansion is the most rational strategy in the midst of a pandemic.

MSME Business Sustainability The COVID-19 pandemic is a difficult time for MSMEs. But that doesn't mean nothing survives or material grows. MSMEs that are able to survive and grow during this pandemic are those who enter the digital ecosystem [16]. The digital ecosystem in this case is the existence of a marketplace as a means of selling MSME products. Those who have adopted the selling method using a marketplace that is able to survive in the midst of a pandemic. The second strategy carried out by MSMEs in survival is to innovate. The innovations that they do do not just stop at content or products. More than that, MSME business actors make changes or innovations in terms of service or serving. The existence of digital features in the sales and promotion model is able to boost sales and the level of customer awareness. Especially if the business is still relatively new. A study conducted [17] revealed that the use of digital marketing using social media increases the income of a start-up business.

4. CONCLUSION

The corona virus outbreak has had a significant impact on the Indonesian economy. The impact can be minimized, but it depends on the policies taken by the government to overcome it. The problem is that most MSME players, especially micro, have experienced a significant decline in turnover since COVID-19 was identified in Indonesia. The government itself has now issued a number of regulations to encourage the development of the MSME sector, so as not to be eroded by the viciousness of the virus that was first identified in Wuhan, China. At present, the use of technology will be the best solution to help the wheels of the MSME economy keep running. "In addition to capital assistance, marketing through social media and bookkeeping automation will make it easier for MSMEs to develop strategies that are appropriate for business continuity at this time and in the future by presenting a cloud-based online accounting software Journal product that presents a number of tips that can be applied by MSME actors in facing economic pressures. 5 Tips and strategies that can be run in the midst of the COVID-19 Pandemic, 5 Strategies to Survive During the COVID-19 Outbreak The following are tips and strategies so that business can continue to run well in the midst of the COVID-19 pandemic The COVID-19 pandemic that has hit the world since early 2020 has had a considerable impact on the Indonesian economy, especially for Micro, Small and Medium Enterprises (MSMEs). The Regional Management Board (BPD) of the Indonesian Young Entrepreneurs Association (HIPMI) estimates that entrepreneurs in each sector has suffered losses of up to 20 percent since the first case Ma is a positive victim of Corona in Indonesia. To minimize the losses that occur, here are some strategies so that the MSME business continues to run well during the COVID-19 outbreak.

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