

STRATEGIES THRU E-COMMERCE DURING THE COVID-19 PANDEMIC AT MSME'S TANGERANG, BANTEN – INDONESIA

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Abstract—The purpose of this study to determine the marketing strategies carried out by MSME actors, especially in the city of South Tangerang. One of the marketing strategies is through E-commerce. E-commerce is the process of buying and selling products electronically. E-Commerce itself has grown in recent years and is slowly replacing traditional shops. The data analysis method used in this research is descriptive qualitative, i.e., descriptive does not provide treatment, manipulation, or modifying the variables studied but describes a condition as it is. The only treatment given is the research itself, which is carried out through observation, interviews, and documentation. The results showed that MSMEs, especially in South Tangerang, use marketing strategies through E-commerce to increase product sales and skills.

Index Terms—Promotion Strategy, E-Commerce, MSME's

I. INTRODUCTION

The exchange of information betwixt organizations and stakeholders located far apart is only through the media of telephone, e-mail or mail; however, as business processes develop and needs increase, the exchange of information betwixt organization is requirable with an easy, quick and secure method [1]. Since the last of 2019, the WHO report states are picking a strategic phase to handle the contagion of the COVID-19 pandemic by downing taint's in near contact, mainly with health workers, and preventing contagion out of one country to another [2,3]. Currently, the COVID-19 pandemic is expansiving all parts of the world, including Indonesia. This virus that can infect fellow humans has a huge impact on the stability of the Indonesian economy. Based on the report from CNN Indonesia on December 14th, 2020, 2,245 betwixt still under treatment, 12,893 were stated cured, and 463 died. Even the South Tangerang KPUD was declared positive for COVID 19 after the simultaneous regional elections 2020 in South Tangerang City [4].

The economy in South Tangerang has a quite alarming impact due to COVID-19, one of which is for SMEs in South Tangerang. For this reason, several promotional strategies through e-commerce are needed so that businesses can survive in the deep of the COVID-19 pandemic. Referring to the regulations of the Central government and the West Java Regional Government during the Covid-19 Pandemic, residents are prohibited from leaving their homes. This is to prevent the spread of Covid-19 in the surrounding area. West Java is one of the provinces where cases of this pandemic are increasing, so a

Regional Regulation concerning Large-Scale Social Restrictions (PSBB) has been issued [5].

The Covid-19 pandemic in Indonesia is currently considered by various parties to be in an alarming stage after running for more than six months. There has been no sign that the rate of transmission of the corona virus is decreasing. This can be seen from the Covid-19 case data released by the government until today, Monday September 28th, 2020 [6]. With this case, the number of MSMEs in Indonesia has decreased so that MSME actors are no longer able to sell directly to consumers [7]; in addition, the Head of the MSME Division at the Department of Industry, Trade, Cooperatives, and Small and Medium Enterprises (Disperindagkopukm) Tangerang City Katrina detailed the number There are 13,368 MSMEs in Tangerang City. Digital marketing is the using of digital technology and internet related to ordinary marketing to attain marketing goals; here is a list of the 10 most popular e-commerce in Indonesia that can be used as a medium to market the products they produce [8].

Table 1— List of 10 Most Popular e-Commerce in Indonesia

No.	E-Commerce	Total Visitors
1.	Tokopedia	1,2 billion
2.	Shopee	837 million
3.	Bukalapak	823 million
4.	Lazada	445 million
5.	Blibli	353 million
6.	JD ID	105 million
7.	89 juta	89 million
8.	Bhinneka	63 million
9.	Sociolla	51 million
10.	Zalora	45 million

Source: JAKARTA, iNews.id 2019

Survey results from table 1 above for the top 10 rankings for E-Commerce in Indonesia. Where this shop sells a complete product like a shop that is often visited directly by buyers, the only difference is that e-commerce is supported by technology, which only uses laptops and smartphones, transactions between sellers and buyers are carried out in an easy and fast way without the hassle of coming directly to the store. Of the 10 e-commerce, MSME actors can use one or even more e-commerce so that it is easier to market their products. Therefore, in addition to digital marketing, some cause the number of MSMEs in South Tangerang to decline, i.e., the marketing mix because the marketing mix has a role in marketing a product produced from these MSMEs. The Director-General of Domestic Trade, Ministry of Trade Tjahya Widayanti (in CNBC Indonesia), said that online and offline are the same as the rules of the game, which means that selling local products as in the case of Tangerang-Banten SMEs in e-commerce will be the same as conventional retail rules. In the previous regulation made by the Ministry of Trade, conventional retail companies must sell 80% of local products. In addition, such as product quality assurance, sometimes sellers deliberately mislead consumers to increase online sales. Payment, shipping and logistics errors, return and guarantee policies, lack of security, and additional costs [9].

Consumer satisfaction is "the extent of one's senses after an appealing the perceived (achievement or results) appealed to their expectant. If consumers are satisfied with the products produced and sold by MSME actors, it will indirectly increase the sales of these products where sales are activities [10]. Carried out by sellers in selling goods and services with the dream of getting profits from the transactions and sales. It can be interpreted as transferring or transferring ownership rights to goods or services from the seller to the buyer [11]. Therefore, the right strategy is needed in increasing the promotion of MSME's products in the city of Tangerang-Banten.

Several findings show that MSMEs in the Ponorogo district can rebound to the peripheral residents, i.e., serving jobs. This clearly provides prosperity to the society in common and specific to the owner. Micro, Small, and Medium Enterprises (MSMEs) are a strategic economic zone and entangle the livelihoods of many people so that it affects the national economy, which views that there are no prohibitions as long as the business is carried out not deviate from the religion of Islam.

The sustainability and presence of the MSME venture are efforted by two factors: internal factors in the shape of economic motives while external factors shape the economic environment, normally taken as a place for a person to live. In addition, throughout a pandemic like the current one, businesses holders should have a strategy to

sustain to carry out and does not experience too large a loss. Sharia business owners must also have a strategy so that Micro, Small, and Medium Enterprises can recover from economic startles during the COVID-19 pandemic [12]. Besides, the findings show that the weaken in alteration of MSME actors and unions appropriate to COVID-19 has been essential since its means at the end of 2019. The tour industry is one of the businesses affected by the dispersion of this virus. The lumbering tourism sector has a domino imply towards the MSME sector. Based on data processed by P2E LIPI, the effect of the comedown in tourism on MSMEs participate in the micro food and beverage business got 27%. Whereas the leverage on small food and beverage businesses is 1.77%, medium enterprises are 0.07%. The imply of the COVID-19 virus on wood and rattan craft units, micro-enterprises will be at 17.03%, for small businesses in the wood and rattan handicraft sector 1.77% and 0.01% for medium enterprises. Meantime, housewifery consumption will also correct betwixt 0.5% until 0.8%. Digital expansions in globalization are significant on the economy, containing the retail market. Due to the coronavirus, one by one, modern retail markets, large, micro, and small, have started to experience a comedown in revenue. Even though by presenting the convenience of shopping, in fact, in the digital era, people are still averse and select to act online shopping activities or use media applications. There are many gainings bided by online shopping. Several steps are taken to maintain its being in the digital era, such as refocusing on customers and industry rethinking, the social pattern and digital strategies, and deploying organizational ability [13]. The findings of the result show the imply of Covid-19 on the Indonesian economy nowadays, with sundry influences that come about on the economy appropriate to the current Covid-19 pandemic. It is necessary to know the impacts that come about, i.e., difficulties in finding jobs, difficulty to fulfill the requirements of workaday life and also do not have the revenue to fulfill their daily requirements and also the many difficulties taken from all sectors of the economy which the implied of COVID-19 [14].

The purpose of this study was to analyze promotional strategies through e-commerce and during the Covid-19 pandemic in Tangerang-Banten MSMEs and to identify the level of consumer satisfaction ever the Covid-19 pandemic. This research is expected to contribute ideas and reveal problems that arise, and suggestions for solving them, and find out the extent of practical abilities. In the end, it can provide benefits to MSME actors to continue to progress and develop.

II. LITERATURE SURVEY

A. *The Management Concept and Marketing Mix*

Management is the process of directing and facilitating the work of people organized in formal group to achieve a desired goal [15]. Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others [16].

The marketing concept states that organizational achievement depends on determining market needs and wants and delivering satisfaction, which is more effective and efficient than competitors [10]. These various possibilities can be grouped into four groups of variables called the four Ps, i.e., Product, Price, Place, and Promotion. The marketing mix is used in marketing strategy to influence consumers to buy a company's product. The elements that make up the marketing mix must be mastered by marketing managers used in marketing strategies to influence consumers to make purchases [10].

B. Promotion Tools

Promotion is a tool to communicate with buyers and other companies that aim to change how they straightforwardly provide information [10]. Hereinafter, promotion is a pattern of marketing communication, while marketing communication is a marketing activity that seeks to disseminate information, influence or persuade, and/or remind the target market of the company and its products so that they are willing to accept, buy, and be loyal to the products offered by the company concerned [17]. The effectiveness of promotion methods differs between the consumer goods market and the industrial goods market. Companies that produce consumer goods typically spend their funds on advertising, followed by sales promotion, personalization, and publicity.

Companies that produce industrial goods use their funds for personal selling, followed by sales promotion, advertising, and publicity. The promotion indicators are: (1) Advertising is a pattern of communication that usually seeks to persuade potential customers to buy or consume more of a particular brand of product or service. (2) Sales promotion aims to attract consumers to buy, i.e., making displays in shops, exhibitions, and demonstrations using sales tools such as posters, leaflets, and sticky pictures. Although this activity is usually carried out together with other promotional activities, the cost is relatively cheaper than advertising and personal selling. In addition, sales promotions are also more flexible because they can be carried out at any time with available costs and anywhere, while the sales that come about are not continuous and short-term. (3) Direct marketing, i.e., using direct consumer channels to reach and deliver goods and services to customers without using marketing intermediaries [16].

C. Consumers Buying Behavior

Consumers are unique because consumers experience certain buying processes that are different from one another. Consumers vary greatly in terms of demographics, psychographics, psychological, and so on. The decision to purchase or use a product, both goods, and services, among consumers, is relatively varied. Purchasing decisions are consumer decisions regarding preferences for brands in the choice set [16]. Purchasing decisions are based on information about the advantages of an arranged product to create a sense of fun that will change someone to make a purchase decision. [10] distinguish four types of buying behavior based on consumer involvement in buying and the degree of difference between brands. Big differences between brands (significant differences between brands) mean that consumers perceive significant differences between various brands (few differences between brands), consumers only see slight differences in brands, and there are no significant differences in brands—complex buying behavior (complex buying behavior).

Consumers engage in complex buying behavior when they are deeply involved in a purchase and are aware of significant differences between brands. This is usually when the product in question is expensive, infrequently purchased, risky, and highly personal. Dissonance reducing buying behavior. Sometimes consumers are highly involved in purchases but see little difference in brands. High involvement is because the purchase is expensive, infrequent, and risky—habit buying behavior (habitual buying behavior). Many products were purchased under conditions of low consumer involvement and no significant difference. Consumers have little involvement in this type of product. Variety-seeking buying behavior. Some buyer situations are characterized by low consumer involvement but significant brand differences. In this situation, consumers often switch brands. Based on this understanding, it can be terminated that every consumer in choosing a product will be different from each other according to their wants and needs.

D. Research Framework

To analyze the analysis of promotion strategies through e-commerce in Tangerang-Banten SME's, a paradigm of thinking is formed as follows:

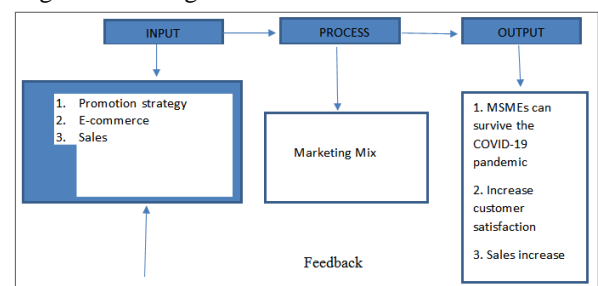


Fig.1. Framework of Thinking

The IPO (input-process-output) logic above can formulate further steps to answer the research objectives [18]. The input is recorded data, i.e., observation data and interviews with MSME actors, especially those in the South Tangerang area, Banten Province, regarding promotion, e-commerce, and sales strategies, which are then processed through a marketing mix strategy qualitative approach. It aims to produce output in the pattern of promotional strategies through e-commerce during the COVID-19 pandemic. Promotion improvement strategies are based on qualitative analysis. It is hoped that MSMEs can survive during the COVID-19 pandemic by improving promotional strategies through e-commerce, increasing consumer satisfaction, and increasing sales by analyzing the marketing mix used. This study conducted a study of observations and interviews conducted using descriptive analysis, which can produce consumer satisfaction at the Tangerang-Banten SMEs by implementing promotional strategies through e-commerce to increase sales.

III. PROPOSED METHOD

The research method is a way to obtain data to obtain knowledge that can be developed to solve certain problems. The research method is a scientific way to obtain valid data with the aim that it can be found, proven, developed as knowledge so that, in turn, it can be used to understand, solve and anticipate problems [19].

This study uses qualitative analysis methods combined with descriptive analysis. According to Bodgan in [19], qualitative analysis is systematically searching and compiling data obtained from interviews, field notes, and other materials to be easily understood. The findings can be informed to others. This data analysis is done by organizing the data, breaking it down into units, synthesizing it, arranging it into a pattern, choosing what is important and what will be studied, and making terminations that can be told to others.

While the use of descriptive analysis is intended so that excavations can be made about the depiction of the object studied empirically to be informed about the real phenomena of the object under study. Descriptive statistics are used to analyze data by depicting the data put together as it is without thinking to make terminations that prevail to the public or generalizations [19]. To obtain accurate data that can be trusted and relevant to the matter to be studied, data aggregation can be done by several methods, including (1) Interview, which is a process to obtain information to achieve research objectives by conducting questions and answers from respondents or parties. Competent in the field for relevant research. (2) Observation is the process of collecting data by establishing direct observations on the object of research

to obtain the necessary data, directly on the conditions/conditions of the field. (3) Focus Group Discussion (FGD) collected data utilizing group discussions systematically and focused on research variables. The sampling technique and the selection of respondents were carried out purposively. They did not use respondents from outside the MSMEs in an organizational hierarchy to influence policymaking, decisions, and promotion strategies for MSMEs following research needs.

IV. FINDINGS

This data analysis is done by managing the data, break off into units, synthesizing it, setting it into a scheme, selecting what is essential and what will be studied, and making terminations that can be told to others. Researchers are trying to get information associated with promotional strategies ever the covid pandemic for MSME actors in South Tangerang City with this technique. According to the yields of the study that has been done, by conducting interviews with four MSME actors in South Tangerang City, it can be seen that the promotion strategy implemented by MSME actors in South Tangerang City is to use E-commerce (social media). The yields of interviews that have been conducted with respondents are as follows:

1. MSME's actors 'Ms. Nia' tells about the business from pioneering until now, which started from looking for Betawi batik for family uniforms at the S2 graduation ceremony. Then get a Betawi batik maker in Marunda. Seeing the unique motifs and bright colors, finally interested in selling it. Initially offering products through conventional methods by entering several DKI government offices, employees required employees to wear Betawi batik every Friday. Finally entered another government office, Alhamdulillah the response was good; in a day, you can get a minimum turnover of 2 million rupiahs in 2013. Finally, in 2014 opened a shop in the Betawi cultural area of Setu Babakan until 2019. In 2020, merchandise a switch to home during the pandemic because PSSB and tourist areas are closed. Product promotion strategy through online during the pandemic Promotion is limited to WhatsApp only.



Fig.2. MSME Products 'Ms. Nia'

The evidence above is that one of the women's positions has been developed due to the awareness, technical, and industrial revolution,

. As a result, women's participation in economic activities is increasing. When women enter into various entrepreneurial activities [20], but in the conditions of the COVID-19 pandemic, you must have creativity in your promotional strategy to keep getting the market.

2. MSME's actors 'Mr. Ibrahim' tells about the business which started in 1998, initially opened a salon and then began to develop into a rental of traditional clothes and then developed into a wedding organizer. The promotional strategy we did at that time was the only word of mouth, after that, following the times, we started to promote online on Instagram with the ID @bramegaweddingorganizer

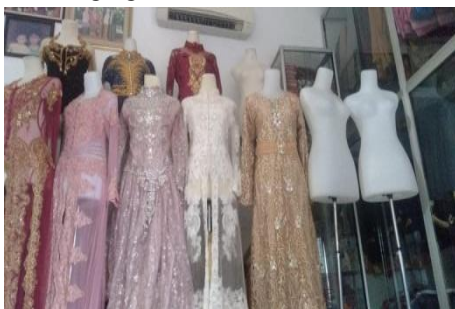


Fig.3. MSME Products 'Mr. Ibrahim'

3. MSME's Rae Catering' is a home-based business started with frequent cooking, and the house was used as a base camp. Consumers by word of mouth, quality/taste is prioritized. There is one reseller from the closest relatives, and there are regular customers.



Fig.4. MSME Brands 'Rae Catering'

4. MSME's actors 'Mr. Aidil' tells about the business from pioneering until now starting from the concern of children who often play games on cellphones or gadgets, and have the hope that today's children need to return to learning with an educational Islamic game that helps children learn Islamic religious learning, memorizing the Quran, reading prayers and so on through an Islamic game. So in 2014, began to make the concept of Snakes and Ladders praying and baitul maal which until now there are several other products created by their own concepts to help children learn learning materials through a game from Azka Toys such as Ludo Islamic Education,

fans of memorizing the Quran and so on. What is the product promotion strategy online during the pandemic through snap WA, FB ads, Instagram, Blogspot, direct selling, etc.



Fig.5. MSME Products 'Mr. Aidil'

V. DISCUSSIONS

The following is an image in the form of a graph of the number of sub-district SMEs in South Tangerang City:

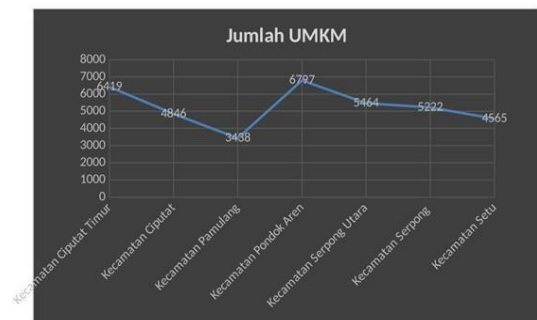


Fig.6. The amount of MSME's in South Tangerang

Source: South Tangerang City Cooperatives and SMEs Office, Data Processed (2020)

The promotional strategies that have been and are being carried out by South Tangerang MSME actors are fascinating and varied. MSME actors carry out promotional strategies through e-commerce (social media), including Instagram, Facebook, WhatsApp, etc. In the current pandemic era, MSME actors realize that with current conditions and increasingly fierce competition with the proliferation of online merchants, they must use promotional strategies through e-commerce and product quality, which must be prioritized to satisfy customers/consumers. In general, MSME actors implement promotional strategies through e-commerce to increase sales volume and have resellers participate in promoting their products to sell well in the market.

From the aspect of the marketing mix, although the products sold are relatively the same as those of competitors because they prioritize added value and differentiation, they can provide the right product. In addition, reasonable and competitive prices, selection of

appropriate distribution channels, and selection of effective promotional media for customers. Thus customer satisfaction and loyalty can be achieved. The use of technology in such as websites and social media has been widely used. Mainly in toy production, fashion business, wedding, and food. For MSME actors, the role of websites and social media is a manners for them to establish relationships with customers, find out customer opinions and suggestions for their products, and promote media that are considered effective. It can even do product development according to market desires.

VI CONCLUSION

Based on the yields of the study, it can be terminated that the MSME actors in South Tangerang City in the promotion strategy apply or use a marketing mix strategy or better known as the marketing mix. The promotion strategy carried out by South Tangerang SMEs is through e-commerce, including through websites and social media (Whatsapp, Instagram, Facebook, and others). This is done to increase sales volume and to increase customer loyalty and satisfaction.

The promotional strategy carried out by MSMEs in South Tangerang City, apart from digital marketing, is to prioritize product quality, such as in terms of the raw materials used and the production process. In addition, the product packaging process has more characteristics, such as in the toy business, where the motifs provided are very diverse so that they attract the interest of consumers. While other businesses, such as food, prioritize the quality/taste of the food itself, where the menu provided is varied and according to consumer demand. By prioritizing the quality/taste of food, consumers feel satisfied and not bored with a less varied menu. So, consumers/customers can request food according to what they want. The determination of prices carried out by MSME actors is prioritized on product quality, difficulty in the workmanship process, and the raw materials used to match the price offered.

Distribution activities carried out by MSMEs in South Tangerang City are direct distribution. For example, by communicating orders directly to consumers and serving direct sales from product stock in industrial houses or business places. MSME actors in South Tangerang City often participate in competitions, exhibitions, bazaars, or certain South Tangerang MSME community events. In addition, the promotion strategy carried out is through e-commerce or social media, including WhatsApp, Facebook, and Instagram. Promotional strategies through e-commerce should be carried out because, considering the current pandemic conditions, products can still sell well. Thus, sales volume continues to increase, and customer loyalty or satisfaction increases as well.

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