

The Use of Social Media in MSMEs Development in Kendari City (Case Study at Café VIP Kendari)

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Abstract

The aims of this study were as follows: (1). To determine the description or exposure of the use of social media on MSMEs in Kendari City when implementing online sales or marketing. (2) Determine the benefits and influence of social media on the development of MSMEs in Kendari City. This study used a descriptive qualitative design. Methods of collecting data through interviews, documentation, and observations. The data analysis in this study uses data reduction, presentation, and verification. The results of this study indicate that the use of social media in MSMEs is very important for promoting a product or business to increase profits, which is also known as online marketing. The characteristics that must be possessed by social media include networks between users, information, interactions, archives, social simulations, content by users, and dissemination.

Keywords: *Development, MSME, Social Media.*

INTRODUCTION

At this time, information technology development is widely used to develop businesses both companies and individuals. Social network-based information technology is widely used in business development. Social media, which is currently a trend for young people to express themselves, is a great opportunity as a medium for advertising and business promotions. Social media such as Facebook, Instagram, Twitter, WhatsApp, and so on, are now widely used as business media, both from well-known products. The Internet can provide marketing budget efficiency and has a wide range, easy access, and low cost. This is evidenced by the number of businesses offering a variety of products using social media (Tanjung, 2011; Rozan, 2022).

According to (Zarella, 2010) (Zarella, 2010), social media is a new media paradigm in the context of the marketing industry. Weber (2009) also states that traditional media such as TV, radio, and newspapers facilitate one-way communication, while social media is two-way communication that allows everyone to publish and contribute through online conversations. O'Reilly (2005) argues that social media is a platform that facilitates activities such as integrating websites, social interaction, content creation, communication, and conversation.

Social media is the latest development of new Internet-based web development technologies, which makes it easier for everyone to communicate, participate, share, and form a network online so that

they can disseminate content on their own. Social networking media is a site where people communicate with their friends, who they know in the real and virtual worlds. Social media is a new media paradigm in the marketing industry (Zarella 2010; Muminovna & Abdugapparovich, 2021).

According to Boyd and Ellison (2007) Social Networking Site (SNS), commonly referred to as social networking, is defined as a web-based service that allows each individual to build social relationships through cyberspace to build a profile about himself, show one's connections, and show what relationships exist between one owner and another account owner in the system provided, where each Social Networking Site (SNS) has different characteristics and systems. Examples of Social Networking Sites (SNS) include Myspace, Facebook, Gyworld, Twitter, and Bebo. The function of the application of social networking sites (SNS) itself focuses on the connections that will be built by one person with another, which can be in the form of relationships with friends, family, events, professions, and business and work.

Marketing is the process of planning and implementing the concept, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals (Kotler, 2002). In online marketing through cyberspace, some people call Cyber Marketing Internet marketing. This phenomenon is often referred to as e-marketing. Some cyber marketing concepts include strategic planning, situation analysis, customer

analysis, market and product development, and positioning. However, many of these cyber marketing principles, techniques, and tactics are rooted in traditional marketing strategies, although their implementations are different. New dimensions that have been incorporated into the Internet business landscape, in particular, are the marketing of advertising messages through calcified Internet promotional media, testimonial-based promotions on websites, marketing through search sites, and email-based marketing and purchasing (Onggo, 2005).

Micro, Small, and Medium Enterprises (MSMEs) are a form of business seen in the scale of household businesses. Small businesses only have many employees between 1-19 people while medium-sized businesses have employees between 20-99 people (BPS, 2004). MSMEs are one of the sectors that make a significant contribution to spurring Indonesia's economic growth. Indonesian labor statistics show that 99.5% of the workforce in Indonesia works in the MSME sector, as the absorption of MSMEs to the workforce is very large and close to that of small people. This is fully realized by the government; therefore, MSMEs are included in one of the focuses of the development program launched by the Indonesian government. Government policies towards MSMEs are outlined in several laws and government regulations. (Kurniawan, 2008).

A number of MSME businesses recognize that the existence of Social Media can boost the sales of the business they are managing. If you look at the pages of social networks, you will find many kinds of offers and advertisements raised by these business people, to pursue more profits. In short, Social Media plays a significant role in the marketing process of a business, which can then increase sales, turnover, and profits (Indra 2015).

Despite using the internet as its main tool, the role of social media is not limited to increasing the revenue or sales of online businesses. Those with offline businesses can also utilize various social networking sites to support the marketing of their products (Yam, & Rachbini, 2022). It is not difficult to promote new products, discount programs, and other information from offline business owners so that social media users are interested in 'glancing' and buying their products. It is sufficient to create articles, videos, and so on to be uploaded through their accounts. This convenience makes the function of social media closely related to

efforts to increase sales of both online and offline businesses. Business owners must focus on how to present interesting information or posts. For example, by presenting articles accompanied by interesting images or videos containing customer testimonials or choosing words that 'invite' consumers. In addition, the simplicity of writing also affects the responses of potential customers.

Posts that use positive and light words will be more easily digested by social media users who happen to see an ad. With easy access to the Internet, supported by advertising that is not at all difficult, it is not surprising that many business people choose social media as the main place to develop their business and increase the sales volume of their products.

Indeed, social media is very attractive to MSMEs in developing their businesses. Social media have a huge influence, and people receive information more quickly via the Internet. With easy and fast access. This is utilized by small MSME entrepreneurs to be more courageous in promoting their products because the Internet network is very wide, and there are no time and regional restrictions to become an effective marketing medium. Therefore, social media can be used as a tool to develop businesses, especially micro, small, and medium enterprises (MSMEs), especially to promote their business. At this time, many social media platforms can be used for promotion, and indeed, many social media activists have become a profit field for selling online.

Table 1. Internet Sites In Social Media

Site Type	Percentage (%)
Online store	50.3
Social networking	43.1
Buy and sell forum	27.0
Website	11.6
Online community	9.7
Messenger	8.8

Source: Indonesian Internet Service Providers Association 2014

Table 1 shows that one of the internet sites that is widely used for online shopping is social networking, or what is often referred to as social media. This indicates that many business actors market their products through social media platforms. The use of social media can indeed provide convenience in the promotion, buying, and selling processes carried out by

MSMEs to market their products and minimize costs. However, to do this, seriousness must be taken into account in utilizing social media, namely, having to provide more time or incentives to manage marketing through social media. Most MSMEs that use social media do not maximize their use of social media; for example, MSMEs use only one or two types of media, so their online marketing is not optimal. Lack of knowledge about managing social media. However, there are still many MSME players who do not understand the use of social media to market their business, they still do traditional marketing, namely by marketing products directly to consumers who only have a small area coverage. Usually, business actors are parents who do not know about online marketing.

The development of MSMEs in Southeast Sulawesi (Southeast Sulawesi) is actually able to boost the regional economy, especially in creating jobs; however, the development of MSMEs, especially by business actors, tends to be latent because they have the same type of business according to the type of business that is on the rise at that time. There is no business diversification or innovation in capturing business opportunities (Sultra 2016). In 2015, there were 72,109 MSMEs in Southeast Sulawesi, most of which were still classified in the informal business sector, using their family labor with limited market share. Research by the Research and Development Agency of Southeast Sulawesi Province. Southeast Sulawesi (2012) revealed that the field of basic food trade is the main choice of small-micro business actors because of the assumption that basic food is a primary need that everyone needs whenever and wherever they are, easy to trade, easy to obtain, has relatively long durability, and most importantly, does not require large capital to start.

On the other hand, the approach of financial assistance to MSMEs has become the main choice of model for empowering MSMEs; every year, a small budget is disbursed to the heads of MSME business actors but does not have a significant impact on the independence of business actors because they continue to expect assistance from the government. In addition, local governments still face a lack of professional human resources in providing assistance and training to MSME actors. Based on this description, problems that continue to recur from year to year and are interrelated are faced by MSMEs, especially in Southeast Sulawesi, namely, product quality and limited market share due to not diversifying products due to limited knowledge

and mastery of technology; thus, marketing is still very limited to the local market or loyal buyers. Furthermore, the problem of business competition exists where MSME products, most of which are home industries, have an uneconomical selling price or are still expensive when compared to similar products produced by factories, and a price decrease has an impact on reducing product quality. In addition, the development of shops/modern markets has influenced the sales of MSME products.

The objectives of this study are: (1) to determine the description of the use of social media in Café VIP Kendari City when selling online. (2) Determine the effect of social media on the development of Café VIP Kendrai City.

METHODS

This research was conducted in Café VIP Bende Street, Kadia District, Kendari City, Southeast Sulawesi. Descriptive qualitative research was used in this study. Research informants are those who can provide information on something, whether people, objects, or institutions (organizations), whose nature is being studied. The informants in this study are MSME actors in Café VIP Kendari City, and several people were selected as the main informants, consisting of one owner, two employees, and one consumer. The selection of informants was carried out deliberately by considering the type of business and the intensity of social media use when researchers collected data. Primary data sources were obtained through direct interviews with MSME actors at the Café VIP in Kendari City. Secondary data sources are data that are not generated and collected by researchers and are obtained in an existing form. These data were obtained from libraries or previous research reports. (Misbahuddin and Hasan, 2004). To obtain valid data for this study, it is necessary to determine the appropriate data collection techniques, including interviews, documentation, and observations.

According to Moleong, data analysis is the process of organizing and sorting data into patterns, categories, and basic descriptive units so that themes can be found and formulated. Data analysis in qualitative research is conducted before entering the field, during the field, and after completion in the field. Data analysis in this study uses the Miles and Huberman model method; namely, during the data

collection process, three important activities are carried out: data reduction, data presentation, and verification.

RESULTS AND DISCUSSION

The Effect of Social Media Use on the Development of VIP Café in Kendari City

The results showed that social media has a significant influence on purchase intention. This means that if social media increases, purchase intention will also increase. because social media is one of the factors influencing purchase intention. The Instagram account owned in this research is @cafevip. kdi. Instagram from the Café VIP is typically used to promote products and post-ongoing activities. Café VIP Instagram also provides information about locations in the form of location-based services or Google Maps, which will increase consumer buying intentions because they can visit places easily. In this case, the influence of social media developments on Café VIP includes product galleries, recording distributor needs, surveying target consumers, and monitoring consumers. In addition, the development of social media is so fast that it affects the development of Café VIP MSMEs as a discussion forum, helps find solutions, responds to consumers, as a marketing and advertising medium, and as a suggestion for personal and consumer contact. Almost all MSMEs use social networks to develop their businesses, especially Café VIP, which is very effective in using the Instagram social network to market its products by posting and instating stories on this social network, which also continues to add features that have an impact and make it easier for users to promote something.

In this study, the influence of Instagram Café VIP with the @cafevipkdi account can be widely recognized by the public because Instagram can reach a wide audience. The selection of Instagram as an online marketing medium by the owner of Café VIP is very helpful in increasing sales. From the results of interviews conducted by researchers, researchers obtained the results of café owner's explanation that less than three years since the establishment of Café VIP, the increase in sales experienced by the owner has continued to increase after using Instagram social media, proving that Instagram social media is one of the right online marketing communication tools in online sales. The influence of Instagram social media in marketing carried out by Café VIP is to utilize social media as marketing or digital marketing. Through

interviews with researchers who have conducted with the manager or Owner of Café VIP, it was found that Café VIP does not use paid advertising for promotional activities. One way to market its products is through social media, namely Instagram. In addition, according to the research data, the manager of Café VIP does not spend money on marketing activities. Therefore, researchers conclude that with the marketing used by Café VIP, they have carried out marketing communication with social media, because by thinking about and determining the marketing mix they choose to carry out marketing communication.

The magnitude of the influence of the development and use of social media by Café VIP is a very strong driver for Café VIP to continue to develop its business, increase product sales, communicate with consumers, and develop a wider market network. This is in line with this research on Café VIP, which shows that the perception of social media development is one of the big and strong drivers for café VIP to use information technology media in developing its business.

1. Market Network

Café VIP beverages and food products are purchased and consumed by consumers. This café undergoes the process of making menus, food, and drinks according to consumer desires. The following are the indicators of the Café VIP market network:

a. Products

In maintaining and increasing sales, Café VIP always perfects and develops its products to adjust or compete with products from other cafés by providing understanding and learning to its employees to always update information about food and beverage menus.

b. Price

Pricing at Café VIP is adjusted to consumers who are mostly teenagers and students, and the price of drinks offered is also fairly affordable in the pocket starting from 15 thousand to food at a price of 25 thousand.

c. Distribution

Distributing Café VIP products to consumers opens an online ordering service through GoFood, which is a food delivery service.

d. Suppliers

Café VIP food and beverage suppliers come from the nearest supermarket or minimarket because beverage ingredients are easy to obtain, while food ingredients can be found in the nearest market.

e. Promotion

Marketing carried out by Café VIP is one of the most important functions in a business, where the right marketing can determine business (product) purchasing decisions in the market. Apart from utilizing social media to promote its products, Café VIP also often participates in culinary events in Southeast Sulawesi to promote its products.

One of the attractions of Café VIP has its own unique design and nuances that attract visitors, and the location of Café VIP is quite strategic and affordable. The café business is increasingly spreading over time, especially in Kendari City. This business competition makes the Café VIP formulate and implement strategies to win the market.

2. Number of Customers

The results showed that the marketing strategy in increasing sales efforts carried out by Café VIP is a marketing mix strategy using a food and beverage product strategy needed by consumers, a competitive price strategy with a low average value, and easy affordability by consumers; Café VIP conducts a promotion strategy to increase consumer interest in Café VIP and a place strategy where Café VIP establishes a place of business in a crowd center and prepares comfortable seating and free parking for customers. The following table shows the number of visitors to the Café VIP.

Table 2. Number of VIP Café Visitors

Month	Year		
	2019	2020	2021
January	240	360	350
February	235	350	350
March	240	370	340
April	245	340	350
May	238	380	345
June	242	360	330
July	238	345	315
August	242	375	300
September	244	360	330
October	236	320	310
November	240	390	310
December	240	370	330
Total	2.880	4.320	3.960

Source: Café VIP Kendari City, 2022

Based on Table 2, it can be seen that the number of visitors to Café VIP in 2019 was 2,880, and in 2020, the number of visitors to Café VIP reached 4,320, while in 2021, the number of visitors reached 3,960. This means that in 2021, Café VIP experienced a decrease in the number of visitors for several consecutive months due to Covid-19 in 2021.

3. Total Sales (turnover)

Sales turnover is determined by several factors including selling prices and products. The selling price at Café VIP is relatively cheaper, and the products offered are of good quality. This causes consumers to choose to buy products at the Café VIP.

The following table shows the number of sales (turnover) of Café VIP to promote its business through the internet social media account Instagram, the following recapitulation of sales by Café VIP can be seen in the following table:

Table 3. Sales Turnover Development 2019-2021

Component/ Description	Year			Development (%)
	2019	2020	2021	
Number of customers (org/day)	8	12	11	-1,8
Average turnover (IDR/day)	250.000	275.000	250.000	-1,1
Profit (Rp/day)	85.000	92.500	90.000	-1,14
Annual profit (IDR/day)	30.000.000	33.000.000	32.400.000	-1,18

Source: Café VIP Kendari City, 2022

Table 4. Intensity of Social Media Use

No.	Year	Number of Posts
1	2019	30 posts
2	2020	50 posts
3	2021	35 posts
Total		115 posts

Source: Café VIP Kendari City, 2022

Based on the table above, it provides an overview of how maximum in using Instagram social media to promote VIP Café MSMEs, seen from 2019 at the beginning of using Instagram social media, Café VIP received a profit for 1 year of Rp.30,000,000, this is quite good in using Instagram social media to promote a business in the culinary field, especially the following year 2020, 2020 posted 50x product promotions for 1 year and generated a profit of Rp.33,000,000 with details seen in the table above, until 2020 the use of Instagram social media in promoting Café VIP products is considered good and increases profits of course and has the potential to continue to develop VIP Café MSMEs. In 2021, the use of social media in developing Café VIP MSMEs has decreased, which previously posted 50x in 2021 only posted 35x, which has a huge impact on profits, which previously in 2020 amounted to Rp.33,000,000 down to Rp.32,400,000 in 2021, even though it only fell slightly from the profits generated in 2020-2021, this kind of thing really should not continue to happen in a business because it talks about profit, and profit is one of the major factors in developing a business or company.

Discussion

In this study, Café VIP used Instagram as a promotional medium in the marketing process. The influence of Instagram accounts as a promotional medium on social media on Café VIP business actors has a positive impact, especially on product sales. This is because the costs incurred for marketing using social media are small and the benefits obtained through social media marketing are quite a lot, namely, more consumers, easier communication with consumers, and a wider market reach. With the existence of social media, as the name implies, it is a medium for socializing. By using social media, Café VIP business actors can maintain communication with consumers both for the buying and selling processes and to determine the state of consumers.

From the results of the interviews, it was explained that using Instagram is easier and has many features so it attracts more attention from consumers. Moreover, Instagram focuses more on posting in the form of photos, so it is very suitable for use as promotional media, especially in the field of culinary business. Based on the results of research or fieldwork carried out by researchers, as written in the presentation of data, the use of Instagram social media as a promotion. The development of this business venture is quite rapid, especially the café business, which makes an Instagram account a means of uploading photos of food or menus, which are a means of promoting their business with the account @cafevip.kdi.

In this digital era, social media is a very effective tool for the promotion and dissemination of information. It will be difficult for businesspeople if they cannot adjust and keep up with increasingly advanced times. There are many social media platforms that can be used, even easy to use by all groups, ranging from children, teenagers, and even parents.

When using social media, we must first know exactly how it functions and how to use social media. All social media platforms have features that have different functions. By learning how to use it, the word can use it optimally. The use of social media has different backgrounds, including age, culture, hobbies, needs, and so on. It is important to understand how the marketing strategy of culinary business actors can be effective in accordance with what is targeted.

It can be seen from the results of research conducted on café VIP business actors who have implemented online marketing and promotion by utilizing Instagram social media as a promotional medium that sales have increased when they have promoted online. Another benefit of using social media is that sales can easily contact customers. Social media is a tool to interact easily and quickly so that it is closer to customers and can monitor what customers need and can receive, which is an evaluation of business actors. Using social media with a wide and unlimited reach creates a very large opportunity to be used as a means of promotion. With an online marketing strategy, business actors can have more consumers.

CONCLUSION

Based on the results of the research presented above, it can be concluded that

1. An overview of the use of Instagram social media in Café VIP
 - a. Social Media Types
In this study, to increase sales, Café VIP used Instagram for social media information and communication.
 - b. Content Type
As explained above in this research, Café VIP uses Instagram as its social media and the content used in marketing or promotion is Photos, Videos, Stories, Infographics, Influencer Content, Contests, and User-generated Content.
 - c. User Intensity
The intensity of use in optimizing content on Instagram, promotion time, or posting content is divided into three periods: morning, afternoon, evening, and the duration of using social media at Café VIP on days four to six hours a day.
2. The influence of social media on the development of Café VIP
 - a. Market network
In this study, the market network indicators were product, price, distribution, suppliers, and promotions.
 - b. Number of Customers
The number of visitors to Café VIP was 2,880 in 2019, while in 2020 the number of visitors was 4,320 and in 2021 it was 3,960 due to a decrease in the number of customers in 2021 caused by Covid-19.
 - c. Total Sales (turnover)
In this study, sales turnover is determined by selling prices and products that are relatively cheaper, but the products offered are of good quality.

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