

Strengthening Micro and Small Business Capacity through Digital Marketing to Increase MSME Income in Semper Barat, North Jakarta

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ARTICLE HISTORY

Received: February 23, 2026
Revised: April 08, 2026
Accepted: April 08, 2026

DOI

<https://doi.org/10.52970/grcsd.v6i1.2123>

ABSTRACT

This community service program aims to strengthen the marketing capacity of micro and small business actors in RT 008/010, Semper Barat, North Jakarta through digital marketing-based empowerment. Preliminary assessment revealed that most MSME actors relied on conventional marketing methods and possessed limited digital literacy, which constrained their ability to expand market reach and improve sales performance. The program was implemented using a participatory capacity-building approach that integrated digital marketing training, basic branding and content creation, and hands-on mentoring in the use of social media and online business platforms. Program outcomes were evaluated through pre- and post-training assessments, observation of changes in promotional practices, and short-term monitoring of early market responses. The results indicate improvements in participants' digital literacy, promotional skills, and initial engagement with online marketing channels. Although early economic impacts were modest, the observed behavioral changes provide a foundation for longer-term business development. These findings suggest that community-based digital marketing empowerment can contribute to strengthening MSME competitiveness and supporting local economic resilience in urban communities.

Keywords: Digital Marketing, Micro And Small Enterprises, Msmes, Local Economic Development.

I. Introduction

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in strengthening the local economy and improving community welfare, particularly in urban areas where economic vulnerability remains high. In RT 008/010, Semper Barat Village, Cilincing District, North Jakarta, MSMEs serve as the primary source of household income for many residents engaged in culinary businesses, home-based fashion production, handicrafts, and small service enterprises. Despite their potential, most MSME actors still face structural challenges in developing their businesses, especially in adapting to digital transformation in marketing practices. Field observations and preliminary interviews revealed that the majority of MSME actors in the target area rely heavily on conventional marketing methods, such as word-of-mouth promotion and direct selling within the neighborhood. Only a small proportion of entrepreneurs have utilized social media or online marketplaces, and even those who have adopted digital platforms often lack the skills to manage them effectively. Limited digital literacy, weak branding, low-quality promotional content, and minimal

understanding of online consumer behavior hinder MSMEs from expanding their market reach and increasing sales performance. These findings are consistent with previous studies indicating that insufficient digital capability remains a major barrier to MSME competitiveness in the digital economy (Herlina & Siregar, 2020; Kusumawati & Syahchari, 2021; Mustafa & Wicaksono, 2022).

The rapid growth of digital platforms presents both opportunities and challenges for MSMEs. Digital marketing offers cost-efficient tools to enhance product visibility, build customer engagement, and access broader markets beyond local boundaries. Social media platforms, online marketplaces, and instant messaging applications have become integral components of contemporary business ecosystems (Chaffey & Ellis-Chadwick, 2020; Kotler & Keller, 2016). However, without adequate capacity building, MSME actors often struggle to optimize these platforms for business purposes. Previous research emphasizes that training interventions and continuous mentoring are critical to improving digital marketing adoption among small businesses (Ahmad & Ahmad, 2020; Rahayu & Day, 2017). In the context of RT 008/010 Semper Barat, the gap between technological availability and utilization is evident. Internet access is relatively adequate, yet the lack of practical knowledge and confidence in using digital tools limits MSME engagement in online marketing. Furthermore, many entrepreneurs have not developed standardized product branding, packaging, or promotional strategies, which reduces their competitiveness in increasingly saturated digital marketplaces. This condition underscores the need for structured community empowerment programs that integrate digital marketing training with hands-on assistance tailored to local business contexts.

Therefore, this community service program aims to strengthen the capacity of micro and small business actors through digital marketing-based empowerment. The program focuses on enhancing digital literacy, developing promotional content skills, optimizing the use of social media and marketplaces, and fostering sustainable entrepreneurial practices. By addressing both technical and managerial dimensions of digital marketing, the program seeks to contribute to income growth, business sustainability, and the broader empowerment of MSMEs as drivers of local economic resilience in North Jakarta.

II. Literature Review

2.1. MSMEs and Local Economic Development

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in local economic development by generating employment opportunities, increasing household income, and strengthening community economic resilience. MSMEs contribute significantly to inclusive growth, particularly in urban communities where household-based enterprises function as primary income sources. However, MSMEs often face structural constraints such as limited managerial capacity, weak access to formal markets, and low levels of technological readiness, which hinder productivity and business growth (Tambunan, 2019; Susilo, 2020). These limitations reduce MSME competitiveness in increasingly dynamic and competitive urban markets.

2.2. Digital Marketing and MSME Performance

Digital marketing has become an important strategic instrument for improving MSME performance through broader market access, cost-efficient promotion, and enhanced customer engagement. The utilization of social media platforms, online marketplaces, and digital communication channels enables MSMEs to transcend geographical barriers and reach wider consumer segments. Empirical evidence shows that digital marketing adoption positively affects MSME sales growth, brand visibility, and customer interaction (Rahayu & Day, 2017; Chaffey & Ellis-Chadwick, 2020). Nevertheless, the effectiveness of digital marketing depends on entrepreneurs' digital literacy, content creation skills, and understanding of online consumer behavior (Kusumawati & Syahchari, 2021).

2.3. Entrepreneurship Training and Digital Literacy

Entrepreneurship training and digital literacy programs are crucial in supporting MSME digital transformation. Training interventions that integrate conceptual understanding with hands-on practice enhance MSME actors' confidence and competence in utilizing digital platforms for business purposes. Ahmad and Ahmad (2020) emphasize that continuous mentoring and experiential learning are key determinants of sustainable digital adoption among small enterprises. Similarly, Rahayu and Day (2017) argue that MSMEs are more likely to benefit from digitalization when training programs are context-specific and accompanied by ongoing technical assistance.

2.4. Community Empowerment Approach in MSME Development

Community empowerment provides a relevant framework for MSME development by emphasizing participatory processes, community ownership, and the strengthening of local capacities. Empowerment-oriented programs facilitate collective learning and peer support, enabling MSME actors to share experiences and adopt innovations more effectively. According to Ife and Tesoriero (2008), empowerment-based interventions enhance community self-reliance by building local capabilities and social capital. In the context of MSME development, such approaches foster sustainable entrepreneurial ecosystems at the community level (Pranarka & Moeljarto, 2015).

2.5. Factors Influencing Digital Adoption among MSMEs

The adoption of digital marketing among MSMEs is influenced by a combination of internal and external factors. Internal factors include entrepreneurial orientation, perceived usefulness of technology, and individual technological readiness, while external factors encompass access to digital infrastructure, market conditions, and institutional support (Rogers, 2003; Venkatesh et al., 2012). Without adequate training and mentoring, MSME actors may underutilize digital platforms or discontinue digital initiatives due to perceived complexity and uncertainty regarding benefits. Therefore, integrated empowerment programs that combine digital marketing training, practical assistance, and continuous mentoring are essential to fostering sustainable MSME digital transformation (Ahmad & Ahmad, 2020; Kusumawati & Syahchari, 2021).

III. Method

This community service program was designed using a participatory empowerment approach to strengthen the capacity of micro and small business actors in RT 008/010, Semper Barat Village, Cilincing District, North Jakarta through digital marketing-based interventions. The program emphasized practical capacity building by integrating entrepreneurship training, basic business management, digital literacy, and hands-on assistance in utilizing digital platforms for marketing purposes. This integrated approach was adopted to ensure that participants not only acquired conceptual knowledge but also developed applicable skills that could be directly implemented in their daily business activities. The program was implemented within an urban community context characterized by the presence of household-based MSMEs operating in culinary businesses, small-scale retail, handicrafts, and personal services. Participants were recruited in coordination with local community leaders to ensure that the program reached MSME actors who were actively running micro-businesses or had strong intentions to develop entrepreneurial activities. Training activities were delivered through interactive workshops, practical demonstrations, and guided mentoring sessions that enabled participants to practice creating digital promotional content, managing social media business accounts, and utilizing online marketplaces in accordance with their business needs.

Program implementation began with a preliminary needs assessment conducted through field observations and informal interviews with MSME actors to identify key challenges related to marketing

in facilitating the adoption of digital tools among MSME actors, as suggested in previous studies emphasizing the importance of hands-on training and continuous mentoring for sustainable digital transformation.

Short-term monitoring conducted after program implementation indicated early signs of increased customer inquiries and modest growth in sales among some participants. Although the magnitude of change varied across MSME actors, these preliminary outcomes suggest that digital marketing-based empowerment can contribute to improving MSME market visibility and income potential. Beyond economic indicators, the program also fostered greater confidence among participants in utilizing digital technology and encouraged knowledge sharing among MSME actors within the community. This social learning dimension is particularly important in sustaining behavioral change in community-based empowerment initiatives. Despite these positive outcomes, several challenges were encountered, including varying levels of digital literacy, limited access to digital devices among some participants, and time constraints that affected the consistency of digital marketing practices. These constraints highlight the need for continuous mentoring and institutional support to ensure that digital adoption among MSMEs can be sustained over time. Overall, the findings indicate that community-based digital marketing empowerment programs, when implemented through participatory and context-sensitive approaches, can serve as effective instruments for strengthening MSME capacity and supporting local economic development in urban communities.

V. Conclusion

This community service program demonstrates that digital marketing-based empowerment can effectively strengthen the marketing capacity of micro and small business actors in RT 008/010, Semper Barat, North Jakarta. The intervention contributed to measurable improvements in participants' digital literacy, the quality of promotional practices, and initial engagement with online marketing platforms, particularly through social media and simple digital business tools. These improvements indicate that targeted capacity-building initiatives are capable of addressing key constraints faced by community-based MSMEs in adapting to the digital business environment. Although the short-term economic impacts of the program were relatively modest, the observed changes in marketing behavior and the increased confidence of participants in utilizing digital tools provide an important foundation for longer-term business development and market expansion. The gradual adoption of digital marketing practices is expected to enhance product visibility, customer reach, and competitive positioning over time, particularly in urban market contexts characterized by intense competition. The sustainability of program outcomes is highly dependent on continuous mentoring, adequate access to digital resources, and supportive local institutional frameworks. Future community service programs are encouraged to incorporate longitudinal follow-up mechanisms, structured mentoring schemes, and multi-stakeholder collaboration to ensure sustained digital adoption and inclusive MSME income growth.

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