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**IMPACT OF E-MARKETING IN SUPPORTING MSMES AFTER COVID-19 PANDEMIC****By :****Oktavianty,**

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Covid-19 Pandemic has create change in economic structure, causing lots of business to shut down during its time. Micro, small, and medium enterprises (MSMEs) are highly affected by the pandemic. Policy such as lockdown have prevent physical activity of trade. In order to survive in this condition many of SMEs owner have to generate innovation and creativity. One of the main key driver for surviving covid-19 pandemic are the use of E-Marketing strategy. In implementing EM ones have to understand the basic knowledge of technology and have the capability to learn new thing. The purpose of this paper is to understand E-Marketing, and how SMEs have adapt to it during the pandemic and how SMEs owner behavior after pandemic in term of continuing using EM. The result of this paper indicate the adaptability of SMEs owner to use EM during pandemic, EM also have contribute a lot to SMEs productivity during pandemic, lastly its stated that SMEs owner will continue to use EM to improve the development of their shop, store, or company

**Keyword :**E-Marketing, Covid-19,  
MSMEs, Business, Innovation

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**1. INTRODUCTION**

By the end of 2019, Covid-19 Pandemic hits the world, creating catastrophe worldwide, decreasing number of normally function business and many people lose their employment. Changes in economic structure generate a situation that requires entrepreneur and businessman to develop a strategy to adapt to the prevailing conditions at that moment. As a result of the Covid-19 pandemic, not only large scale enterprises and companies were affected, but also Micro, Small, and Medium Enterprises (MSME).

MSME has been contribution a huge amount of role in term of economic activities worldwide, recent studies stated that MSME were contributing about 50% employment in developing countries, its also said that MSME known for its ability to handle economic problem like issue of poverty, inequality, and employment. Further

MSME has successfully able to generate income for woman and 8 out 10 women owns MSME in developing country (Prasanna et al., 2019).

In term of resilience, MSME has proven it time and times again. Unfortunately, up until today many of MSME still using the outdated system of marketing, thus making some of MSME weren't able to compete with larger company. The presence of Covid-19 pandemic brings bad condition that suffer a lot people, but it also create the condition forcing the maximize use of digital technology and interface. During this time many of the MSME has implemented online selling and promotion which we also known as E-Marketing. The term e-marketing or internet marketing refers to the use of electronic media, including the internet, to implement marketing principles and techniques aimed at selling and promoting goods (Taherdoost & Jalaliyoon, 2014).

With the advent of e-commerce, transactions are becoming more flexible, allowing for the exchange of goods without leaving the house and meeting directly with the seller. Furthermore, E-Marketing allows sellers to promote items without setting up a physical store, which saves space and costs for people starting small businesses with limited capital. Due to Covid-19 pandemic policy, face-to-face meetings are not possible, which makes physical transactions difficult. Therefore, the benefits of E-Marketing are suitable for the ongoing situation of Covid-19 Pandemic.

The implementation of E-Marketing requires a thorough understanding of the concept of EM, which includes the combination of EM budget and EM tools. This relationship requires strategic management which aims to maximize marketing activities through optimal allocation of marketing resources, and thus results in high total profits. As part of the EM process, internet marketing, e-mail marketing, intranet marketing, extranet marketing, telemarketing, mobile marketing, electronic data interchange for marketing activities, customer relationship management, as well as many other marketing activities are included (Eid & El-Gohary, 2013).

Other than broad range of EM, important element of successful EM implementation are the existing business around the MSMEs itself like large company. In one of recent studies, it is stated that company can utilize the use EM by interacting with another company, known as business-to-business (B2B), this form of business provide marketplace for business to interact with each other by using technologies for marketing purposes. The result of this studies indicates an important role of B2B in e-business efficiency and marketing improvements (Chong et al., 2018)

Many factors determine the success of MSMEs in implementing EM, this not only come from the availability of EM only, but some of few factors such its orientation, technological orientation, and learning capability are also important in order to successfully adapt EM into business (al Asheq et al., 2021) The factors above stated that in order to adapt to EM system someone must have the capability to learn new things and have basic knowledge of technologies. it will be hard for someone who only read newspaper and doesn't a smartphone to suddenly adapt to EM application.

Convenience of EM can be seen in sales promotion process, advertising, and communication with the public. This kind of activity going to cost a lot of money and require intensive amount of labor if wanted to be done

physically. EM allow company to send marketing message to anyone they desire, therefore targeting segment by using EM will help a lot in reducing operational cost of the company. Other than that it can also be seen in how wide the range of reach by EM, the product can even promoted worldwide without the extra cost of product launch and transportation cost (Jamil. Abdul et al., 2020)

The empirical studies show how important the function of EM is. The policy of covid-19 pandemic as said above, require the business to shut physically and only open at certain time adjusted by the government. This condition reduces the income of business owner, the need for a living cost require the business owner to think outside of the box. This are the entrance of EM. Business owner start selling goods using self-made application or using social media such as Facebook or Instagram, and even doing live stream as media to promote their goods in real-time.

The flexibility, the minimum cost, and the minimum requirement making adapting EM into business is desirable. Therefore media that provide strategy, tips and even seminar are media that stimulate learning capability. Many people have started using EM for their business with so little reference ended up failing. This could happen because of the lack of survey, minimum knowledge of technology orientation, and owner weren't able to react and adapt to market demand. It could also happen due to miss marketing technique and unattractive way of promoting the goods.

EM actually existed long before covid-19 pandemic merge, but due to knowledge factor and less learning capability, many hasn't been able to maximize the use of EM. When covid-19 pandemic happens, this condition forcing entrepreneur and businessman to adapt and use creative way of thinking, at this moment slowly many shops and store are promoting their goods via internet and use the existing marketplace such as Tokopedia, shopee, and bukalapak to sell goods. Foods and services on the other hands use the mobile application such as gojek, shopee food, and grab to promote their product.

When a certain condition or situation hits someone, those condition forcing them to adapt and change. After covid-19 pandemic case has gone down people now allowed to operate normally, this condition are same way as it is before covid-19 pandemic. Therefore its important to perform a study about how E-Marketing have changed economic activities during pandemic and how its usage after the pandemic.

## 2. LITERATURE REVIEW

### Micro, Small, and Medium Enterprises

MSMEs or Micro, small, and medium enterprises is an institution, company or a firm employ from 5 to 200 employee up to medium enterprises. MSMEs globally known as SMEs which SMEs are vital instrument for enhancing innovation and generate entrepreneurship, and main engine for economic development and economic competitiveness (Keskin et al., 2010)

SME's have certain advantages over other similar sectors, allowing them to outperform them. These superiorities are (1) competitive structure; (2) efficiency; (3) ability to keep up with new demand and adapt to new technology; (4) working styles are variate and not monotonous; (5) have the capability to endure economic crisis; and (6) SMEs have successfully increase employment and providing income.

The SMEs (Small and Medium-sized Enterprises) can be classified into two categories: either traditional enterprises using traditional techniques that have been handed down from generation to generation, or modern enterprises using technology to operate. SME's contribute to entrepreneurship, innovation, and employment, it can also function as competition stimulus for prices, product design, and efficiency. SMEs are essential to prevent big enterprises from monopolizing the market (Bayraktar & Algan, 2019)

SMEs have taken important role in developing countries, it led to economic growth, decreasing number of unemployment, and have been able to provide income to anyone. Success of economy can be determine by number and dynamic of SMEs, also its success on the market.

Furthermore the innovation and entrepreneurship generate by the SMEs can manifest in form new business which can contribute more and more to employment rate, to national economic, SMEs create competitive product worth selling. The uniqueness in the product could bring costumer from all around the place to buy the product. SMEs also have known the system of e-marketing, which is what make SMEs so flexible in term of starting capital. People who are looking to start a business can build it digitally before making a physical store. Product can promote online store, web or self-made mobile application. All this is the flexibility element of SMEs allowing anyone to become entrepreneur.

With the right policies and support on SMEs from the government, SMEs can become the engine of economic development, economic competitiveness and thus sustainable development, therefore, not only the SMEs itself but the

government role in supporting SMEs also become a very important aspect in its success.

### E-Marketing

The term of E-Marketing can be define as using internet or web and all related technologies in order to conduct marketing activities, in its real-time application e-marketing use digital technology and electronic media especially internet to mediate trading and selling activities (Salehi et al., 2012)

E-marketing are highly efficient for the fast process job, one of its benefits can be seen in its performance on value chain, the opportunities created by EM are the potential ability to increase speed, reduce cost, its flexibility, and supply chain reduction this will eventually lead to boost in value chain. Using the internet, the process of value chain will increase costumer satisfaction, reduction cost and cycle time, and refine the ongoing production. Company also could potentially increase costumer satisfaction throughout customer relationship management, by using the internet the CRM effectiveness and efficiency can be maximize by the staff (Ali et al., 2013)

In term of using the existence of EM has been able to contribute in SMEs resilience, but in actual condition not all company can implement SMEs. Company that own strength in branding, pricing, product diversity, internationalization, and access to new technology have welcome EM and even supported the use of EM, few company have also been using EM until today. As EM became more mainstream, it became necessary to set up infrastructure, such as hardware and software facilities, marketing and sales manager familiarity, and internet access, to realize its full potential (Hossinpour et al., 2014)

The success use of EM requires the owner of the business to understand basic knowledge of technology, the sense of attracting promotion, and the good communication with both costumer and partner such as supply chain. This of course require a full teamwork and precise human resource management, such as recruiting a web designer and promotion agent, and experienced costumer service.

EM implementation has been studied many times, recent studies showed few result, one of recent studies focused on the use of EM in tourism company, result stated that EM usage in tourism company is effective. In the process there are few findings that indicates the deficiency, EM used in this research are in form of mobile application, researcher have recommended to use website, social network, email, and reservation, due to unreliability of the current mobile application, even so the conclusion of the research

show that interest are increasing on tourism company that have integrated use of EM (Labanauskaitė et al., 2020)

Another research explore the need of e-readiness to accept e-marketing, Several factors were noted as having significant impact on e-marketing, including: person's knowledge of e-marketing, human resource with IT skills, familiarity, awareness, commitment, willingness, support, and enthusiasm of the top management, the extent of computerization, the existence of separate units for the information management system. Moreover level of computerization, the availability of separate units for managing the information management system, the affordability and availability of local content e-marketing software were all important factors in deciding whether or not Ethiopian tourism businesses would adopt e-marketing diffusion (Misganaw & Singh, 2020)

EM also have become subject of studies, recent studies also explain and research on how EM influence the interest of student to become entrepreneur. This also supported by the diversity of online platforms that can be use to imply EM such facebook, Instagram, youtube, and various website provided for marketing purposes, in its practice student self-efficacy increase the role in running self owned business and thus increase their interest in entrepreneurship (Suharto & Hidayati, 2020)

The reflection of all the recent studies, show how much can EM achieve with the right application and fulfilment of all the needed requirement, the importance of EM can create opportunities for a company or business to reach more costumer from all around the place. The flexibility of EM also allow them to adapt to any situation for example is the recent pandemic. By the decreasing number of covid-19 case, the situation are slowly going back to normal which the lesson and the implementation of EM would be at waste if no longer used after the pandemic.

### **3. RESEARCH METHOD**

Research that is being conducted in this paper is categorized as qualitative, and the type of research that will be conducted is a case study research. The case study research of this paper is meant to observe some conditions that small and medium-sized business owners face during the aftermath of the Covid-19 pandemic. The use of EM is known to be not maximized before the pandemic, and slowly increasing during it. Due to the fact that the conditions have returned to normal after the pandemic, the purpose of this paper is to observe how SMEs have reacted to the post

pandemic situation regarding emergency management.

This research employ the open interview as a instrument to gather data, the question listed for respondent are question about EM such as (1) did you have applicate EM before and during pandemic ?; (2) did you still use EM even after the end of pandemic ?; (3) what are the contribution of EM toward your business ?; (4) what are the significant differences you feel before and after implementing EM ?; and (5) are you still going to use EM and improve electronic based business ahead ?.

This research conducted in Sidenreng Rappang, the subject of research is the SMEs owner. In order to provide sample for research, the method used are purposive sampling with the range of sample of 50, this number of sample replicate the method used by Fraenkel (Haegele & Hodge, 2015). The criteria for the sample are the owner of SMEs and have applicate EM in their store, shop or company.

In order to conclude the research findings, the interview result will be filtered to find similarity between each respond. This respond are going to be used to provide explanation and will be combine with evidence from the recent empirical studies to support the argument and the assumption of this paper.

### **4. RESULT AND DISCUSSION**

#### **The Use Of E-Marketing**

The use of marketing are rarely known before the event of Covid-19 pandemic, many of the SMEs are doing direct trade on a local market and physical store that they have build.

According to the result of interview 75% of the respondent didn't know how to use E-Marketing (EM) before the pandemic. Most of this are SMEs owner placing around local market and the other 25% are owner of so-called online shop, the respondent explain that, the costumer were always come physically and each day is different costumer, old costumer also express loyalty. This reason make them doesn't feel the need to use EM as part of their marketing strategies.

When covid -19 pandemic are start to harden the situation, the respondent answer were all the same. The respondent are start to applicate EM into their shop to promote item and uses courier to distribute their product. The different in those who already implement EM before the event of pandemic are their sense of readiness. For respondent who already use EM before pandemic, they have build reputation and trust among their costumer, which make the situation aren't any different from before. While the one that are just

started to use EM, they face difficulties in introducing their shop to their loyal customer which never use the E-application to shop, however the use social media have helped them slowly to build reputation and trust among new customer and regain back the old customer.

These respond have shown the capability of adapting to situation during pandemic, even so there are difficulties in term using technology especially among owner that have never used it before. The evidence of using EM have shown in many empirical research. Due to the high number of smartphone user, there is potentially high chances to attract customer using EM. Its being said that if there are no other media to promote item, the sales and trade would have stop completely (Awali & Rohmah, 2020).

Another studies indicate that not all business suffer decreasing income, some have stabilize income even during the pandemic. This indicate that the owner that already used EM experience little to no different in situation. In term of EM the CRM are also important which is why the difficulty in calling back the old customer and adapt to use of electronic media is in need of intensive communication. If one can explain the new used EM to their customer this will build the even stronger and flexible customer relation, thus ensuring customer loyalty toward the company (Damarwulan et al., 2021)

These empirical research reflect the use of EM. In using electronic media to promote item, difficulties always come at first, which is the process of attracting the customer need a commitment and effort. The difference that SMEs owner feels during the even of pandemic are cause by their orientation and their level of experience and adaptability. The owner whose have use EM before, experience little to no difference, while the owner that have only started to use EM during the pandemic, having a hard-time adapting and gain back their customer in the process.

### **Contribution of E-Marketing**

After exploring the use of EM before, after and during the pandemic. Its also important to explore the contribution of E-Marketing for the SMEs owner, during pandemic and after pandemic. The main contribution one can made out of EM is the function of EM as the media to promote and sell goods. It can be said that EM provide more than just a media, but also reduce operational cost, the number of human labor needed, and the capital needed for many purposes such as building and designing physical store.

According to the interview result, almost all the respondent answer stated that EM has contribute a lot to their store, especially during

pandemic, they said that with the help of EM during lockdown policy, the trading activity can still be done. Another statement on EM explained that with the use of EM, it has helped them to gather starting capital to build a physical store and stock the goods that they sell.

Other contribution of EM stated by the respondent are, they doesn't need large amount of worker and it can even be done alone, other than that for those who only taking a role as a reseller, it doesn't require them to invest large amount of capital to stock their item, further more some of the respondent that have partnership with larger company only need to build a web and platform to promote their item without spending variable cost on the item design.

There few challenges for the SMEs owner, among this there are communication with the suppliers, the problem with the courier service and the over demanded discount by the customer. Some of this challenges require the full care of owner, according to the respondent. Its quite challenging especially if supply chain doesn't respond fast and its also quite disappointing when customer are ordering and choose the method of "cash on delivery" yet cancel it midway or when delivered. This kind of behavior sometimes make the courier service doesn't want to cooperate.

Even with all the challenges, the EM has manage to provide a lot of help to SMEs owner in term sales, promotion, and partnership. Contribution of EM has been explained in empirical studies. One of this empirical studies explained that There is an array of advantages that can be achieved through the use of technology, such as the development of an empowering effect, the removal of geographical barriers, the availability of support throughout the whole day or rather 7 days a week, cost-effectiveness, tracking capabilities, personalization, and price comparison to help make the right personal investment decisions. Its also stated that EM are the tools require for long-term sustainability and the tools to assist business to survive during emergent situation such as covid-19 pandemic (Wanniarachchi & Rajakaruna, 2022)

In one of the empirical studies, its recommend for the SMEs to use the existing e-commerce and e-marketplace to improve their business, its stated that when one choose to enter e-marketplace its first needed to analyze the market demand before entering, since these two are product of EM, it can be said that it has contribute a role in developing SMEs especially since SMEs are of the most dominant players on economic activities (Situmorang & Ginting, 2021)

Without the right method of promotion the use EM strategy can be achieve. Other factors regarding the success of EM can also be from the partnership with larger company, funding agency such as bank, and coordination and the role and attention of the government concerning the development of SMEs. Other than the EM actually has contribute a lot toward SMEs especially with the support of government and right policy on its development (Lindiawati et al., 2021).

### **The Continuity Of EM Usage**

All of the respondent in this paper have experienced the effect of covid-19 pandemic, and the pandemic and all its strict policy such as lockdown policy have now decrease and people are starting to live normally again. This condition of course have allow physical trade, and thus many people have no longer feel the need to use electronic media to buy items.

Therefore according to the interview result, most of the SMEs owner stated that they feel much different during the pandemic due to the need of EM implementation on their business. Some of the respondent take covid-19 pandemic as a condition that require people to be innovative and thus resulting in maximize use of EM. Other than that, the contribution of EM usage are much affected most of the SMEs owner due to many reduction on variable cost.

The statement of the respondent at the end of interview stated that they continue to use EM as media to promote and sell goods. Other than that many of the SMEs owner have teach their family member to discover the potential of EM by implementing entrepreneurship. They expected this to be the media to build more productive generation ahead.

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