



The Influence of Online Marketing on Increasing Sales and Brand Awareness of MSME Product

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ABSTRACT

This research aims to determine the effect of online marketing on increasing sales and brand awareness of MSME products assisted by PT. PHR in Duri, Mandau District. This type of research is Associative Descriptive. This study uses a quantitative approach. Sampling in the study used purposive random sampling technique, with 1,000 consumers who had purchased PT. PHR's MSME products online. Data testing was carried out using multiple linear regression analysis with the SPSS analysis tool. The results of this research are : Online Marketing has no partial influence on Brand Awareness. Increased Sales has a partial and negative influence on Brand Awareness. Online Marketing and Increased Sales have a significant effect on Brand Awareness simultaneously.

Keywords: Online Marketing, increasing sales, brand awareness

1. Introduction

The phenomenon of the internet and social networks in Indonesia is currently being exploited the emergence of various business opportunities. One of them is the internet as Advertising Tool which has the aim of promoting and selling products using advertising via the internet with social media that has developed to carry out buying and selling activities and provide information about a brand usually called E-commerce (Arifin, 2003 in Reken, 2020). The reason social networking is very appropriate for used as a medium for running a business, meaning that costs are incurred more cheap, market reach without distance and time limits, can build relationships good with customers, active customers, providing feedback, and all forms Information can spread widely quickly. This internet penetration also changes patterns Indonesian people shop as a prime market for e-commerce players commerce, it is proven that the proliferation of e-commerce businesses selling various types products and services, both national and multi-national companies.

Most MSME actors have almost the same problem, namely lack of knowledge of strategy marketing to increase sales as well as their profits in need extensive marketing. Deep business assumptions MSMEs are sometimes seen as businesses which can be done without a marketing strategy.

The widespread development of MSMEs in a region is very important because MSMEs are a tool for building entrepreneurship, a path for innovation, a source of industrial dynamics, and an instrument for creating works, Ahmed in (Kaukab, 2020). MSMEs pay less attention to the benefits of innovation and technology adoption to improve their business (Aboelmaged & Hashem, 2019). According to (Das et al., 2020) Even though SMEs are the backbone of the economy, the most common problem faced by SMEs is their high sensitivity to market changes. It is a challenge for SMEs in the current environment to keep pace with turbulent technological advances. The development of internet technology can provide opportunities in the digital world by collaborating and creating new market places, and is also a network in the business world in marketing products that have no boundaries that make companies companies. starting to pay attention to the need to market products or services using the internet.

Dave Chaffey, 2018 (in Yacub and Mustajab, 2020) digital marketing or digital marketing has almost the same meaning as electronic marketing (e-marketing), both describe the management and implementation of marketing using media electronic, so what is meant by digital marketing is the application of digital technology that forms online channels to the market (website, e-mail, database, digital TV and through various other latest innovations including blogs, feeds, podcasts and social networks) which contributes to marketing activities aimed at making profits and building and developing relationships with customers. Apart from that, developing a planned approach to increase knowledge about consumers (regarding the company, behavior, values and level of loyalty to the product brand), then combining targeted communication with online services according to the needs of each individual or specific customer.

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The brand of a company greatly influences internal volume consumer purchases or interest in using products from a brand. A company brand that has been established for a long time or has developed will of course be better known by many consumers, this is called brand awareness. Brand awareness according to Kotler (2020: 179) states that brand awareness is the ability to identify (recognize or remember) brands in a category, in sufficient detail to make a purchase. By creating brand awareness, marketers hope that whenever a category need arises, the brand will be brought back from memory and then used as a consideration for various alternatives in decision making.

MSMEs are small business units that are currently developing very rapidly. This is because this form of business is very easy to create. MSMEs are generally home businesses that can be run by one family without help from other people. The development of MSMEs cannot be separated from how business actors manage their businesses, especially in increasing product sales. It is very important for MSMEs to sell this product to make a profit and keep business activities running. Apart from the increasing number of consumers buying products, it is hoped that consumer awareness of the existence of the product can also increase. In this way, brand awareness will slowly increase as well.

Based on the above phenomenon, it is necessary to study the role of online marketing for PT MSME products. PHR in increasing sales and brand awareness. This study is also intended to answer PT. PHR's request regarding how much benefit the MSMEs assisted by PT. PHR utilizes the online business equipment and technology facilities that have been provided.

2. Research Method

The research location is Mandau District. The data sources used are primary and secondary data. Data collection techniques were carried out using surveys, observational and In Depth Interviews. The research population was the entire community in Duri, Mandau, Pinggir and Bathin Solapan Districts. This research uses a probability sampling design with a purposive random sampling method of 1000 people who have online purchased PT. PHR MSME products. Measuring perceptions and testing the influence between the variables studied uses linear and multiple regression analysis, using SPSS as an analytical tool. This type of research is quantitative descriptive.

3. Result and discussion

The internet has brought many unique benefits to marketing, one of which being lower costs for the distribution of information and media to a global audience. The interactive nature of internet marketing, both in terms of providing instant response and eliciting responses, is a unique quality of the medium. Internet marketing is sometimes considered to have a broader scope because it refers to digital media such as the internet, e-mail, and wireless media: however, Internet marketing also includes managements of digital customer data and electronic customer relationship management (ECRM) systems.

Online marketing can make it easier for business people to carry out their business activities. Activities that can be carried out with online marketing include sales, advertising, promotion and pricing activities. With online marketing, it will make it easier for business people to increase profits, because with online marketing the products produced can be seen by consumers wherever they are, even from abroad. This is in line with what was conveyed by Saifuddin (2020) in Anugrah, R. J. (2020) who stated that digital marketing is the use of electronic technology, especially in the form of information technology, to carry out all business activities including buying and selling products, services, information, increasing demand and serve customers digitally.

Based on the results of the tests that have been carried out, the results of testing the regression equation model from this research can be described as follows:

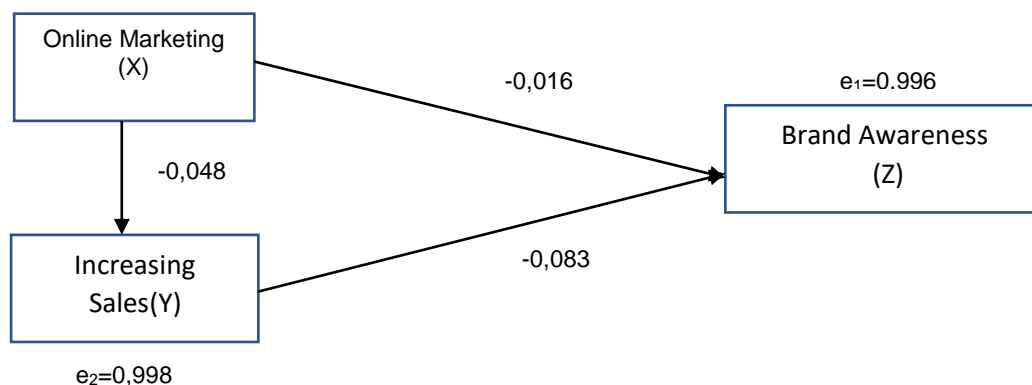


Figure 1. Research model
Source: processed data

The research model above shows that Online Marketing has no partial influence on Brand Awareness. Increased Sales has a partial, negative and significant influence on Brand Awareness. Online Marketing and Increased Sales have a significant effect on Brand Awareness simultaneously. Online marketing and increased sales contributed 0.7% to brand awareness, while the remaining 99.3% was influenced by other variables that were not researched. Through path analysis it is known that the direct influence of Online Marketing on Brand Awareness is -0.016, which means it does not have a significant effect on brand awareness. The indirect influence of Online Marketing on Brand Awareness through Increased Sales is 0.003984. So it can be said that the influence of online marketing on brand awareness through increased sales is positive

The first finding of this research is that online marketing has no effect on brand awareness. This means that promotions and sales have been carried out by MSMEs assisted by PT. PHR has not been able to raise awareness of the MSME product brand. This happens because based on the results of interviews with MSME players, it is known that they rarely post and promote their products on online marketing platforms. In general, they still use conventional marketing because it is easier, cheaper and less hassle.

The next research result is that increasing sales also has no effect on brand awareness. This result certainly cannot be separated from the sales behavior of MSME players who prefer to sell traditionally. Apart from that, MSMEs generally act as product distributors, or place their products in shops or small shops. they are not retailers that meet consumers directly. so that interactions to introduce products are not carried out directly by the product owner. As a result, the product is not promoted optimally. so that the existence of the product will be covered by a large variety of similar products.

Simultaneously, online marketing and increasing sales have an effect on brand awareness. This shows an indication that if online marketing is carried out more frequently, routinely and continuously, it will be able to boost online sales figures. If online marketing has increased in intensity and sales have also increased because sales transactions occur more frequently, then consumers will slowly realize that there are MSME products under the guidance of PT. PHR will be an alternative if you want to buy a similar product. If this continues, awareness of the MSME brand and products will increase.

Brand awareness refers to the brand image or perception in the minds of consumers. Brand awareness directly influences consumer purchasing decisions and assists consumers in considering, consuming, and disposing of a brand of goods or services.

Brand awareness is the perceived value and trustworthiness of a product in the minds of consumers. It also influences risk assessment and confidence in consumers' purchasing decisions according to the product image in their minds. Brand awareness is based on two factors, namely brand recall and brand recognition, both factors influence the perception of value and product purchasing decisions. Marketers seek to increase brand awareness among consumers through billboards and other advertising methods that lead to increasing perceived brand value and help consumers to recognize and remember the brand when they go shopping and purchase products or services. Brand awareness is measured as the ratio of market niches that have the ability of consumers to recognize products with prior brand knowledge (Siddiqui et.al, 2021). Brand recognition refers to consumers' ability to recognize an image brand when they are asked about it or it is shown to them. Consumers can easily differentiate certain brands among different product groups or variations. Brand recall refers to the ability to remember a product by consumers, refers to the consumer's ability to recover a brand from his memory when there are clues in the form of images or objects shown to him or he can remember a particular brand when different groups. Products are shown to them. It is easier to recognize a brand than to remember it. Consumers usually recognize brands according to their shape, color and brand name. That is why marketers use brand names that are easy to spell and pronounce that are known and expressive, unique and distinctive so that they are easily recognized and remembered by consumers. They choose a particular brand shape and give the brand a theme color

4. Conclusion

Based on the results of the research and discussion, several conclusions can be drawn as follows : online Marketing has no partial influence on Brand Awareness. Increased Sales has a partial, negative and significant influence on Brand Awareness. Online Marketing and Increased Sales have a significant effect on Brand Awareness simultaneously.

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