
MARKETPLACE AS AN EFFORT TO SUSTAINABLE BUSINESS STRATEGY FOR FASHION MSMEs

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Abstract

The purpose of this study is to analyze the marketplace as an effort to develop a sustainable business strategy for Fashion MSMEs. One of the most sought-after MSME fields is fashion, because it is one of the basic needs after food and beverages. The research method used in this study is qualitative descriptive method. Among its uses is e-commerce as an innovation solution in maintaining business sustainability. Because it has several advantages in the application of marketplace technology can be accessed everywhere (ubiquity), Wide reach (global reach), Diverse and interactive application features (richness & interactive), Have the ability to form communities for users of products and services, either integrated through sites or through social media (social technologies), Good interface (graphic user interface), Applications must be compatible (compatibility) to browser variants

Keywords: marketplace; sustainable business; MSMEs

INTRODUCTION

The phenomenon of the COVID-19 pandemic has paralyzed all community business sectors since the end of 2019. The virus, which entered Indonesia around March 2020, caused many negative impacts on the community's economy. One of the sectors directly affected is the MSME sector, many MSMEs have been forced to stop selling or close their stalls due to the Covid-19 Pandemic. Quoted from Despian Nurhidayat, (2020) main cause of the MSME sector feeling the most impactful is that people still consume goods and services but are not working which causes the wheels of the economy not to turn.

The surge in positive cases of corona, the high number of cases due to corona made the government unable to remain silent and issued a Community Activity Restriction (PPKM) policy with the existence of this policy many people reduce activities outside the home and more activities are carried out inside the home, ranging from learning activities such as *School From Home* and *Work From Home*.

However, food and clothing needs that must still be met make MSME players rack their brains to continue to market their products. Another change arises from consumer behavior that begins to leave transactions directly, consumers are more interested in making transactions online (Agni Hikmah Permadi, 202 C.E.). Actually, what consumers need remains the same, it's just that there is a change in attitude in obtaining it (Diawati et al., 2021). The development of internet users in Indonesia changes the consumption behavior of some people from conventional shopping to prefer to shop online, especially through *marketplaces* (Hakim, 2019).

One of the efforts made by manufacturers to increase sales figures is by utilizing *the marketplace* as a promotional medi. Overall, the number of internet users worldwide is projected to reach 3 billion people by 2015. Three years later, in 2018, it is estimated that as many as 3.6 billion people on earth will access the internet at least once every month (Kominfo, 2018b). Then the *e-commerce* business in Indonesia is increasingly promising. The results of the analysis are seen in terms of consumer behavior, in all online-based trade lines, the trend of digital-based transactions has increased along with the amount of time people are at home throughout the pandemic. In addition, the existence of increasingly established technology accompanied by an increasingly easy and faster transaction speed greatly helps accelerate this type of digital business.

Di masa pandemi COVID-19, e-commerce diproyeksikan terus berkembang.



Figure 1. The curve of increasing sales of sanitary products as well as food and beverages on various e-commerce platforms.

Source : (Kominfo, 2018a)

One of the most sought-after MSME fields is fashion, because it is one of the basic needs after food and beverages. In a study written by (Palma & Andjarwati, 2016) the most frequently purchased category was on a scale of 1-100, with the Food and Beverage category in the top position with a scale of 50.26, then followed by Household Appliances 33.36 and Women's Fashion 27.25.

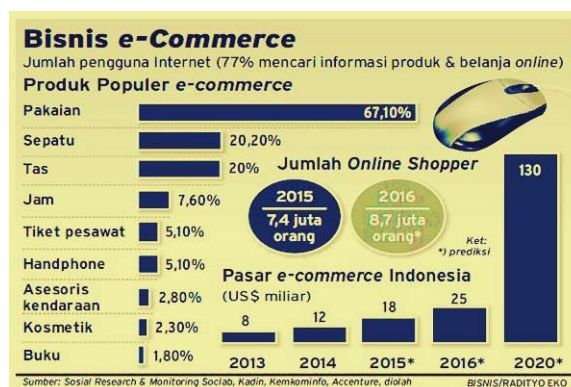


Figure 1. Popular E-commerce Product List

Source : bisnis.com

This means that MSMEs in the fashion sector are able to survive in the midst of the economic crisis caused by the Covid-19 pandemic and are even able to absorb around 97% of the workforce (Data from the Ministry of Cooperatives and Small and Medium Enterprises 2019). This means that the workforce in Indonesia works mostly in the MSME sector and the remaining 3% only work in the large business sector. Its large contribution to employment shows that MSMEs have an important role in economic development and growth in both developing and developed countries. MSMEs contribute to the formation and growth of Gross Domestic Product (GDP) the most compared to their contribution from large businesses (Halim, 2020).

Seeing from this, the author considers it necessary to conduct research on the marketplace as an effort to develop a sustainable business strategy for Fashion MSMEs.

Therefore, this study aims to analyze the marketplace as an effort to develop a sustainable business strategy for Fashion MSMEs. This research is useful for Fashion MSME players to know more about the marketplace as an effort to develop a sustainable business strategy.

METHOD RESEARCH

The research method used in this study is qualitative descriptive method. The type of data used in this study is qualitative data, which is categorized into two types, namely primary data and secondary data. Data sources are obtained through library study techniques that refer to sources available both online and offline such as: scientific journals, books and news sourced from trusted sources. These sources are gathered based on discussion and linked from one piece of information to another. The data collection techniques used in this study were observation, interview and research. This data is analyzed and then conclusions are drawn..

RESULT AND DISCUSSION

Based on initial observations, it was found that MSME actors in the fashion sector already understand the concept of social media so that some of them are not too aware of social media. The shift in modern market sales patterns and the level of purchasing behavior of Indonesian consumers from conventional transaction patterns to digital transaction patterns indirectly causes increasingly unstoppable internet use and a shift in the behavior of Indonesian people who tend to use mobile applications in conducting these transactions. This situation is used by MSME business actors, especially in the fashion sector, by maximizing the following steps :

1. Use of Marketplace

- a. Maximizingmerce e-com

Small and Medium Enterprises (SMEs) are required to be part of the global community by utilizing information technology through *e-commerce*, if they do not keep up with the development of information technology they will be far behind and lose in competition. Ecommerce is one way that can be done by Small and Medium Enterprises

(SMEs) to market their products in addition to expanding market access Kuswanto, (2019). Small and Medium Enterprises (SMEs) must see the benefits of *e-commerce* for easy and efficient market access in line with the era of globalization that will definitely be faced (Adi, 2018).

E-commerce (electronic commerce) is the process of buying and selling transactions or exchanging products, services and information through information networks including the internet. *E-commerce* is part of e-business where in addition to using network technology, it also uses database technology (database), electronic mail (email) and other forms of non-computer technology, such as delivery systems and payment instruments.

Based on research and case studies in Australia Lawson et al., (2003), there are several factors that encourage business actors to take advantage of the use of e-commerce, (1) the use of computers and information technology by business actors, (2) the application of e-commerce today and future plans, (3) constraints in the use of *e-commerce* (4) expertise of information technology staff.

This shows that not only large companies are utilizing e-commerce, but micro, small and medium companies are also utilizing *e-commerce* in marketing their products which is expected to save costs, time and energy, so as to create selling prices that are able to compete in the market. Thus, consumers will get a low price compared to traditional purchases made manually.

b. Maximize social media registered Ads

Currently, many people are starting to leave conventional marketing and switch to digital marketing or commonly called digital marketing. Digital marketing is one of the marketing media that is in demand by people today. Because, by utilizing digital tools or media can reach a wider target consumer quickly and precisely. In addition, for the benefit of business and business marketing through digital media is also more effective and efficient in the use of advertising funds. One of the marketing media that is much preferred over non-virtual media is Facebook (Galati et al., 2017).

Social media users, especially Facebook, are currently increasing for various purposes such as means of finding friends, means of communication, means of finding and sharing information, and as a means of promotion for business purposes. Promotional activities are formed to stimulate awareness, interest, and will end with the purchase of a product Afifah, (2021) Facebook social media has more users than other social media because Facebook is one of the social media that is very easy to use. So, Facebook can be used by all people even for people who are new to social networks though. This statement is also supported by the statement Barokah, Wulandari, Sari, & Yuditama, (2021) that Facebook has grown to become the most popular social media and its personalization is increasingly used as an advertising strategy that makes advertising more relevant to its users. Facebook is a social networking site that has services for its users to post photos, post information, post comments and share other interesting content on the Facebook web.

Facebook has several features that can be used to optimize digital marketing, one of which is Facebook advertising. Facebook ads are features offered by Facebook as a medium to promote Facebook pages that have previously been created by its users. So, Facebook ads or commonly referred to as Facebook Ads are very suitable to be applied to online business activists, especially mothers who are members of the Purwanegara village PKK. Because, many PKK mothers in Purwanegara village have run online businesses through social media, namely Facebook. However, there are still many who do not understand the use of Facebook Ads to run their online business. So far, participants still run promotions manually, namely through posts on personal Facebook homepages without utilizing Facebook's ad promotion features.

Instagram is a *new media*. According to Crosbie, (2015) new media are various communication technology devices that share the same characteristics which besides being new are possible with digitalization and its wide availability for personal use as a means of communication. As a new media, Instagram social media can be said to be an online facilitator that strengthens relationships with customers and potential customers. This is in line with Van Dijk's opinion in Hidayat, (2020) which states that media platforms focus on the existence of users who facilitate them in activities and collaborations. Therefore, social media can be seen as an online medium (facilitator) that strengthens relationships between users as well as social ties. Promotion mix consisting of advertising, sales promotion, personal.

2. Business Sustainable Strategy

Discussing aspects of sustainability in the business world is certainly inseparable from consumer behavior patterns that have a tendency to choose to make purchases of goods and services online. Some of the reasons a customer prefers to transact online is due to low price factors, shopping that can be done from home and stores that can be open for 24 hours in 7 days so that shopping online can be the best alternative for consumers when a consumer needs a product or service but in a very urgent condition.

Business people began to use information and telecommunications technology to run and support their business activities. The increasingly rapid movement and changes in the way of doing business towards digitalization force business people to adapt to follow these changes. For large companies, changes in business patterns that lead to the digitization process are not too problematic due to the characteristics of large companies that have good enough resources. However, for MSMEs, this digitization process will require a lot of preparation.

One of the challenges in e-commerce is the trust of consumers. Trust and e-commerce can be interpreted in general as an image (image) of what is seen and offered when there has been an agreement or transaction, where the product offered is in accordance with the wishes of the customer when the product reaches the customer's hands. One of the important roles in running an e-commerce business is the transparency of systems and technology that is always updated in real time when the transaction process occurs with the seller. With a transparent system and technology that updates real time, it can further strengthen the trust

of customers. For this reason, one of the means of building relationships with customers in running an e-commerce business is honesty and openness in order to gain trust from the buyer.

3. Marketplace as a Sustainable Business Strategy

The use of technology in the economic sector is the use of *marketplaces* in the MSME business sector . Among its uses is *e-commerce* as an innovation solution in maintaining business sustainability. The rapidly growing number of internet users in 2017 makes a benchmark for business potential for companies in marketing products through digital channels to reach a wider market in 2018. Of the 143.26 million Indonesians who access the internet, 44.16% use mobile devices, 0.65% use computers/laptops and from these data it is found that user behavior when accessing electronic sales provider sites is the most on three types of products such as apparel by 45.8%, clothing accessories by 10.9%, shoes by 6.7%.

E-commerce plays an active role in maintaining the level of demand for goods and services, cutting promotional costs, expanding the market at a new market level to cut distribution channels so that an increase in revenue from the organization is expected. The potential of *e-commerce* in Indonesia is actually projected to continue to increase, from 2017 which was recorded at US \$ 6.57 which means there is economic growth of 0.712%, and increased in 2018 as much as US \$ 7.58.

One of the advantages of using a *marketplace* compared to selling conventionally is that it can cut distribution channels shorter. With the trimming of distribution channels in the *marketplace*, MSME players are able to make efficiency and be able to increase productivity. Especially for Small and Medium Enterprises (SMEs) that have limited capital, they can directly deal with factories or providers of raw material needs or can directly sell their products directly to end consumers. Some features that must be present in the application of *marketplace* technology are:

- a. *Ubiquity*, businesses must strive to change the structure of the industry by creating new marketing channels or strategies and expanding overall market coverage. One of them can be by creating product diversification, making efficiency in industrial operations by reducing the company's sales operation costs.
- b. Global *reach* by preparing content to expand market coverage so that it can be accessed not only in one particular area but can be accessed everywhere. The first step can be to adjust the standard to become more general (*universal standard*).
- c. Diverse and interactive application features (*richness & interactive*) e-commerce applications are not only limited to product sales but also must be able to answer the needs of users and be able to carry out a good communication process with users, and if necessary be able to reach good after-sales product service with consumers.
- d. Having the ability to form a community of users of products and services, either integrated through the site or through social media (*social technologies*), subscriptions to the latest news, and promotions via email is expected to create a good impression of the products and services sold.

- e. Good interface (*graphic user interface*). The interface in the form of product and logo arrangement as well as color selection, and attractive graphics are believed to make the e-commerce application more attractive to consumers.
- f. The application must be *compatible with* the browser variant used or compatible with the access media used, for example through a personal computer. laptop or accessed via personal mobile phone.

Based on SWOT analysis, the results obtained that the marketplace as a sustainable business strategy is:

a. Strength

- 1) Able to adapt and have high endurance in the competitive market, so that
- 2) become capital for MSMEs to become major actors in the digital economy
- 3) Government Program Making Indonesia 5.0
- 4) The use of digital technology makes MSMEs more competitive
- 5) Many of the facilities provided are related to digitalization

b. Chance

- 1) Increase in revenue if using digital technology
- 2) The development of digital technology increases access to new customers both domestically and abroad
- 3) Ease of accessing digital markets
- 4) Consumers who use MSME products prefer online transactions
- 5) In the ASEAN free market (AEC) era, MSMEs can expand regional markets

c. Debilitation

- 1) Many MSME human resources are not yet skilled in the field of internet and online marketing
- 2) Limited knowledge from MSMEs
- 3) Most MSMEs are in rural areas, broadband access that does not reach all of Indonesia
- 4) Most MSMEs are in rural areas, so internet access is limited
- 5) There are still many who are not digital-literate
- 6) MSME empowerment is still carried out partially

d. Threats:

- 1) Many foreign MSMEs, as competitors are implementing digitalization
 - 2) Likewise, in Indonesia, there are many players in the e-commerce market
 - 3) Consumers have the convenience of switching (one-click) to competitors
- There are still many consumers who consider security in online transactions

CONCLUSION

This research concluded that the use of technology in the economic sector is the use of marketplaces in the MSME business sector. Among its uses is e-commerce as an innovation solution in maintaining business sustainability. Because it has several advantages in the application of marketplace technology that can be accessed everywhere (ubiquity), wide reach (global reach), diverse and interactive application features (richness & interactive), Have the

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