

14th ISCA 2024

Marjaya Fried Onion Business Development Strategy through Digital Transformation

Irwan Wicaksono^{1*}, Muhammad Rifki Fauzan²⁾, Rizal Zaenal Abidin³⁾, Wiwiek Rabiatul Adawiyah⁴⁾, Achmad Sudjadi⁵⁾, M. Noor Fahmi⁶⁾

^{1*}Irwan Wicaksono, irwan.wicaksono@mhs.unsoed.ac.id, Indonesia
*corresponding author

ABSTRACT

The Marjaya Fried Onion Small and Medium Enterprises (SME) is faced with the need to leverage digital technology to enhance operational efficiency, expand market reach, and create sustainable value for consumers. Assistance for this SME was provided through in-depth interviews and observations of the business owner and the ongoing business processes. The research findings reveal that the adoption of e-commerce, digital marketing strategies, and technology-based data management can boost business competitiveness and open opportunities for expansion. However, challenges remain, particularly in the limited human resources skilled in digital technology and insufficient technological infrastructure. Therefore, business development through digital transformation must be supported by adequate human resource training and collaboration with external parties to ensure the effective implementation of technology. The study also encourages other SMEs to be more proactive in adopting digital technology as part of their growth and sustainability strategies

Keywords: Business strategy, digital transformation, Small and Medium Enterprises(SMEs), Digital marketing, E-commerce

Introduction

In the current era of globalization and digitalization, small and medium-sized enterprises (SMEs) face significant new challenges and opportunities. SMEs, including Bawang Boreng Marjaya, play an important role in the economy with significant contributions to national income and employment (Ministry of Cooperatives and SMEs, 2022). However, to remain competitive in an increasingly complex marketplace, SMEs need to adopt innovative business strategies and adapt to technological developments, particularly through digital transformation.

Digital transformation refers to the integration of digital technology into all aspects of business, which changes the way companies operate and deliver value to customers (Westerman et al., 2014). The application of digital technology not only improves operational efficiency but also

expands market reach and creates added value for consumers (Bharadwaj et al., 2013). Bawang Boreng Marjaya, as an SME engaged in the food industry, must utilize e-commerce and digital marketing strategies to reach a wider range of customers and increase its competitiveness.

Despite the huge potential of digital transformation, many SMEs, including Bawang Boreng Marjaya, face various challenges, such as limited human resources skilled in digital technology and inadequate infrastructure (OECD, 2020). Therefore, it is important to identify and implement effective strategies to support business development through digital transformation. This study aims to analyze the business development strategy of Bawang Boreng Marjaya through the implementation of digital transformation and provide recommendations to improve business sustainability and growth.

Methods

This mentoring activity focuses on empowering Marjaya Fried Onion MSME owners in using digital marketing as a key strategy to expand their market and increase sales. The process involves a participatory approach, where MSME owners participate in every stage to ensure that the knowledge and skills acquired can be applied independently after the program is completed.

Target Activity

Marjaya Fried Onion MSME is located in Purwokerto, Banyumas Regency, Central Java, with the main market consisting of the general public, especially the lower-middle segment. The MSME owner is a home-based business that produces fried shallots in two flavors, namely original and balado. The product is sold at Rp10,000 to Rp12,000 per package.

The demographics of the digital marketing target audience include social media users aged 18-35 who are active on Instagram and TikTok, as well as Shopee marketplace consumers who are generally looking for quality snack products at affordable prices.

Activity Stages

1. Initial Analysis and Needs Identification

This activity began with discussions with MSME owners to understand the needs and challenges faced in terms of marketing. The interview method was used to dig up information about how the owner runs his business, including the marketing strategies that have been carried out. A simple SWOT analysis was also conducted to identify strengths, weaknesses, opportunities, and threats for MSMEs (Kotler & Keller, 2016).

Based on interviews and analysis, it was found that one of the main weaknesses of MSMEs is the lack of understanding about using social media and marketplaces to increase sales. An

opportunity that can be utilized is the potential growth of the digital market among young consumers in Indonesia.

2. Digital Marketing Training

After identifying the needs, the mentoring team provided digital marketing training that focused on two main aspects: marketing through social media (Instagram and TikTok) and optimizing sales in the marketplace (Shopee). The training was conducted in the form of face-to-face workshops and hands-on practical sessions involving MSME owners.

Marketing on Social Media: We introduce an effective *content* strategy based on the theory of *content marketing*. Visual content and short videos are designed with the aim of increasing interaction and capturing the attention of the target audience. Based on *social media engagement* theory, consumers are more likely to engage with relevant and authentic content (Tuten & Solomon, 2020). Therefore, the content created follows local trends that are currently popular on TikTok and Instagram to maximize reach.

Marketplace Optimization: At Shopee, we help partners manage their online stores by teaching them how to utilize promotional features such as free shipping and discounts. Emphasis is placed on the importance of compelling product descriptions and the use of the right keywords to make products easier for potential buyers to find (Grewal et al., 2021).

3. Creative Content Creation

This stage involves creating content in the form of product photos and short videos that highlight the quality of fried onions and the available flavors. The content was published on the MSME's Instagram and TikTok accounts. We used *storytelling* in the visual content to strengthen the brand image of Bawang Goreng Marjaya as a quality and affordable local product.

User-generated content (UGC) techniques are also applied by inviting customers to share their experiences using the product on social media. This method has proven effective in increasing consumer trust in the brand and encouraging positive social interactions (Kaplan & Haenlein, 2010).

4. Monitoring and Evaluation

Monitoring is done regularly to evaluate the effectiveness of published content and sales strategies in the marketplace. We use Instagram Insights to monitor content interaction and reach, as well as Shopee Analytics to see the increase in visits and sales. These evaluations provide feedback that is used to adjust marketing strategies where necessary.

Every week, we conduct evaluation discussions with MSME owners to identify areas for improvement. For example, we observed that TikTok videos with an educational format on cooking tips using fried onions attracted more attention than direct promotional content.

Analysis Technique

We used a simple quantitative method to analyze the results of the digital marketing strategy implementation. This method involves analyzing the changes in the number of followers,

engagement rate, and sales increase before and after the mentoring program. Data collected from Instagram Insights and Shopee Analytics were processed to measure the effectiveness of each campaign conducted (Grewal et al., 2021).

With a systematic approach, this activity can be easily replicated in other MSMEs facing similar problems, making it useful on a broader scale.

Results

The mentoring activities of Marjaya Fried Bawang MSMEs, especially in implementing digital marketing strategies through social media (Instagram and TikTok), have shown significant results in several aspects, namely increasing brand awareness, interaction with customers, and sales. The following are the results obtained from digital marketing activities on social media.

1. Increased Brand Awareness

After running a digital marketing campaign through Instagram and TikTok for 3 months, there was a considerable increase in brand awareness of Bawang Goreng Marjaya among social media users. The Instagram account @bawangmarjaya, which currently has 755 followers. And the number of multiple promotional videos received more than 1,000 impressions.

2. Increased Interaction and Engagement

One of the key indicators of a successful social media campaign is the *engagement* rate of the audience. On Instagram, we observed a significant increase in *engagement rate* through likes, comments, and *shares*. Before the assistance, the *engagement rate* ranged from only 1-2 likes per post. After the implementation of a content strategy involving *storytelling* and utilizing local trends on TikTok and Instagram, the *engagement rate* increased to an average of more than 20 - 50 likes and several positive comments from consumers.

The content that attracted the most attention was a short video showcasing the hygienic production process of fried onions and customer testimonials. This video utilizes the *reels* feature on Instagram and *short videos* on TikTok, which are preferred by users due to their short and easy-to-understand format.

3. Social Media Content Optimization

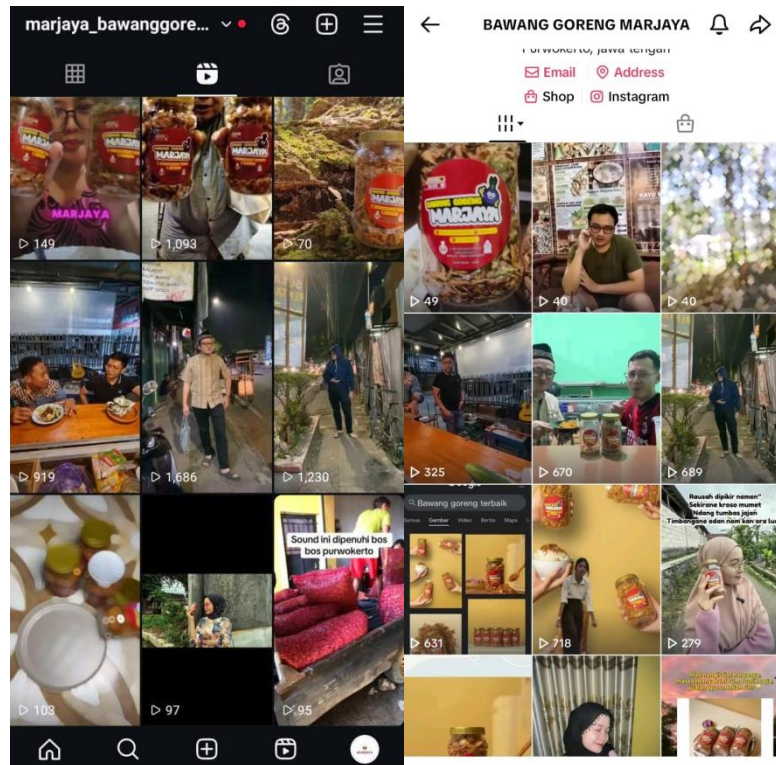
The content creation strategy used in this mentoring included three main types of content:

- **Educational Content:** Such as tips on eating with fried onions, as well as the benefits of fried onions for various Indonesian dishes. This content gets higher *engagement* because it offers added value to consumers, not just product promotion.
- **Testimonial Content:** We utilized *user-generated content* (UGC) by inviting customers to upload videos of themselves using fried onions and tagging the @bawangmarjaya account. The use of UGC has proven to be effective in building new consumer trust in the product (Kaplan & Haenlein, 2010). Testimonial content reposted on Instagram Stories also received positive responses, with an average of more than 100 - 1000 views per reels.

- **Promotional Content:** Content that focuses on price promotions and product variants. Through this feature, we managed to attract users to follow special discount promos on Shopee. Although this content is not as much as the other types of content, the effect is quite significant in increasing direct sales on the marketplace.

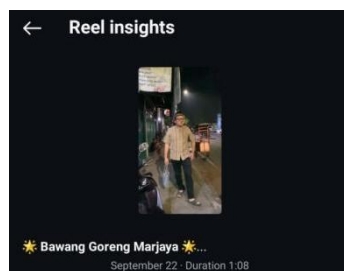
4. Measuring Results with Instagram Insights and TikTok Analytics

- We used analytics data from Instagram Insights and TikTok Analytics to monitor and measure the performance of each published content. Here are the key results of the strategy implementation on these two platforms:



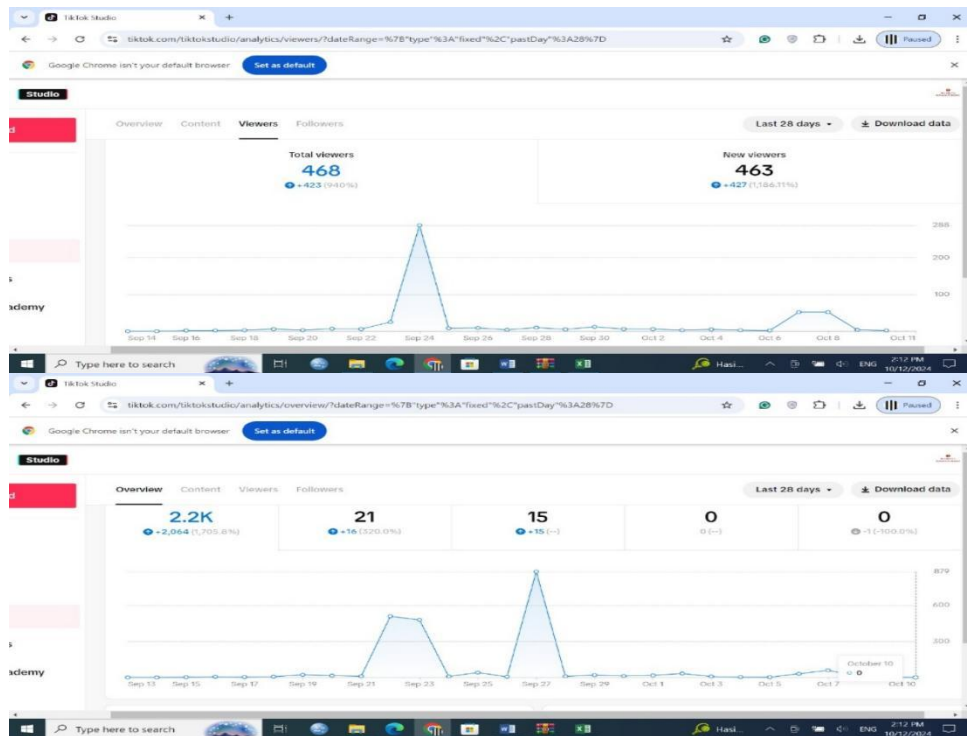
Gambar 1. Profil Instagram dan Tiktok

- **Instagram Insights:** From the first month period to the second month, the number of impressions increased from 90-100 to >1,000 per post, with reach increasing from an average of 50 people to more than 7,000 people. This shows that the strategy of using visual content and active interaction through comments and direct message replies successfully expanded the product's reach (Tuten & Solomon, 2020).



Gambar 2. Instagram Insights

- TikTok Analytics:** On TikTok, promotional and educational videos received over 400 total views over the past month. From further analysis, videos that combine entertainment, education, and local trends prove to be more effective in attracting users' attention, with some videos achieving a significant increase in viewers. The increase in the number of viewers on tik tok is still not as much as that on Instagram but the progress is very good when compared to before the mentoring.

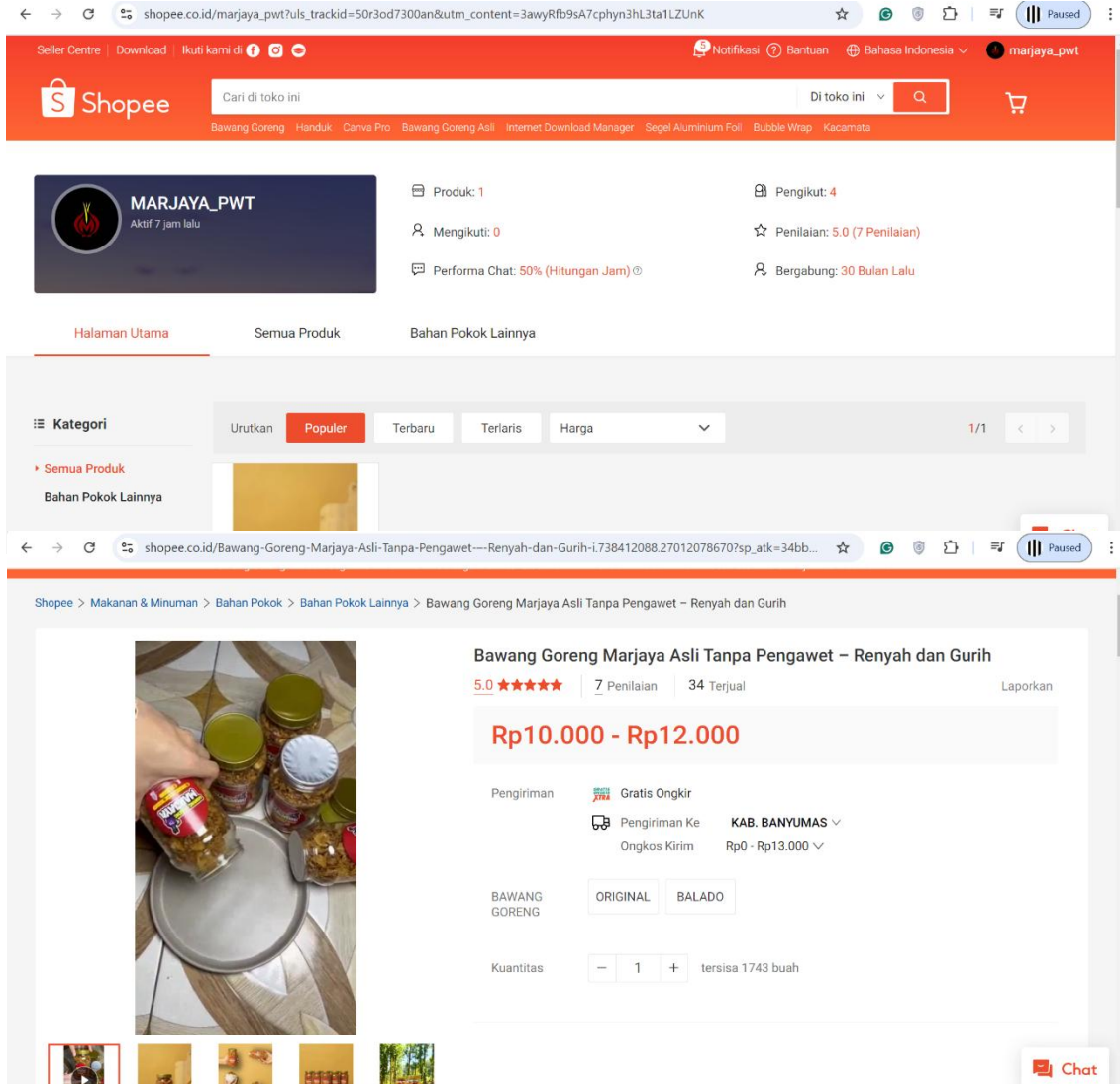


Gambar 3.
Studio

Starting
Digital
Transformation on Shopee

Tiktok

The Marjaya Fried Shallot SME created a Shopee account 30 months ago. However, they only started marketing their products on Shopee in September 2024. The SME has uploaded one product for advertisement on Shopee, offering two variants: original and spicy fried shallot.



Gambar 4. Akun dan Daftar produk shopee

Sales Performance September 2024 - October 2024

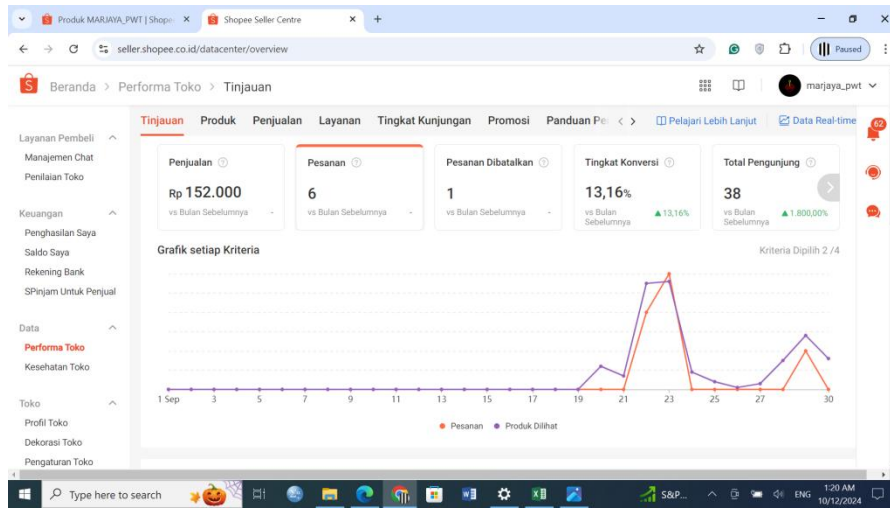
During September 2024 - October 2024, there was an increase in the number of orders, which is shown in the graph below.

- **Period September 1, 2024 - September 30, 2024**

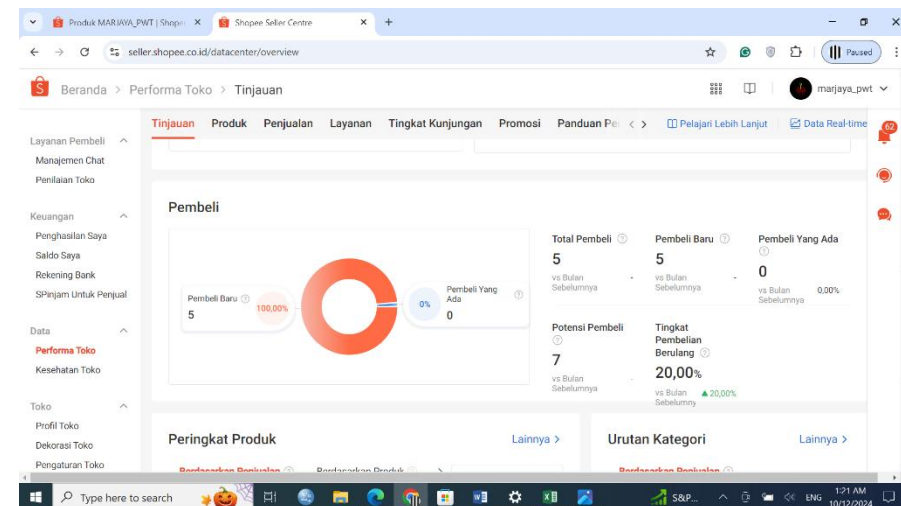
The graph during this period covers the first 30 days after MSMEs start actively marketing products on Shopee. This period is an important early period, where MSMEs have just launched their products and are starting to attract customer interest.

Trends: Usually during these early days, there is a gradual increase in visitors and orders. Buyers may be interested in new products but are still considering buying.

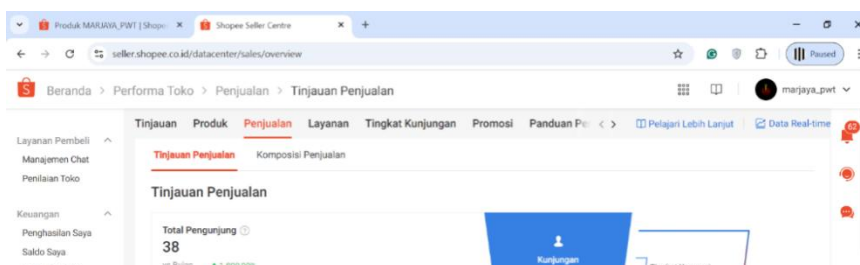
Influencing Factors: Promotional activities may still be limited, and there are not many reviews or reputation built up from previous purchases. New products often take time to gain momentum on e-commerce platforms like Shopee.



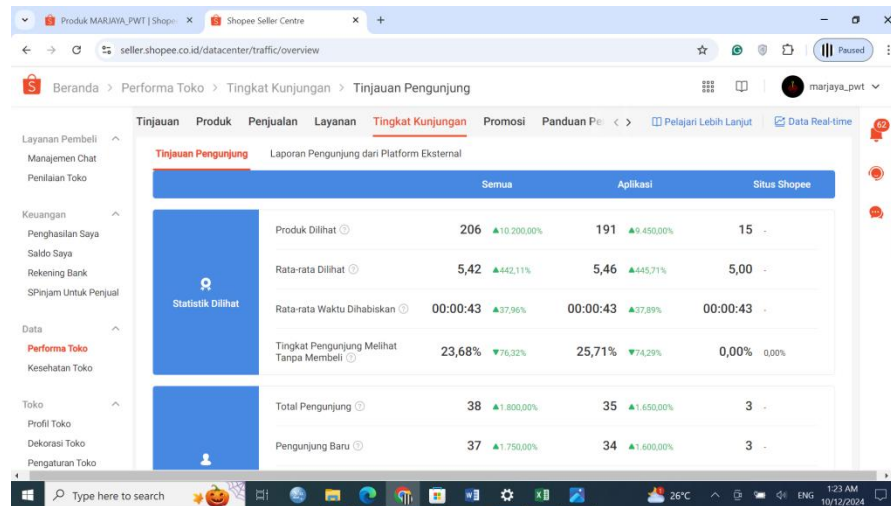
Gambar 5. Grafik tinjauan periode 1 September 2024 – 30 September 2024



Gambar 6. Grafik tinjauan pembeli periode 1 September 2024 – 30 September 2024



Gambar 7. Grafik tinjauan penjualan periode 1 September 2024 – 30 September 2024



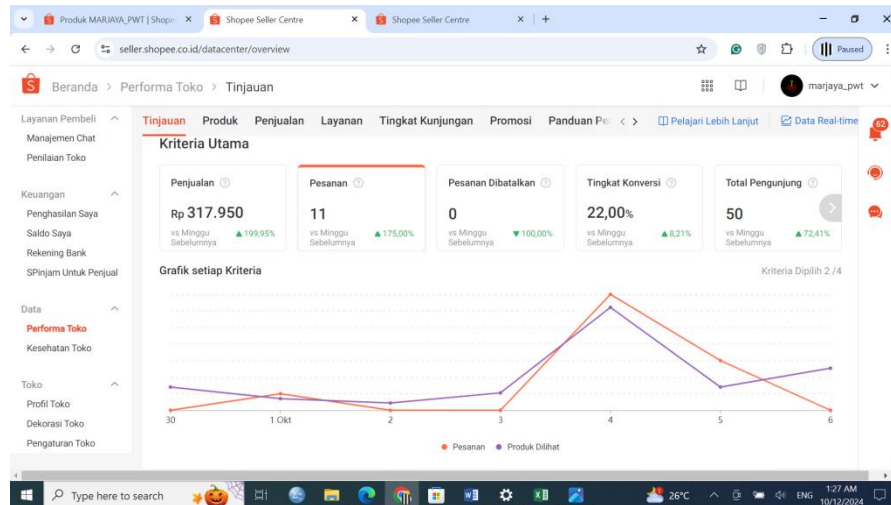
Gambar 8. Grafik tinjauan pengunjung periode 1 September 2024 – 30 September 2024

• **Period October 1, 2024 - October 6, 2024**

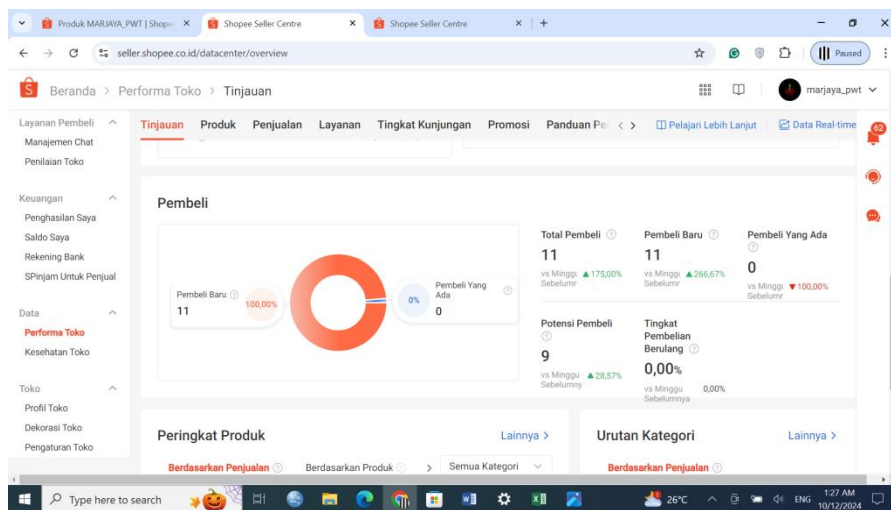
The chart during this period includes only one week in early October 2024. This is the transition phase after the first month of active marketing. During this period, MSMEs are expected to have started building a stronger customer base.

Trends: Visitors and orders may start to increase faster than in the previous month, as the product is getting recognized and there may be repeat buyers. The presence of reviews and ratings from previous buyers also has the potential to attract more visitors and orders.

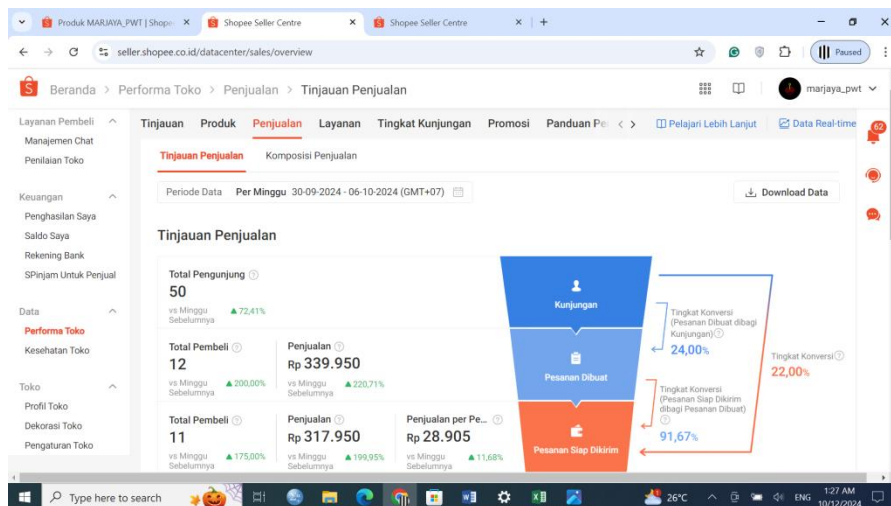
Influencing Factors: Advancements in product promotion on Shopee, such as an increase in the use of advertising or discount features, could start to show results. Also, satisfied early customers might recommend the product to others.



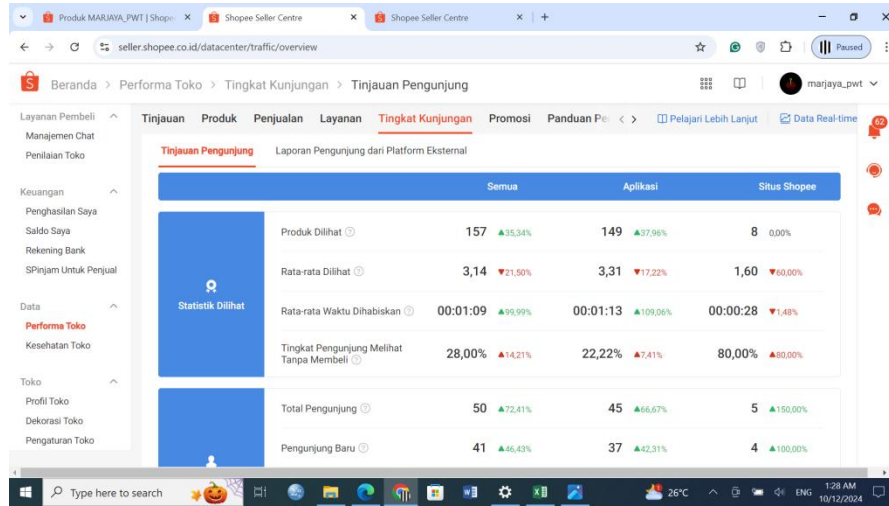
Gambar 9. Grafik tinjauan periode 1 Oktober 2024 – 6 Oktober 2024



Gambar 10. Grafik tinjauan pembeli periode 1 Oktober 2024 – 6 Oktober 2024



Gambar 11. Grafik tinjauan penjualan periode 1 Oktober 2024 – 6 Oktober 2024



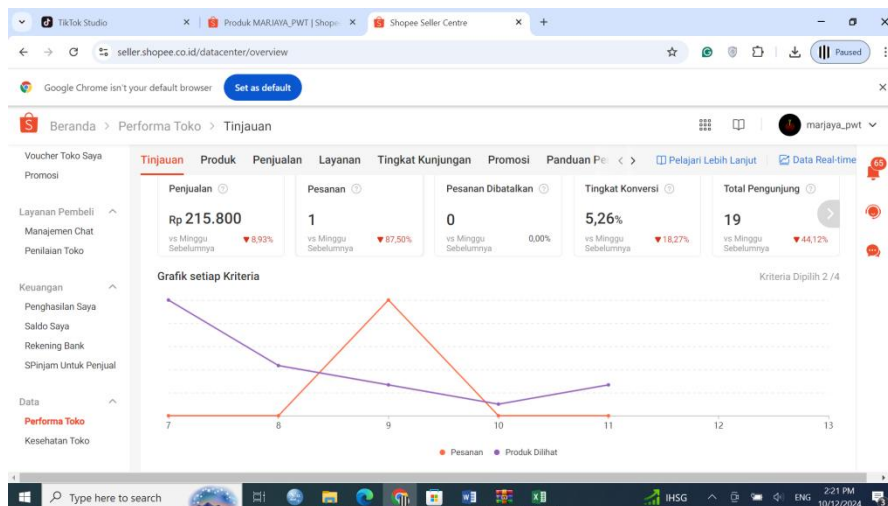
Gambar 12. Grafik tinjauan pengunjung periode 1 Oktober 2024 – 6 Oktober 2024

- **Period October 7, 2024 - October 11, 2024**

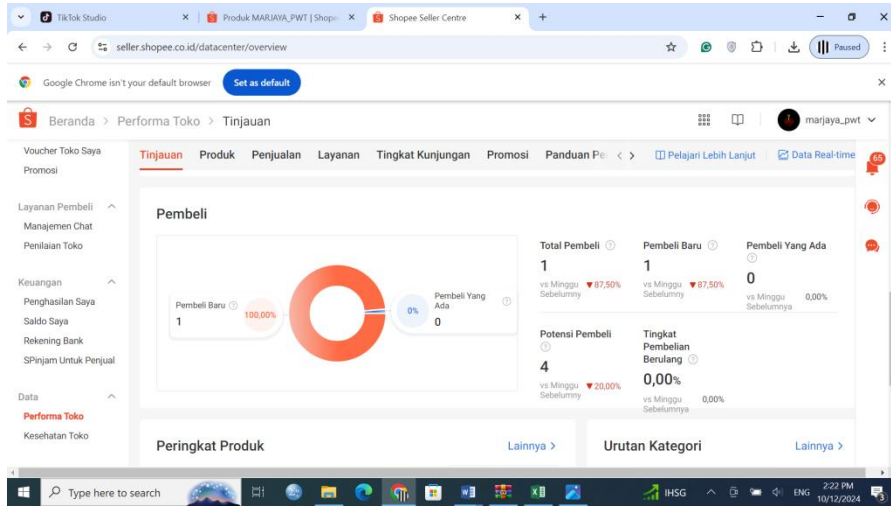
This period is the second week of October which includes 5 days. In this period, sales and visitation trends should be more stable, with consistent growth expected.

Trends: If product promotions and store reputation are going well, the number of orders and visitors should remain high or even increase compared to the first week of October. However, fluctuations may occur if promotions or discounts end, or if there are no renewed marketing efforts.

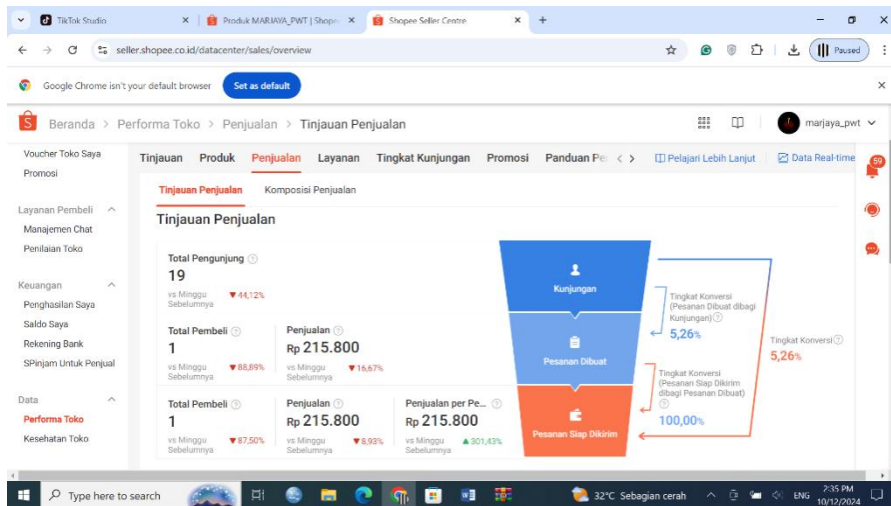
Influencing Factors: The effect of the promotion or advertising campaign conducted in early October starts to decline if there is no new promotional strategy. If the product gets good reviews, it is likely that sales figures will remain stable.



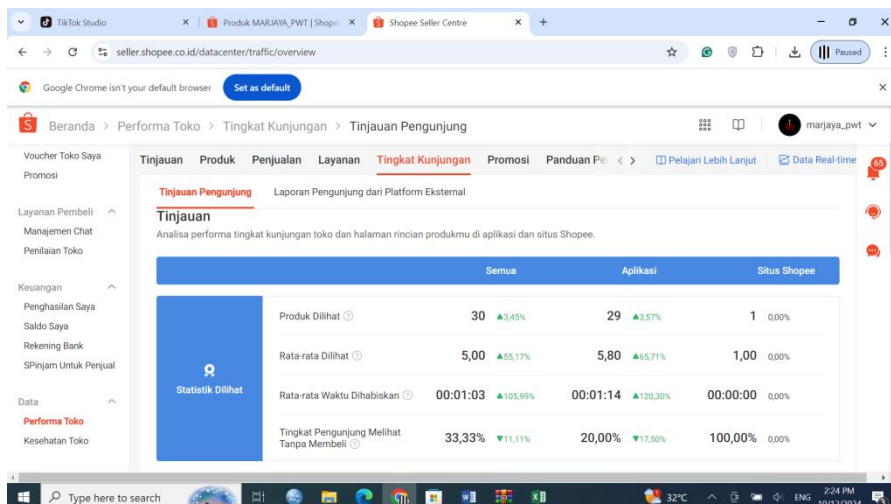
Gambar 13. Grafik tinjauan periode 7 Oktober 2024 – 11 Oktober 2024



Gambar 14. Grafik tinjauan pembeli periode 7 Oktober 2024 – 11 Oktober 2024



Gambar 15. Grafik tinjauan penjualan periode 7 Oktober 2024 – 11 Oktober 2024



Gambar 16. Grafik tinjauan pengunjung periode 7 Oktober 2024 – 11 Oktober 2024

Graph Difference Analysis

The main differences between the graphs for the periods September 1 - September 30, 2024, October 1 - October 6, 2024, and October 7 - October 11, 2024 could be due to several factors:

Marketing Start vs Growth

- September 1 - September 30 is the early marketing period where MSMEs are still adapting and introducing their products. Sales and visits tend to grow slowly.
- October 1 - October 6 is a period where order growth may be sharper as there is a "word of mouth" effect and more reviews.
- October 7 - October 11 is a period of stabilization after the initial increase, although a decline may occur if promotions are not renewed.

Promotion and Marketing Campaigns:

- If there are promotions on Shopee, such as discounted prices or free shipping, this can greatly affect the surge in sales in the early October period.
- The absence of promotions or a decrease in the intensity of advertising campaigns may lead to stagnation or even a decrease in visitors and sales in the next period.

Product Reputation and Reviews:

In early September, new products on Shopee did not yet have reviews that could influence buyer decisions. By early October, positive reviews started to take shape and contributed to the increased conversion of visitors to buyers.

CONCLUSIONS

Marjaya Fried Bawang Goreng has shown positive performance through marketing on the Shopee marketplace as well as on Instagram and TikTok social media. On Shopee, there was a gradual growth in sales from September to early October 2024. Although in September the growth was still slow due to the initial period of product launch, sales began to increase significantly in October along with increased promotions and positive reviews from customers. This shows that the product reputation formed from customer reviews plays an important role in increasing the conversion of visitors to buyers. In addition, the stability in sales achieved after the initial increase suggests that the promotional strategies implemented were successful in creating a loyal customer base, although continued efforts are required to maintain the momentum.

On the social media side, Bawang Goreng Marjaya's Instagram account managed to increase engagement through interesting visual content and effective storytelling. The use of images and videos that showcase the process of making fried shallots as well as the benefits of the product have attracted the audience's attention and increased brand awareness. However, to maintain high engagement, a more consistent upload frequency is required. Meanwhile, on TikTok, Bawang Goreng Marjaya capitalizes on the potential of viral content by showcasing creative ways to use

the product in various recipes. The use of popular hashtags and collaboration with TikTok creators also extends the reach of the content, attracting new followers and increasing interest in the product.

Overall, the synergy between marketing on Shopee and promotion on Instagram and TikTok has yielded positive results for Bawang Goreng Marjaya. The Shopee marketplace not only helps in direct sales but also strengthens the product's reputation through customer reviews. Meanwhile, social media plays an important role in increasing brand awareness and creating engagement that drives traffic to the Shopee store.

To maximize future growth, Bawang Goreng Marjaya is advised to continue innovating social media content, strengthen its reputation in the marketplace through good customer service, and conduct more targeted and consistent promotions. With the right strategy, Bawang Goreng Marjaya has great potential to continue to increase sales and expand its market reach online.

ACKNOWLEDGMENTS

We would like to express our deepest gratitude to all those who have provided support in the implementation of this activity. Thank you to Marjaya Fried Onion UMKM for their good cooperation and willingness to share information during the research. We are also grateful to the supervisors, colleagues, and all parties who have provided valuable advice and input during the process of developing this digitalization strategy. Hopefully the results of this activity can provide tangible benefits for the development of Marjaya Fried Onion MSMEs and be a good first step in facing the increasingly rapid digitalization era.

REFERENSI

- Bharadwaj, A., El Sawy, O. A., Pavlou, P. A., & Venkatraman, N. (2013). Digital Business Strategy: Toward a Next Generation of Insights. *MIS Quarterly*, 37(2), 471-482.
- Grewal, D., Roggeveen, A. L., & Nordfält, J. (2021). The Future of Retailing. *Journal of Retailing*, 97(1), 35–52. <https://doi.org/10.1016/j.jretai.2020.12.008>
- Kaplan, A. M., & Haenlein, M. (2010). Users of the World, Unite! The Challenges and Opportunities of Social Media. *Business Horizons*, 53(1), 59–68. <https://doi.org/10.1016/j.bushor.2009.09.003>
- Kementerian Koperasi dan UKM. (2022). Laporan Statistik Koperasi dan Usaha Kecil dan Menengah 2021. Jakarta: Kementerian Koperasi dan Usaha Kecil dan Menengah Republik Indonesia
- Kotler, P., & Keller, K. L. (2016). *Marketing Management* (15th ed.). New Jersey: Pearson Education.
- OECD. (2020). *SME and Entrepreneurship Outlook 2020*. Paris: OECD Publishing.
- Tuten, T. L., & Solomon, M. R. (2020). *Social Media Marketing* (4th ed.). London: SAGE Publications.
- Westerman, G., Bonnet, D., & McAfee, A. (2014). *Leading Digital: Turning Technology into Business Transformation*. Harvard Business Review Press.