

# *Growth of SMEs with The Application of Digital Technology and Marketing Management Capabilities*

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**Abstract**— This research discusses the application of digital marketing as a strategy used to support the growth of Small and Medium Enterprises (SMEs) for fishery products in Padang City. The use of appropriate digital marketing strategies, such as content marketing, search engine optimization (SEO), online advertising and social media, can help fishery product SMEs reach their target audience in a more measurable and effective way. This research uses qualitative research methods with the aim of analyzing the application of digital marketing in supporting fishery product SMEs in Padang City. The research results show that through the application of digital marketing, fishery product SMEs have succeeded in optimizing the potential of digital technology in marketing their products.

**Keywords**—component; Digital technology, Information quality, Design innovation, Marketing capabilities

## I. INTRODUCTION

The rapid development of the digital era in Indonesia has resulted in the application of digital technology becoming more evenly distributed in various sectors, especially in the business sector. The Indonesian government actively encourages the development of small and medium enterprises (SMEs) as an important pillar to strengthen the country's economy (Rapitasari 2018). Small and medium enterprises (SMEs) have become the pillars of the country's economic recovery. SMEs play an important role in creating jobs, increasing people's income and reducing economic disparities between regions (Gumilang 2019).

The experiential study of marketing capabilities is also been given increased attention in the academic literature (Blesa and Ripolles, 2008; Ribeiro et al., 2009; Tsai and Shih, 2004; Vorhies and Morgan, 2005; Weerawardena, 2003). Marketing capabilities use a substantial and optimistic view of customers' satisfaction, which eventually indicates a superior organizational performance in terms of sales, profit and competence (Vijande et al., 2012).

The aim of this research is greater understanding of digital technology and its influence on design innovation management capability, which leads to a fishery products company's growth. Moreover, this study highlights how information quality and its

antecedents (information about integrated promotion, product pricing and transactions) in co-operation with service convenience and its antecedents (integrated information access, order fulfilment and customer service) provide a greater understanding of the influence of digital technology on design and innovation. Resource-advantage theory will be adopted to examine the relationship between information quality, service convenience, digital technology, tangible/ intangible assets, marketing capability and core competencies. This research evaluates the relationships between these constructs to gain more insight and clarification of the factors related to core competence

This research contributes to the growing literature on digital technology and devices which provide insight into innovation. As claimed by Dewett (2003), technologies provide workers with access to original information by permitting them to link up with peer repositories and with information experts. Digital technology contributes to innovation and management capability, which leads to the growth of small- and medium-sized enterprises (SMEs).

The literature of technology adoption delivers an understanding of how informed government policies could help SMEs to achieve both growth and innovation (Blackburn, 2016). An SME's ability to learn and acquire knowledge prepares it for further steps of growth, which ultimately determines whether the SME is able to progress to the next stage of development (Blackburn, 2016). In particular, this learning aptitude links to knowledge of management capabilities and technology.

The human capital accessible within the organization is likely to be a fundamental factor in effective innovation According to Fruhling and Siau (2007). Consequently, management strengths should be focused on nurturing and exploiting these strategic resources.

## II. RESEARCH METHODS

This research uses qualitative research methods with the aim of analyzing the application of digital marketing in supporting SMEs for processed fishery products in Padang City. Qualitative Method is a research technique that produces descriptive data in the form of written or spoken words from real people and behavior (Abdussamad, 2021). Qualitative research methods were used because they are more suitable for understanding and exploring in-depth understanding of experiences, perceptions and practices related to the application of digital marketing in the context of fishery product SMEs.

This research will collect data through descriptive analysis. Data collection is carried out by conducting literature studies and field analysis with fishery product UKM managers, as well as related parties who play a role in implementing digital marketing. Apart from that, direct observations were also carried out to gain an understanding of how digital marketing is implemented in the daily activities of these SMEs.

The collected data will then be analyzed descriptively. Descriptive analysis will be carried out by organizing, summarizing, and describing the findings that emerge from interviews and observations. This will provide a clear picture of how fishery product SMEs in Padang City utilize digital marketing, the challenges they face, the benefits they obtain, as well as the efforts that have been made to increase marketing effectiveness and efficiency through digital marketing. This qualitative research method with data income through descriptive analysis is expected to provide a comprehensive understanding of the application of digital marketing in supporting the growth of fishery product SMEs in the digital era and the use of social media. The results of this research can provide useful insights and recommendations for other SMEs who want to utilize digital marketing as an effective marketing strategy in facing challenges and taking advantage of opportunities in this digital era.

## III. RESULTS AND DISCUSSION

### 3.1. The Role of Digital Marketing for SMEs for Fishery Products in Padang City

The role of digital marketing for fishery product SMEs is very important in increasing profits and strengthening the business sector holistically. Digital marketing provides SMEs with fishery products with wider access and greater market potential. By utilizing online platforms such as social media and marketplaces, fishery product SMEs in Padang City can reach consumers from various regions, even globally. This opens up new opportunities to increase sales and expand market share. Apart from that, digital marketing also allows merchants to interact directly with consumers through comments, messages or reviews. This provides merchants with the opportunity to gain valuable feedback, respond quickly to consumer questions or complaints, and build closer, more sustainable relationships with customers.

Digital marketing also allows fishery product SMEs to increase brand visibility. With the right digital marketing strategies, such

as search engine optimization (SEO) and online advertising campaigns, fisheries product SMEs in Padang City can get better rankings in search results and attract more potential customers. This can increase brand awareness and the company's reputation in the eyes of consumers. Digital marketing can also improve operational efficiency and company management. By adopting digital technology, such as inventory management systems, online payments and data analytics, fisheries product SMEs can speed up business processes, reduce operational costs and make better decisions based on measurable data.

By using digital marketing effectively, fishery product processors can gain significant profits in all sectors of their business. In conclusion, digital marketing has an important role in increasing profits and growth of SMEs such as fishery products in Padang City. By utilizing digital technology, the right marketing strategy, and a deep understanding of the target market, traders can achieve success and optimize their business potential in the ever-growing digital era.

### **3.2. Digital marketing strategies implemented by fishery product SMEs**

processed fishery products as one of the MSMEs in Pada City realizes the importance of digital technology and social media to increase brand visibility, reach more consumers and increase product sales. One of the digital marketing strategies implemented by fishery product SMEs in Padang City is building a strong online presence through social media. They actively use social media platforms such as Instagram, Facebook and TikTok to introduce their products, share interesting content and interact with potential consumers. Using creative and interesting content, fishery product SMEs have succeeded in attracting consumer attention, increasing brand awareness and generating positive engagement.

Implementing SEO (Search Engine Optimization) strategies is also a focus for Segigit Snack. They try to ensure that their websites and content are optimized to be easily found by search engines like Google. By appearing at the top of search results, fishery products can increase their brand exposure and attract more visitors to their website. Apart from that, fishery product SMEs also utilize email marketing strategies to communicate with their customers. Through email subscriptions, they send the latest information about promotions, discounts or new products to their loyal customers. This helps fisheries product SMEs in Padang City build closer relationships with customers, increase loyalty and increase sales opportunities.

Using smart and appropriate digital marketing strategies, sellers succeed in increasing brand visibility, reaching more consumers and increasing sales. They use the power of digital technology and social media to remain competitive in the digital era, providing an inspiring example for other SMEs to take advantage of existing opportunities and optimize their marketing through effective digital strategies.

### **3.3. The impact of digital marketing on Fishery Product SMEs**

The application of digital marketing has brought significant changes in marketing strategies and the development of SME businesses. Through the use of digital technology and social media, fishery product traders can increase brand visibility, expand market reach, and interact with potential consumers effectively. One of the positive impacts of digital marketing is the ability of fishery product SMEs to reach a wider and more diverse audience. With the help of social media and search engines, SMEs can expand their market area to the national level. In this way, fishery product SMEs in Padang City reach consumers outside the local area and increase their market share. Digital marketing also offers fishery product SMEs the opportunity to interact directly with consumers via social media. Through this platform, they can get feedback from consumers, answer questions or complaints, and build closer relationships with customers. This direct interaction can help increase consumer trust and build a positive brand image. In terms of promotions and sales, digital marketing has helped traders increase the effectiveness of their marketing campaigns.

Through digital platforms such as online advertising, email marketing, and social media, they can send targeted promotional messages to relevant audiences. Apart from that, the use of SEO (Search Engine Optimization) strategies can also help fishery product SMEs to be more easily found by potential consumers when searching online. In terms of measurement and analytics, digital marketing provides merchants with useful tools to track and analyze the results of marketing campaigns. They can see data such as the number of website visitors, conversion rates, interactions on social media, and so on. This information can be used to evaluate the success of the campaign and optimize future marketing strategies.

The application of digital marketing to fishery product SMEs has a significant impact in increasing brand visibility, expanding market reach, strengthening relationships with consumers, and increasing the effectiveness of marketing campaigns. Through the right digital marketing strategy, fishery product traders can continue to grow and develop as successful SMEs in the fishery

processed food industry in Padang City

#### IV. CONCLUSION

The use of digital marketing plays an important role in supporting the growth and success of SMEs, especially fishery product traders. By using digital technology and social media, SMEs can expand market access, increase brand visibility and strengthen relationships with potential customers. In this case, digital marketing offers benefits such as increased brand visibility, advertising effectiveness, direct interaction with customers, and better understanding of consumer preferences through data collection and analysis. Regarding SMEs in Padang City, the importance of implementing digital marketing is increasing along with technological developments and changes in online consumer behavior. By using social media and digital platforms, fisheries product traders and other SMEs can strengthen their presence in the digital market, reach a wider audience and increase brand awareness.

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