

MARKETING DIGITALIZATION READINESS OF MSMEs ASSISTED BY THE BANDUNG CITY CHAMBER OF COMMERCE AND INDUSTRY

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Abstract

This research aims to determine marketing digitalization readiness in Bandung City Chamber of Commerce and Industry MSMEs. This study used a descriptive quantitative method and questionnaires to 82 MSME respondents. The data was processed using SPSS 25 and formulas to calculate the Technology Readiness Index (TRI). The TRI value calculation shows that the MSMEs' readiness is at the high technology readiness level. This conclusion was obtained from the total score of TRI 4.10. From the results, the innovative variable has the lowest value. To increase the value of the innovative variable, researchers advise respondents to have the courage to make innovations and changes, no matter how small, such as trying to use an e-commerce platform to expand market reach so that they can increase sales significantly.

Keywords: Digitalization Readiness, digital marketing, technology readiness index (TRI)

Abstrak

Penelitian ini bertujuan untuk menentukan kesiapan digitalisasi pemasaran pada UMKM Kamar Dagang dan Industri Kota Bandung. Penelitian ini menggunakan metode deskriptif kuantitatif dan kuesioner kepada 82 responden UMKM. Data diolah menggunakan SPSS 25 dan rumus untuk menghitung Technology Readiness Index (TRI). Perhitungan nilai TRI menunjukkan bahwa kesiapan UMKM berada pada tingkat kesiapan teknologi yang tinggi. Kesimpulan ini diperoleh dari total skor TRI sebesar 4,10. Dari hasil tersebut, variabel inovatif memiliki nilai terendah. Untuk meningkatkan nilai variabel inovatif, peneliti menyarankan agar responden memiliki keberanian untuk melakukan inovasi dan perubahan, sekecil apapun, seperti mencoba menggunakan platform e-commerce untuk memperluas jangkauan pasar sehingga dapat meningkatkan penjualan secara signifikan.

Kata kunci: Kesiapan Digitalisasi, pemasaran digital, Technology Readiness Index (TRI)

Introduction

MSMEs have a significant contribution to the Indonesian economy. Their contribution to GDP reached 60.5%, and labor absorption reached 96.9% of the total national labor absorption. (Hendricks & Mwapwele, 2024). Entering Industry 4.0, MSMEs must be ready to face developments in digital technology. The Indonesian Internet Service Providers Association (APJII) survey noted that internet penetration in Indonesia had reached 78.19 percent in 2023 or 215,626,156 people out of a total population of 275,773,901 people (Susanto Hendiarto, Amirullah, et al., 2021).

Digitalization is a series of processes consisting of several phases of change in a company, from those that do not use information technology (IT) to companies that carry out digital

transformation. Each phase of change requires resources, structure, growth strategies, metrics, and goals (Lucyanda et al., 2024). With digitalization, it is hoped that society can continue to exist through social interactions, passing on values, knowledge, skills, and good behavior to each member (Khurshid et al., 2024; Susanto Hendiarto, Nurjanah, et al., 2021).

According to Sylviani & Tohani, (2021), MSMEs need to take advantage of digital marketing because it has several advantages, including a) targets can be set according to demographics, domicile, lifestyle, and even habits, b) results are quickly visible so that marketers can take corrective action or changes if it is felt that something is not appropriate, c) costs are much cheaper than conventional marketing; d) wider reach because it is not geographically limited, e) can be accessed at any time without time limits, f) Results can be measured, for example, the number of site visitors and the number of consumers who make online purchases, g) Campaigns can be personalized, h) Can engage or achieve consumers because communication occurs directly and in two directions so that business actors build relationships and grow consumer trust.

However, in reality, MSMEs experience many obstacles to adapting and transforming due to limited resources, skills, commitment, and knowledge (Astuty et al., 2024; Singh & Ha, 2022). Many things must be prepared to enable Indonesian MSMEs to switch to the digital market. One is the readiness of MSME players and their ability to access the internet to bring their business online. The length of digitalization of MSMEs has a positive and substantial impact on business resilience. MSMEs that have digitally transformed for more than a year are more likely to be resilient during the COVID-19 outbreak than those that never digitalized or were late adopters (Masongsong et al., 2024). However, many MSMEs still have low digital literacy (Gunawan et al., 2022; Yan & Yu, 2021).

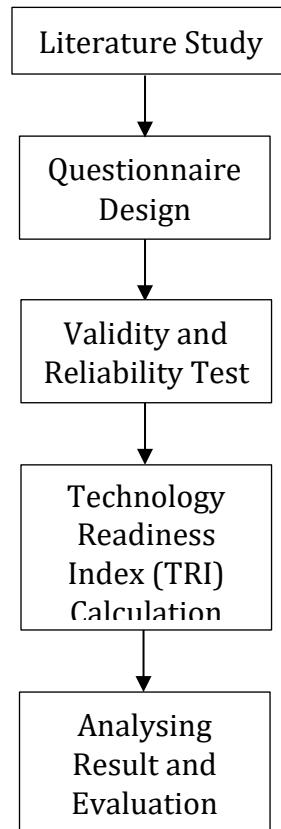
Assessing the readiness of a business to adopt innovations is an important prerequisite for developing and following market developments. Information and communication technology plays an important role in business and industry (Haekal, 2023). E-readiness is a tool for evaluating the readiness of a country or business in an integrated way to adopt, use, and utilize information technology so that it can be developed to rationalize actions, increase competitiveness, and manage resources efficiently without technological readiness, hence, marketing strategy No matter how good it is, it will not provide benefits for MSMEs.

According to Shamim, (2021), the higher the level of optimism and innovation for using technology-based products, the higher the intention/readiness to move towards digitalization. Based on the previous description, this research identifies the readiness for digitalization of marketing of MSMEs assisted by the Bandung City Chamber of Commerce and Industry. From the results of this research, it is hoped that it can provide information as well as an evaluation regarding the level of marketing digitalization readiness of MSMEs assisted by the Bandung City Chamber of Commerce and Industry.

Methods

This research uses a quantitative descriptive method using literature study and questionnaires to 82 MSME respondents assisted by the Bandung City Chamber of Commerce and Industry as data collection. Data processing in this research uses SPSS 25 and the Technology Readiness Index (TRI) calculation formula.

Figure. Research Method



This research uses a questionnaire whose statements are based on the four factors of the TRI model, namely optimism, innovativeness, discomfort, and insecurity. The following are the statements submitted to respondents:

Table. Questionnaire Statement

VARIABLE	QUESTIONS	ITEM
OPTIMISM	Using digital can help increase sales	OPT1
	Business competition is no longer with local entrepreneurs but also with national ones because of the online shopping culture.	OPT2
INNOVATIVENESS	I have innovated in digital marketing	INN1
	The cost of innovation in digital marketing is affordable	INN2
DISCOMFORT	I feel uncomfortable when trying new technology, especially anything related to digital.	DIS1
	I feel overwhelmed and find it difficult to learn new things in the digital field.	DIS2

INSECURITY	I feel insecure when using digital, especially when making transactions	INS1
	I do not believe in privacy policies on digital media	INS2

Result and Discussion

1. Descriptive Analysis

This research involved 82 MSMEs assisted by the Bandung City Chamber of Commerce and Industry.

Table. Descriptive Analysis

CATEGORY	PERCENTAGE
GENDER	
MALE	19.5%
WOMAN	80.5%
AGE	
<20 YEARS	6.1%
20-30 YEARS	13.4%
31-40 YEARS OLD	19.5%
41-50 YEARS OLD	35.4%
>50 YEARS	25.6%
EDUCATION	
JUNIOR HIGH SCHOOL	1.2%
SENIOR HIGH SCHOOL	43.9%
D3	12.2%
S1	36.5%
S2	6.1%
BUSINESS FIELDS	
CULINARY	59.8%
FASHION	23.2%
EVENT ORGANIZER	2.4%
TRADING	6.1%
SERVICE	7.3%
CRAFT	1.2%

2. Validity test

The questionnaire will be tested for its validity in the validity test. The validity test was carried out using the product moment correlation method, using the SPSS 25 application for the calculation. The results are in Table.

Table. Validity Test Results

ITEMS	R_{COUNT}	R_{TABLE}	DECISION
OPT1	0.506	0.357	Valid
OPT2	0.461	0.357	Valid
INN1	0.803	0.357	Valid
INN2	0.727	0.357	Valid
DIS1	0.835	0.357	Valid
DIS2	0.840	0.357	Valid
INS1	0.829	0.357	Valid
INS2	0.664	0.357	Valid

The results of testing the validity of questionnaire items show that all marketing digitalization readiness statement items have a correlation value above 0.357, which is the limit value for a research questionnaire item that is said to be usable (acceptable). So, it can be said that the questionnaire items are valid and can be used to measure the variables studied.

3. Reliability Test

The results of the Digitalization Readiness Reliability test were obtained by Cronbach's Alpha and Cronbach's Alpha if Item Deleted, as in Tables.

Table. Reliability Test Results

Reliability Statistics	
Cronbach's Alpha	N of Items
,865	8

Table. Cronbach's Alpha if Item Deleted Test Results

Items	Cronbach's Alpha if Item Deleted
OPT1	,868
OPT2	,873
INN1	,839
INN2	,852
DIS1	,831
DIS2	,830
INS1	,833
INS2	,856

The results of reliability tests carried out on all items in this research show that all research items can be said to be reliable (the reliability coefficient value is greater than 0.70) and thus can be used as instruments in measuring the variables determined in this research.

4. TRI Value Test

The TRI value calculation method is calculated from the mean value of each questionnaire, which is multiplied by the weight of each statement (Yuda et al., 2021). Each variable has a total weight of 25%. The total weight is then divided by the number of statements from each variable. After getting the weight of each n statement, the mean value of the statement is multiplied by the weight of each statement to get the total score for each statement. The variable score is obtained from the total score of the statements in that variable. The total TRI score is obtained from the sum of the values of all variables. The process of calculating the TRI value for each variable can be seen from the equation (Oktadini et al., 2022):

$$\text{Statement weight} = \frac{25\%}{\sum \text{variable statement}} \quad (1)$$

$$\text{Statement value} = \frac{\sum(\text{number of answers} \times \text{answer score}) \times \text{Statement weight}}{\text{Number of Respondents}} \quad (2)$$

$$\text{Variable Value} = \sum \text{statement value} \quad (3)$$

$$\text{TRI Score} = \sum \text{Variable score} \quad (4)$$

Table. TRI Test Values

VARIABLE	SCORE
OPTIMISM	1.16
INNOVATIVENESS	0.95
DISCOMFORT	0.99
INSECURITY	1.00
TRI	4.10

Table 6 shows that the value of each statement has been grouped into four variables from the TRI, and the total TRI score is 4.10. So, it can be concluded that the level of marketing digitalization readiness for MSMEs assisted by the Bandung City Chamber of Commerce and Industry is at the High Technology Readiness level. With the optimism variable getting a score of 1.16, innovation getting a score of 0.95, and the scores for the discomfort and insecurity variables being 0.99 and 1.00.

Conclusion

Based on the TRI value test that has been carried out, the results show that the readiness level of the MSME actors assisted by the Bandung City Chamber of Commerce and Industry is at the High Technology Readiness level. This conclusion was obtained from the total TRI score obtained, namely 3.10. This score consists of the optimism variable, which received a score of 1.16, and innovation, which received a score of 0.95. The scores for the discomfort and insecurity variables are 0.99 and 1.00. The existing results show that the innovative variable has the lowest value, namely 0.95. To increase the value of this innovative variable, researchers advise MSMEs to have the courage to make innovations and changes, no matter how small, such as trying to use an e-commerce platform to expand market reach so that they can increase sales significantly. If this is done, marketing digitalization readiness will likely increase further.

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