

Initiation Of A Marketplace-Based Creative Freelance Service Provider To Optimize Msmes Digital Marketing In Indonesia

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Abstract

Micro, Small, and Medium Enterprises (MSMEs) is a sector that has a major contribution to the Gross Domestic Product. However, there are still many problems faced by MSMEs, including digital marketing. One of the causes of these problems is the lack of skills of MSMEs actors in the creative field. Beside that, the number of creative freelancers continuously increase as well. These two conditions are the right momentum to create an innovation that can make it easier for MSMEs actors to optimize their marketing. Therefore, this paper aims to provide alternative solutions for MSMEs actors in assisting to optimize digital marketing more effectively and efficiently. This writing uses a qualitative approach with a Business Model Canvas (BMC) as the analysis tool. The result of this writing is the creation of an application for providing freelance worker services in the field of creative work to optimize MSMEs marketing. This application carries the marketplace concept, which can make it easier for MSMEs actors to find freelancers who offer services in the field of digital marketing.

Keyword: freelance; digital marketing; marketplace

1. Introduction

Economic growth in Indonesia continues to show improvement towards a better direction, as evidenced by data from the Badan Pusat Statistik, BPS (2022) which indicates that Indonesia's economic growth has increased by 2.01 percent compared to the previous year. This situation has been achieved with contributions from various sectors, with one significant contributor being Micro, Small, and Medium Enterprises (MSMEs). The Coordinator for Economic Affairs of the Republic of Indonesia (2022) stated that MSMEs contribute 60 percent to the Gross Domestic Product (GDP) and employ 96.9 percent of the workforce. Additionally, MSMEs dominate the Indonesian economic landscape, accounting for 99 percent of all business units in the country. MSMEs have also played a crucial role in revitalizing Indonesia's economic ecosystem post-pandemic. To maintain their existence, MSMEs are required to continuously innovate in product and service offerings, human resource capabilities, technological advancements, market expansion, and capital strengthening (Chasanah et al., 2021).

However, the digitalization of the economy, which can be implemented by MSMEs, has the potential to make Indonesia's digital economy be the largest in Southeast Asia by 2025. Nevertheless, MSMEs face challenges that include the need for digital literacy education and human resource development (Suwarni et al., 2019). Business owners must develop competitive and positioning strategies to significantly enhance the quality of their businesses, particularly in areas directly related to customers. The shift from traditional marketing to digital marketing in the era 5.0 force MSMEs to adapt their product marketing strategies through social media. One of the key issues faced by MSMEs is their limited understanding of digital marketing, as well as their lack of skills in using software and copywriting (Harahap et al., 2021) This is largely due to inadequate technology adoption and a failure to keep up with digital marketing trends (Alford & Page, 2015).

According to the eCommerce Survey conducted by the BPS in 2022, the distribution of eCommerce businesses is still concentrated on the island of Java. In 2021, out of 2,868,178 eCommerce businesses, 1,497,655 (52.22 percent) were located in Java, which can be understood due to its larger market share, production centers, and adequate internet infrastructure. Additionally, 71.00 percent of businesses that did not engage in eCommerce in 2021 cited a preference for offline sales, while other reasons included a lack of knowledge or skills, security concerns, and more. Regarding total income, which includes revenue from both online and offline sales in 2021, the majority of eCommerce businesses had annual incomes of less than 300 million Indonesian Rupiahs. This accounted for 84.35 percent of all eCommerce businesses. In terms of online income, about 33.43 percent of businesses saw an increase compared to the previous year, while 39.42 percent reported no change, and 27.15 percent experienced a decrease.

On the other side, based on data from the BPS, approximately 56.8 percent of the Indonesian population is engaged in the informal sector, including entrepreneurs and freelance workers. In 2019, there were around 6.82 million people working in the informal sector, with approximately 5.89 million of them being freelancers. This reflects the growing popularity of freelancing in Indonesia. Freelancers face challenges in finding clients, dealing with unstable working hours, income fluctuations, and the responsibility of self-management.

To address the existing issues and promote digital marketing as the foundation for strengthening the creative economy sector and achieving sustainable economic growth, an innovation has been initiated to develop a model and formulate digital marketing strategies for MSMEs throughout Indonesia. This is being done through an application that embodies the concept of a freelance marketplace. This application will integrate MSMEs and freelancers seeking employment opportunities, particularly in the fields of copywriting, editing, and digital marketing.

2. Literature Review

2.1 Digital Marketing

One proof of the development of technology is the development of digital-based marketing. Where, anyone can easily access the information needed. Digital marketing is one of the main keys to determining the success of a business. Businesses that implement digital marketing can easily find out real-time consumer behavior. In addition, it can also determine the reach, conversion and involvement of a product that has just been launched (Az-Zahra, 2021). Along with the development of digital marketing, it is only natural for business owners to adapt to this condition, so that they can take advantage of existing developments to increase their business development.

2.2 Freelance

Freelancers can be said to be on-demand workers or flexible workers, which can work on anything and can be needed at any time. Freelancers emerged because many companies find it difficult to find workers who are suitable for certain jobs (Widodo, 2019). Where, according to the Center of Reform on Economics (CORE), argues that freelancers have a positive impact on the macro economy. This is because the existence of freelance will create jobs. Freelancers can also be a solution to the limited number of job opportunities and productive economic activities, because freelancers can grow without the burden of labor issues.

2.3 Micro, Small, and Medium Enterprises (MSMEs)

MSMEs are business units that have a strategic and important role in contributing to economic development. This is because MSMEs have a large number, absorb a lot of labor, and contribute to Gross Domestic Product (GDP). MSMEs are also business units that have a strategic position because MSMEs do not require large capital such as companies, the required workforce does not require certain formal education, the majority of MSMEs are in rural areas, and are able to survive when there is an economic crisis (Sarfiyah et al., 2019).

3. Material and Method

3.1 Design Study

This writing uses a descriptive approach through literature studies, based on experience and observation of the conditions that are happening. The descriptive qualitative approach is a research method carried out by describing existing data into narrative form (Hakim & Rosini, 2018). As for this writing, it uses secondary data sourced from previous research results, journal articles, and official websites that have been verified. This research focuses on Micro, Small and Medium Enterprises (MSMEs) and freelancers.

According to Miles and Huberman, in qualitative research the data that has been obtained will go through several stages consisting of data reduction, data presentation and conclusion drawing.

a) Data reduction stage

This stage is a process of selecting, simplifying, abstracting and transforming rough data. The data reduction process includes how existing data is summarized, coded, traced according to themes, and making clusters. The data that has been obtained must go through a reduction process, so that data related to the topic to be discussed can be obtained.

b) Data presentation stage

The data presentation stage is the stage when the data that has been reduced, then arranged and collected to support drawing conclusions and appropriate actions. Qualitative research will present data in the form of narrative text. The narrative text will combine the information that has been arranged into a cohesive and easy-to-understand form. So, from the narrative text presented, you can find out what is going on.

c) Conclusion drawing stage

This stage is a stage where researchers will conclude the results of the data that has been obtained and will then be verified. The process of verifying the conclusion consists of reviewing the writing, reviewing and brainstorming processes to develop an agreement that is still intersubjective.

4. Result

The main objective of this program is to provide appropriate solutions to overcome the problem of lack of skills in the creative field by MSME actors. These skills include how to arrange attractive content, the importance of design, and other approaches that need to be taken to penetrate the digital market. This is certainly one of the main obstacles for MSME actors to carry out digital marketing. Thus, the solution offered is to connect freelancers through an online application.

The development of this application comes as an effort made by students as agents of change to make it easier for MSME actors to connect with a person who is an expert in digital marketing. In addition to helping MSME actors, this application is also a forum for freelancers to increase their income by offering the skills they have. Thus, in addition to having a positive impact on MSME actors, freelancers also have challenges in terms of finding clients, unstable working hours, income fluctuations, and a lot of management responsibilities.

5. Discussion

This idea is a new initiation from students of the Faculty of Economics, Universitas Negeri Semarang to improve the digital marketing of micro and small medium enterprises. This application is developed on a marketplace basis, which connects MSMEs as buyers and freelancers as sellers. Both parties can conduct transactions in the form of buying and selling services in the field of digital marketing.

The types of digital marketing services offered on the application are

a. Photography & Videography

Photography and videography is one of the skills needed in digital marketing, especially in an era where a lot of content is posted on social media. However, to create photos and videos that get good engagement, it needs an interesting concept and the appropriate talent. With the assistance of freelancers, it will help MSME actors to be able to promote their products instantly.

b. Product Design

Product design is an important thing, especially for MSME actors who run their businesses by selling certain products, whether food, drinks, or other products. This product design is a systematic approach to integrating product planning and influential processes. Thus, MSME actors need to have a product design because this design is the buyer's first impression of a product. Considering that making a product design is something that requires strategy and consideration, including colors, font types, and information that must be included in the design, of course, it takes time and qualified skills. For this reason, assistance from freelancers can help facilitate the work of MSME actors.

c. Social Media Admin

In this Society 5.0 era, the utilization of social media for digital marketing is increasingly common. Social media platforms are a medium to promote products and services on a paid or unpaid basis. To become a social media that could reach and maintain customer relationships, it requires the manpower to manage the social media. Therefore, the existence of freelance social media admins can help MSME actors to utilize social media effectively as branding and increase their sales.

To support these main services, this marketplace-based application has the following main features:

a. Login and Sign-in

Before entering the application, users need to register themselves using a google account and create a password. After that, the user can enter the application and use the existing services.

b. Products

This menu is a menu that shows the portfolio of each freelancer who offers services through this application. With this catalog, MSME actors can find out how the track and record of service providers. In this menu, users can also see the ranking of freelancers based on existing categories. Ranking is done based on reviews and ratings given by service users. The existence of this menu can be used as a consideration by MSME actors in determining which freelancers will use their services.

c. Sharing room

Apart from connecting MSME actors with freelancers, this application also provides an open discussion space for MSME actors who want to discuss with other MSME actors. In addition to discussions, this space can also open up opportunities for collaboration between MSME actors.

d. Profile

Users can fill in their personal data in general to provide security and authenticity of data for both parties later

Due to the large potential of micro, small and medium enterprises to continue to grow rapidly through digital marketing, various kinds of in-depth studies and analyses are needed, one of which is by using a business canvas model in order to maximize this program in connecting MSME actors with freelancer as a service providers.

KEY PARTNERSHIP 1. MSME actors 2. Freelancer 3. Developer	KEY ACTIVITIES 1. Develop a prototype 2. Open recruitment <i>freelancer</i> 3. Work on digital marketing services	VALUE PROPOSITION This application is a freelance service provider application in the field of digital marketing, which is divided into photography, videography, and product design. This application encourages MSME actors to be able to do proper branding so that they can increase their sales. This application also contributes to the improvement of the community's economy by providing a platform for freelancers to increase their income.	CUSTOMER RELATIONSHIP 1. Discussion room with other MSME actors 2. Discount and promo	CUSTOMER SEGMENTS MSME actors who have limited skills in digital marketing
	KEY RESOURCES 1. IT and internet infrastructure 2. HR managerial skills (internet utilization, fund management, and business development) 3. Funds from investors		CHANNELS 1. B2C: via app 2. C2C: word of mouth 3. B2B: collaboration with communities and other platforms	
REVENUE STREAMS 1. <i>Profit sharing</i> from transactions between MSME actors and freelancer		COST STRUCTURE 1. Platform and infrastructure development and maintenance costs 2. HR costs 3. Operational costs		

Source: (Chasanah et al., 2021), modified

6. Conclusion, Implication, and Recommendation

Indonesia's economic continuously growing, especially in the era of Society 5.0, Small and Medium Enterprises (SMEs) play a significant role in supporting the economic ecosystem. However, there are still challenges to be addressed, particularly concerning digital marketing. The lack of understanding and skills in digital marketing has been a hindrance for MSMEs operators. To address this issue, the implementation of a freelance marketplace application connecting MSMEs operators with digital marketing freelancers is of significant importance. This application enables MSMEs operators to harness the skills of freelancers in areas such as

photography, videography, product design, and social media management. This will assist MSMEs in enhancing their product marketing in the digital era.

Beyond the benefits for MSMEs operators, this application also opens opportunities for freelancers to increase their income by offering their services. With discussion and collaboration spaces, the application also helps build a robust ecosystem between MSMEs operators and freelancers in terms of service provision. With this innovation, it will strengthen the MSMEs sector in Indonesia, facilitate MSMEs operators in adopting digital marketing, and provide opportunities for freelancers to thrive in the digital marketing industry. Thus, the challenges related to improving digital marketing and increasing competition among freelancers can be addressed through a single platform.

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