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Optimizing Digital Marketing through Re-Branding Strategies and OpenCart-Based E-Commerce Development for the Yarn Knitting Craft MSME

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Abstract.
The rapid growth in the number of Micro, Small, and Medium Enterprises (MSMEs) has intensified market competition, requiring business owners to adopt adaptive marketing strategies by leveraging digital technologies. Yarn Knitting Craft MSME, located in Serangan Village, South Denpasar District, Denpasar City, Bali Province, is one of the creative economy enterprises facing several challenges, including the suboptimal utilization of social media, weak brand identity, and the absence of an integrated e-commerce platform. This community service program aimed to enhance the enterprise's competitiveness and optimize its digital marketing performance through a re-branding strategy and the development of an OpenCart-based e-commerce platform. The program employed a participatory approach consisting of field observations, semi-structured interviews, and mentoring activities. The proposed strategy included the development of a new brand identity, the creation of promotional content for social media platforms, the development of an OpenCart-based e-commerce website integrated with a Quick Response (QR) code for convenient customer access, and continuous assistance in adopting digital technologies. These initiatives are expected to improve the effectiveness of digital marketing, strengthen the competitiveness of the MSME, and support the long-term sustainability of the Yarn Knitting Craft business.
Keywords: *MSMEs; Digital marketing; Re-branding; OpenCart; Creative economy.*

I. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are one of the sectors that have a strategic role in encouraging Indonesia's economic growth. In addition to contributing to the increase in Gross Domestic Product (GDP), MSMEs also play a role in creating employment, increasing community income, and strengthening the regional economy. Tambunan (2019) states that MSMEs are the backbone of the national economy because they've the ability to absorb labor and encourage equitable economic development. In addition, MSMEs have relatively high resilience in facing dynamics and changes in economic conditions. This resilience was reflected during the 1997-1998 monetary crisis, many large-scale businesses experienced a decline in performance and operational

stoppages, while MSMEs were still able to maintain business activities. This condition shows the role of MSMEs in maintaining the stability and sustainability of the national economy (Ratnawati & Hikmah, 2013; Sima et al., 2021).

The existence of MSMEs is a forum for the use of regional potential as well as the preservation of culture-based products that reflect the identity of a region. Bali Province, especially Denpasar City, is an area that develops a culture-based creative economy as a driver of the community's economy. One of the areas that contributes to the development of the sector is Serangan Village. Serangan Village is located in the South Denpasar District, Denpasar City, Bali Province. This village is known as a marine tourism area and the center of the development of various creative economy businesses. The development of the creative economy in Serangan Village is realized through various community business activities, one of which is the Yarn Knitting Craft MSME.



Figure 1. Activities in Serangan Village

Yarn Knitting Craft MSME is a business engaged in handicrafts by utilizing yarn as the main raw material. Products are produced through manual knitting techniques using knitting needles and choppins so that they produce various products that have functional and aesthetic value, such as bags, keychains, and various other accessories. The business is managed by a group of local artisans who utilize knitting skills and creativity. According to Howkins (2001), handmade-based crafts are part of the creative economy that relies on creativity, knowledge, and innovation as the main source of added value creation. Yarn Knitting Craft MSME contribute to the economy of the people of Serangan Village, especially in the coastal area of Serangan Port. Most of the group members are housewives who make knitting as an additional source of income, even for some others it is the main livelihood. The knitting products produced are marketed to tourists, local communities, and exhibited in various MSME activities. This role is in line with Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises as amended through Law Number 6 of 2023, which emphasizes that MSMEs have an important role in increasing economic growth, creating jobs, and strengthening the national and regional economies (Undang-Undang Republik Indonesia Nomor 6 Tahun 2023 Tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang Nomor 2 Tahun

2022 Tentang Cipta Kerja Menjadi Undang-Undang, 2023; Undang-Undang Republik Indonesia Nomor 20 Tahun 2008 Tentang Usaha Mikro, Kecil, Dan Menengah, 2008).

The increasing growth of MSMEs has also increased the level of competition between business owners. In the era of digitalization, the use of technology is one of the important factors in supporting business development in the midst of increasingly competitive competition. However, Yarn Knitting Craft MSME still face various obstacles in business management, especially in the aspect of digital marketing that hinders the optimization of this potential. Product marketing is carried out conventionally through word-of-mouth promotion and direct sales to tourists. In addition, Yarn Knitting Craft MSME don't have a strong brand identity (branding) or e-commerce platform as a digital marketing and sales medium. This condition results in consumers experiencing limitations in obtaining complete product information. On the other hand, most of the artisans are housewives with a limited level of digital literacy, so the use of information technology in marketing activities hasn't run optimally.

In line with the goals of the Sustainable Development Goals (SDGs), point 8 (Decent Work and Economic Growth) and point 9 (Industry, Innovation and Infrastructure), digital transformation in MSMEs is a strategy in creating inclusive economic growth, increasing business productivity, and encouraging technology-based innovation (United Nations, 2015). In the context of Yarn Knitting Craft MSME, strengthening digital marketing through the use of technology is expected to increase the effectiveness of promotions, as well as support business sustainability. Based on the results of observations in community service, various problems were found that became the basis for the preparation of the MSME development program plan. The proposed program focuses on digital marketing optimization through re-branding and the development of OpenCart-based e-commerce. The program plan includes strengthening brand identity, social media development, designing OpenCart-based e-commerce sites as a digital marketing and sales medium, and assisting partners in digital content management.

This community service activity aims to identify the problems and needs of Yarn Knitting Craft MSME in Serangan Village as the basis for the preparation of a digital marketing optimization program. The results of the identification are expected to be a reference in the development of OpenCart-based re-branding and e-commerce programs that have the potential to increase product visibility, strengthen the competitiveness of MSME, and support the sustainability of the local creative economy.

II. METHODS

This community service activity was carried out in Serangan Village, South Denpasar District, Denpasar City, Bali Province, Indonesia, with Yarn Knitting Craft MSME partner. Serangan Village is one of the areas that has the potential for marine, cultural, and creative tourism, with knitting crafts as one of the superior products of the local community. The activity was held on June 29–July 2, 2026 in the framework of the International Community Service (ICS) program. The method of implementing activities is divided into several stages so that the program can run systematically.

The first stage is observation, this is done through field observation and semi-structured interviews. This stage aims to identify business conditions, problems faced, and partner needs. The second stage is socialization activities, namely a team of lecturers carrying out socialization activities to Yarn Knitting Craft MSME as partner MSME regarding the program implemented. In

the socialization activity, the lecturer team explained the series of activities that will be carried out, followed by a question and answer (Q&A) session and discussion with partner. At this stage, International Community Service participants gain hands-on experience through knitting practices. The third stage is the partner insight session. The partner insight session was carried out in the form of presenting material on digital marketing strategies, simple financial management, and market expansion so that partner understand the concepts to be implemented. The fourth stage is a partner mentoring session. In this session, a team of lecturers and International Community Service participants accompanied partner during the training. The fifth stage is monitoring and evaluation, which aims to assess the effectiveness of the program, identify obstacles, and provide recommendations for improvement.

III. RESULT AND DISCUSSION

Community service are carried out through field observations and interviews with Yarn Knitting Craft MSME partner to identify business conditions, potentials, and obstacles faced in business development. This activity also supports the achievement of the Sustainable Development Goals (SDGs), especially point 8 (Decent Work and Economic Growth) and point 9 (Industry, Innovation and Infrastructure). The results of observations show that the existence of Yarn Knitting Craft MSME contributes to increasing income and empowering the people of Serangan Village. However, partners face various challenges in business management, especially in the marketing aspect. Most of the artisan groups are housewives who have limited experience in the use of digital technology. The limitations of digital literacy cause the use of social media and other digital technologies to not run optimally. According to OECD (2021), Increasing digital literacy and technology adoption are factors that determine the competitiveness and sustainability of MSMEs in facing the transformation of the digital economy. As a result, the marketing activities of Yarn Knitting Craft MSME are only carried out conventionally through word-of-mouth promotion and direct selling to tourists who visit the Serangan Port area. The marketing strategy is considered quite effective in maintaining the loyalty of customers and tourists who are familiar with the product. However, this approach still has limitations in reaching a wider consumer segment. This condition is in line with research Taiminen dan Karjaluoto (2015), which states that low digital competence is one of the factors inhibiting the adoption of digital marketing in micro and small businesses.



Figure 2. Field Observation Activities at the UMKM Kriya Rajut Benang

In modern marketing theory put forward by Kotler & Keller (2016), Brand building, marketing communication, and the use of digital technology are elements in creating value and expanding market share. In addition, the reliance on tourist visits causes sales levels to fluctuate, especially when there is a decrease in tourist visits or changes in market trends.

In addition to limitations in the promotion aspect, Yarn Knitting Craft MSME don't have a strong brand identity. The products produced don't use visual identities, logo, packaging designs, and brand communication elements that are able to distinguish products from similar crafts. Branding not only serves as the identity of a product, but also as a means to build trust, customer loyalty, and differentiation (Kotler et al., 2021). Other findings show that MSME don't yet have an e-commerce platform. This causes low product visibility and MSME to have difficulty reaching the international market. As explained by Chaffey & Ellis-Chadwick (2022), The use of e-commerce allows businesses to increase the accessibility of product information, as well as build more effective communication with consumers through digital platforms.



Figure 3. Knitting Training

The development of digital marketing has the opportunity to be implemented in the next community service. Collaboration between universities, local governments, the MSME community, and other stakeholders is expected to support the sustainability of the program through regular training, mentoring, and evaluation. In the long term, the implementation of OpenCart-based re-branding and e-commerce strategies has the potential to increase the competitiveness of Yarn Knitting Craft MSME. OpenCart is an open-source platform that is relatively easy to use, flexible, and can be developed according to the needs of MSMEs without requiring high licensing fees (Hasnah et al., 2025). OpenCart-based e-commerce platforms can be accessed through scanning the Quick Response (QR) code. This platform allows businesses to manage product catalogs, price information, inventory, and orders in a more integrated manner, while making it easier for consumers to access information and make purchases. This effort is expected to support the strengthening of the creative economy in Serangan Village.

IV. CONCLUSION

Community service activities carried out in Serangan Village, Denpasar City, Bali Province have succeeded in identifying the conditions, potentials, and problems faced by Yarn Knitting Craft MSME. The results of observations and interviews show that marketing activities are still dominated by conventional methods. In addition, MSMEs don't have branding or e-commerce platforms. This occurs as an implication of the limitations of digital literacy.

Based on the results of the identification, digital marketing optimization through strengthening brand identity (re-branding) and developing OpenCart-based e-commerce has the potential to strengthen the competitiveness of MSMEs. These findings are in line with research Kotler et al. (2021) and Chaffey & Ellis-Chadwick (2022). The two studies emphasized that the integration of digital marketing and e-commerce contributes significantly to increasing competitiveness, expanding market access, and optimizing the relationship between business owners and consumers. The enthusiasm of partners indicates a readiness to adopt a digital marketing strategy. Therefore, the next service activities are recommended to focus on the implementation of re-branding, social media optimization, the development of OpenCart-based e-commerce, and capacity building for MSME actors through training and assistance in the use of digital technology.

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