

Strengthening digital capital on social media for collective social action in micro, small, and medium enterprises (MSMEs)

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Abstract

The development potential of local superior products, especially MSMEs, needs to be transformed into digital businesses. Expanding market reach is an important step to help MSMEs survive the national economic crisis caused by COVID-19. Adaptation to the digital economy at the marketplace is a curative solution to the problem of the community's economic downturn. This study aims to examine community interventions in empowering MSME entrepreneurs through the utilization of digital capital, digital marketing of superior local products, and collective social action models through multi-platform market ecosystems. A qualitative method with a phenomenological approach was used, involving data collection through interviews, observations, and literature studies. A total of 10 informants were involved as data sources. The results show that digital capital is essential for capacity that must be internalized and intervened by businesses in transforming into digital businesses. Digital capital empowerment involves a Community-Based Local Product (CBLP) approach, which is the involvement of local communities with digital skills and competencies in local product development. This includes design, management of digital resources and products, decision-making, and profit sharing, based on the principle of equality for MSME players.

Keywords: community intervention, digital capital, local superior products, marketplace

Introduction

The release of [Bank Indonesia \(2021\)](#) report shows that Jambi Province's economy grew by 5.39%. This growth is expected to continue to be positive, driven by a recovery supported by domestic and global demand, as well as improved performance of key economic sectors. The distribution of COVID-19 vaccinations acts as a major factor that increases public and business confidence, spurring economic recovery. However, the COVID-19 pandemic has previously dampened national economic growth. Jambi Province's economy is still highly dependent on the exploitation of natural resources, especially from the agriculture and mining sectors, whose growth is sectoral and has not evenly reached the welfare of the community at large. The same data shows an increase in the number of poor people in Jambi Province to 293.86 thousand in March 2021, up from 277.80 thousand in March 2020, indicating that the COVID-19 pandemic has worsened poverty conditions in the area.

Facing the above problems, various efforts have been made by the government to stimulate economic policy to promote and enhance regional development ([McKibbin & Fernando, 2023](#); [Thorbecke, 2023](#); [Wahyono et al., 2019](#); [Zhang et al., 2023](#)). One of them is by transforming the MSME market into a digital economic ecosystem platform through electronic commerce or e-commerce. The MSME sector is encouraged to support the expansion of the local commodity market or regional superior products in the digital economy trade competition contestation. Regional superior commodities or products are expected to be the main drivers of the MSME sector economy, with a focus on utilizing and optimizing local resources and competencies.

According to [Pudhail & Baihaqi, \(2020\)](#), the digital economy refers to economic activities, such as buying and selling transactions of goods and services carried out online by individuals or groups through devices connected to the digital business ecosystem or e-commerce. In another context, it is an online interaction space between sellers and buyers to conduct transactions digitally. Lokapasar (e-commerce) platforms such as Tokopedia, Lazada, Shopee, Bukalapak, OLX,

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Blibli.com, and the like, play an important role in supporting the growth of the digital economy in Indonesia. For example, [Tokopedia \(2022\)](#) will have 11 million active sellers, with 90% of them being MSMEs. The Ministry of Finance (2021) predicts that Indonesia's digital economy will grow to Rp4,531 trillion by 2030. The benefits of the digital economy, especially in the e-commerce sector, are expected to increase the optimization of MSMEs based on local superior products. This aims to overcome the problems of poverty, unemployment, and limited employment. Therefore, the use of local superior products must be encouraged to make the people's economy a key player in the global economy.

The involvement of the community ecosystem in empowering MSME business actors through the digital economy is the main focus for all stakeholders in overcoming community economic problems. [Fuadi et al. \(2021\)](#) found that social community participation is one of the effective ways to reduce the digitalization gap between villages and cities. This approach helps MSME players transition to digital through social action aimed at increasing their self-reliance. This is done with participation and collaboration between the government, private sector, and community, such as the development of digital ecosystems for MSME social communities, counseling, and mentoring. This collaboration also involves BUMDs in the development of technological transformation through smart village initiatives, with the aim of encouraging the utilization of digital technology among MSMEs. The findings of [Nilasari et al. \(2019\)](#) also highlight the importance of providing MSMEs with easy access to digital transformation, including facilitation to transition to online and assisting banks in directing People's Business Credit (KUR) for transactions in the digital economy. This success is also supported by digital marketing through social media as an important tool in empowering MSMEs. This opinion is reinforced by [Purwana et al. \(2017\)](#), [Saputra et al. \(2020\)](#), and [Pramuki et al. \(2021\)](#), who emphasize the importance of having knowledge and skills in managing social media and e-commerce platforms. This is vital to improve the ability to digitally promote local superior products or village potential online.

The challenges of the global economy require each region to have specific strengths in developing its potential, including natural and human resources. Interconnectivity between regions, both at the regional, national, and global levels, can be a strength or even a boomerang that makes some regions only play a role as consumers and target markets. Regional superior products demonstrate the ability of a region to produce quality products, create added value, product diversification, and transform local resources into valuable economic commodities. Therefore, active intervention from local governments is essential to expand access and support marketing strategies, in order to motivate local business activists by utilizing superior products based on regional potential. [Umam et al. \(2018\)](#) established six criteria to determine regional superior products: accumulated monthly turnover, labor absorption, target market, availability of raw materials, access to technology, and specific local characteristics. [Sandriana et al. \(2015\)](#) added other criteria, including originality, uniqueness, regional symbols, contribution to the regional economy, available markets, capital and human resources, infrastructure support, partnership networks, level of competitiveness, supporting regulations, and entrepreneurial institutions. The importance of local business partnership networks, available markets, and easy access to marketing are also emphasized to strengthen the existence of local superior products. [Yacob et al. \(2021\)](#) highlighted the importance of accessibility of promotion and sales of local products both at home and abroad, by strengthening unique local branding and supported by sales management skills of human resources, especially the millennial generation. Product naming or branding should reflect local values and traditions as products that are unique to local wisdom have a strong appeal to buyers from outside the region. These criteria provide a solid basis for determining regional superior products.

[Pudhail & Baihaqi \(2020\)](#) emphasized the importance of strengthening the three main pillars of the Indonesian economy: the creative economy, MSMEs, and the digital economy. These three pillars are the main focus in any government policy development. For implementation at the regional level, social community intervention and the use of e-commerce digital economy are required. These are rational steps that local businesses should take to maximize their potential and create local superior products that are competitive in the market. The concept of marketplace (e-commerce) is a model in the digital economy ecosystem where sellers (online shop owners) and

buyers (internet users) meet and interact online to conduct buying and selling transactions. This definition is in accordance with the views of [Pudhail & Baihaqi \(2020\)](#) and [Plunkett \(2009, 2014\)](#), who describe marketplace as an internet platform that facilitates two-way interaction between sellers and buyers in the entire online trading business process, from ordering, product browsing, online transactions, shipping, to after-sales service.

Market potential plays an important role in developing the regional economy, especially with a wide market reach. For this reason, there is a need for community intervention in empowering local superior products through the application of the Community-Based Local Product (CBLP) model. This model, which was inspired by Murphy's thoughts as cited by [Yacob et al. \(2021\)](#) and [Giampiccoli \(2015\)](#), emphasizes that the control and participation of local communities is essential in the design, management of resources, decision-making, and equitable distribution of benefits from the unique material and immaterial resources owned by the community. This uniqueness, which is the root of local culture and tradition, can be processed into local superior products that have economic value. The CBLP model also refers to the collaborative thinking of [Glen \(1993\)](#) and [Rukminto \(2008\)](#), where community intervention is focused on three main aspects: community development, community action, and community service approaches.

The utilization of MSMEs in marketplace cannot be separated from the importance of the existence of digital capital. In today's era, digital capital has become a variant of alternative capital entities from the five previously established capital entities. The five previous variants of capital are social capital ([Bourdieu, 2018; Coleman, 1994; Field, 2010; Putnam, 1993](#)), political capital ([Nee & Opper, 2010](#)), economic capital ([Bourdieu, 2018](#)), personal/private capital ([Becker, 2009](#)), and cultural capital ([Bourdieu, 2018](#)). The five capitals are social resources that can benefit individuals in social life. Optimizing digital capital along with the other five capitals, both online and offline, in the digital world or metaverse, can be a valuable social resource for individuals. This is true both in real social interactions in physical communities and in digital social life or in the metaverse. This illustrates the positive relationship between the combination of digital capital and the five capitals. [Ragnedda \(2018\)](#) introduced the concept of digital capital as a collection of digital capabilities and competencies internalized by individuals. These capabilities can be actualized into "external resources" or digital technology skills, where experiences gained from the internet can be accumulated and transferred between different arenas. Previous studies generally explore MSME empowerment through community intervention, with a focus on increasing digital marketing management capacity. In contrast to that, this study offers a slightly different perspective by not only focusing on community intervention in business empowerment, but also on the use of digital capital, digital marketing of local superior products, as well as collective social action of business units through multi-platform e-commerce ecosystems or Community-Based Local Product (CBLP). This approach aims to present an alternative perspective that leads to the utilization of multiplatform market ecosystems and social media, with a focus on digital capital and empowerment through community collective action.

Method

This study used a phenomenological qualitative approach to deeply explore the meaning of the reality or phenomenon of community intervention in empowering business actors, building local branding, and initiating collective social action by business units through a single e-commerce platform. This phenomenological approach enabled an in-depth understanding of social reality, exploring social processes related to MSMEs and the use of digital capital broadly and comprehensively from the perspectives of local business actors and facilitators in various regions. This study was located in Jambi Province, covering five regions: Bungo Tebo District, Sungai Penuh City, West Tanjung Jabung District, East Tanjung Jabung District, and Jambi City. The selection of this location was based on three considerations: proximity to sources of raw materials, status as a producer of Jambi Province's superior products according to Jambi Governor Decree No. 599/Kep.Gub/Balitbangda/2013 ([Balitbangda, 2013](#)) concerning Determination of Local Superior Commodity Development Strengthening the Regional Innovation System, and recommendations from the Head of Jambi Province Bappeda. Primary data sources in this research were obtained through interviews and field observations. Secondary data was obtained from literature studies that

included research studies/scientific references such as books and scientific journals. Informants were selected using a purposive sampling technique based on several criteria: recommendation from the Head of Jambi Province Bappeda, membership in the Jambi Province MSME Association and the Regional National Craft Council, and role as Jambi Province Local Featured Product Business Activists. A total of 10 informants were involved as the main data sources to dig deeper information. Data analysis techniques in the field involved open-ended interviews with informants, which included local business activists and fostered partners of Jambi Province MSMEs. To obtain additional data, related literature, and Jambi Province's Strategic Plan (Renstra) documents were searched. The data analysis method follows the technique proposed by Miles et al. (2018), which includes data reduction, data presentation, and conclusion drawing.

Results and Discussion

Community Intervention in Digital Marketing Transformation

The involvement of entrepreneurial community networks is an effective natural "fortress" in facing business competition, especially in the digital economy. The intervention of the local MSME entrepreneur community is an important collective force to survive the penetration of global products. The formation of this intervention can be through networks such as APINDO, MSME Associations, KADIN, and other associations that function as strategic market networks. Endaryono and Djuhartono (2018) show that strengthening market networks through association forums increases the presence of local product businesses that collaborate with cooperative offices and small and micro business communities. Without intervention from the community and with sporadic actions, local entrepreneurs, especially MSMEs, become less competitive in the digital economy.

Collaboration between the community and the government provides opportunities for MSMEs in the creative industry sector to develop and improve their class. This is proven by the support of the Jambi Batik Entrepreneurs Association (Asbaja) and the Jambi City Food and Beverage Entrepreneurs Association (Asmami), as well as the active role of the government through the Jambi City Regional National Craft Council (Dekranasda), the Jambi City Manpower, Cooperatives and Small and Medium Enterprises (SMEs) Office, and the Jambi City Industry and Trade Office. They become the basis and main driver of the economy in Jambi City, by carrying out the concept of a one-stop shopping destination center and the slogan "*ado galo, elokgalo*" (all complete, all good) at lokapasar blanja.co.id and the Dekranasda building as a showcase for Jambi's local creative products (Bag. Humas Setda Kota Jambi/Public Relations Section of the Jambi City Regional Secretariat, 2018). This collaboration not only provides a physical storefront at the Dekranasda Building, but also creates a digital marketing space for local superior products through blanja.co.id e-commerce. Furthermore, thanks to Jambi City's Asmami initiative in using digital applications for promotion, sales, and distribution, MSMEs such as Ilham Snack Jambi, which produces rempeyek (deep-fried savoury Indonesian-Javanese cracker) and fried tempeh, managed to survive during the COVID-19 pandemic (Saragih, 2020). Collective action in helping the community shows the positive impact of a strong community intervention network. This is evidenced by Jambi Regional Amsindo (Indonesian Online and Social Media Association) coordinator Adji Alfarizi, who stated that the distribution of aid to the community was a form of collective concern from MSME business actors in Jambi City during the pandemic (Bekabar, 2021). The initiative of the community members of the Jambi Batik Entrepreneurs Association (Asbaja), the Jambi City Food and Beverage Entrepreneurs Association (Asmami), and the Indonesian Online and Social Media Association (Amsindo) is in accordance with the concept of community action intervention described by Rukminto (2008), namely the formation of a communal community by individual local entrepreneurs who organize themselves into groups to facilitate their aspirations in a collective effort to create change.

These associations serve as a "safety net" for local entrepreneurs, driven by a desire to help the community. This motivation drives the actions of the association community in providing support to vulnerable entrepreneurs, such as those affected by the COVID-19 pandemic, through business development assistance, "soft" loans, and cash transfers. This assistance initiative is an independent movement of the association community, which is in line with Zander's (1990) view of

the desire to provide benefits to society and others, manifested through social action to help society become better in achieving the goal of helping and pleasing others.

In addition to community intervention, entrepreneurs need digital marketing skills to compete in the digital business era, as a step to maintain business continuity amid economic turmoil exacerbated by the COVID-19 pandemic and social restrictions. According to Suryo Utomo in a *Republika.co.id* article (July 15, 2020), the economic crisis due to the pandemic is likened to a "perfect storm" that reduces purchasing power, creates investment uncertainty, and weakens the economy due to falling commodity prices and exports (Zuraya, 2020). The pandemic has also caused difficulties for businesses in various sectors, including malls, restaurants, MSMEs, cinemas, supermarkets, traditional markets, and transportation services, which are struggling to survive in a critical economic situation.

Katadata Insight Center (2020) reported that the MSME sector has been heavily impacted by the COVID-19 pandemic. The survey showed that out of 206 MSME entrepreneurs, 56.8% experienced poor conditions, 82.9% felt a negative impact, and 63.9% experienced a decrease in turnover of more than 30%. Facing these challenges, accelerating the transition of MSMEs to the digital era is very important. From the same survey, 80.6% of MSMEs felt that the use of the internet was very helpful in running a business during the pandemic. Utilizing digital technology and online marketing platforms such as digital marketplace is a strategic step to increase sales of local products. In addition, consistent branding on e-commerce platforms can build customer trust, which starts with consistent digital marketing and easily recognizable, unique, and attractive products (Financial Services Authority/OJK, 2022).

There are several essential digital marketing strategies that should be implemented by SMEs of local products, such as determining specific market segments, offering safe products (environmentally friendly and halal), establishing good relationships with customers, and presenting attractive promotions, such as discounts, door prizes, or buy one get one free (Ariyanto, 2021). According to Chaffey and Smith (2022) and Wardhana (2015), utilizing digital technology in internet-based marketing opens potential pathways to increase knowledge and adapt to consumer needs. The main supporter of digital marketing activities is social media, which, according to Stelzner (2011), has become a force capable of marketing products and reaching consumers widely. The advantages of digital marketing through social media include, first, the ability to customize market segmentation based on preferences, location, habits, and lifestyle trends. Second, sales can be monitored quickly and in real-time, allowing for immediate identification and rectification of shortcomings. Third, marketing has a wider reach, crossing geographical and time boundaries. Fourth, products can be accessed anytime and anywhere. Fifth, promotion costs are more economical as sellers have direct control over their social media. Sixth, social media allows direct trust building through interactions with consumers, such as product reviews, chat discussions, and star rating systems (Purwana et al., 2017).

Digital marketing through social media has provided convenience spaces for MSMEs, such as product displays without space and time limits, no need to experience difficulties offering products from one door to another, not having to attend exhibitions, and without the need to rent a shop at the mall. Social media has become a business domain that is quite affordable for MSMEs. This is because MSMEs no longer need to spend a lot of money to open or rent a physical store, without being limited in operational time, and without requiring a large sales force to carry out promotions. There are many choices of social media that can be used, even though social media, business actors can penetrate global market consumers. Ariyanto (2021) mentioned that social media is an effective choice with low or no cost, only requiring internet data packages, such as Facebook, Instagram, Twitter, VK (VKontakte), Weibo, WhatsApp, Line, TikTok, Telegram, WeChat, BeeTalk, and others. In addition, utilizing multiplatform marketplaces, such as Kasir Pintar, Tokopedia, Bukalapak, Lazada, Shopee, JD.id, and Blibli.com, is also recommended. In online marketing, it is important to use attractive photos, ensure that each product post is accompanied by a popular hashtag, such as #KemejaKeren-#SnackSehat-#SnackMurah-#BanggaBatikLokal-#BatikJambiKito, etc., display product reviews from consumers, post products regularly and on a schedule, especially during National Online Shopping Day (HARBOLNAS), create interesting promotional content, and utilize live streaming facilities for product promotion.

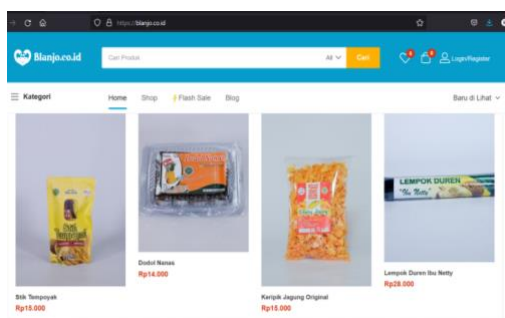
Social Media and Marketplaces as a Locality Branding Storefront

The downstream product must be controlled by the private sector or MSME entrepreneurs. The government through its authority only concentrates as a facilitator for the private sector or MSME entrepreneurs. Product diversification is an important key in maintaining business continuity. Entrepreneurs need to have the courage to take innovative initiatives for product development. Downstream aims to increase the added value of a product. Downstream practices, for example, are raw fish processing products that are processed into fish nuggets (Nugroho et al., 2021). The use of fish raw materials combined with the latest technology and appropriate processing methods can increase the value of these raw materials into value-added products, such as nuggets. Furthermore, recent research shows that fish raw materials can be processed into supplements and beauty products, which have the potential to become a trend in the market. However, to realize this kind of downstreaming, solid business ecosystem support, in-depth research, and strong capital are needed so that the products can provide significant added value.

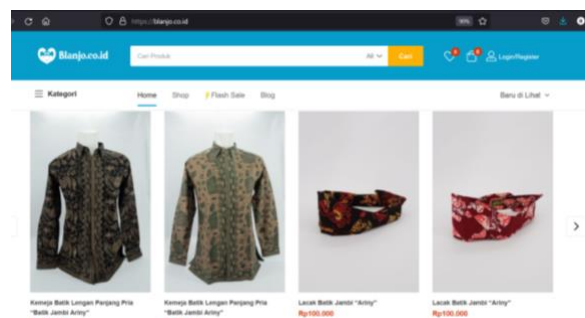
MSME entrepreneurs in Jambi Province face the problem of product downstreaming, namely difficulties in processing raw materials into finished products. Limited research support resources, processing machinery infrastructure, skills knowledge, and business capital are the main constraints for local MSME players. Government intervention and facilitation, such as business capital credit incentive programs (Kredit Usaha Rakyat) and technical assistance, are needed to overcome this problem. Rosita et al. (2021) revealed that in Bukit Kerman district, Kerinci, there was a surge in surplus citrus production that resulted in abundant citrus fruits. Downstream strategies and the use of mechanization technology are needed to process surplus citrus fruit production into processed or derivative products. The planned downstream strategy includes, first, improving the knowledge and skills of local communities through diversification of value-added products from citrus fruits, such as cakes, candies, jelly and powdered drinks. Second, involving and empowering social groups such as housewives and young women who have skills in food processing (e.g. cakes, candies and jelly) and who have supporting equipment such as mixers and ovens, to create employment opportunities. The research findings indicate that farmers do not have the skills to apply product processing technology, so facilitation of assistance in knowledge and technology is required. In addition, farmers face constraints in access to digital capabilities to promote their products, indicating a need for improved access and training in digital capabilities.

Apart from downstreaming, capital is a crucial foundation for sustainable local economic development. The capital required includes economic (financial) capital, social capital, cultural capital, personal (human) capital, and political capital, all of which already exist in real life through human interactions. By integrating these five types of capital with internet (online) technology, digital capital can be created as a new social resource that is profitable in the modern era. Ragnedda (2018) defines digital capital as a combination of “internalized” capabilities and talents (digital competencies) and “external resources” (digital technologies), which can be accumulated and transferred between arenas, or the accumulation of digital competencies (information, communication, security, content creation, and problem solving), as well as digital technology. The interaction between these five types of capital via the internet allows individuals to transform digital resources into useful social resources. An individual's experience in surfing the internet can influence their accumulation of digital capital, which can then be "transformed" into other types of capital (economic, social, cultural, personal and political) in practices in their environment (Ragnedda et al., 2020). For example, entrepreneurs with strong economic capital can further increase their capital through the use of ICT (Information and Communication Technology), such as TikTok, Instagram, Facebook, LinkedIn, YouTube applications, and marketplaces such as Bukalapak, Tokopedia, Shopee, Lazada, OLX. By leveraging their digital capital, such as the ability to manage social media accounts and create engaging digital content about products, they can turn digital experiences into social resources that improve their socio-economic status. For example, promoting an online curriculum vitae via LinkedIn can help someone get a better job position, while promoting products via storefronts in e-commerce stores and social media such as YouTube, Instagram, TikTok, and Facebook can expand their business.

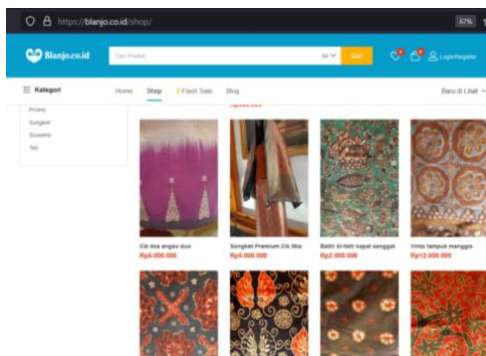
Similar mechanisms can be applied to raise various types of capital; Economic capital can be increased through increasing income from sales, thanks to intensive marketing via social media and e-commerce. Social capital can be expanded by increasing and expanding social networks. Personal capital, such as self-confidence, can be increased, while political capital can be strengthened through increased involvement in society. Cultural capital, which includes increased literacy and skills, can also be improved. This step can be taken by local entrepreneurs by converting their superior products into digital capital stock, namely by posting product content through creative photos and videos on social media platforms such as YouTube, TikTok, Facebook, as well as in e-commerce, as a way to use resources. social factors in increasing the accumulation of other capital. Hodgson notes that the concept of capital has expanded to encompass more than just supplies or reserves of social or economic importance; in the modern context, almost everything can be considered capital (Hodgson, 2014).



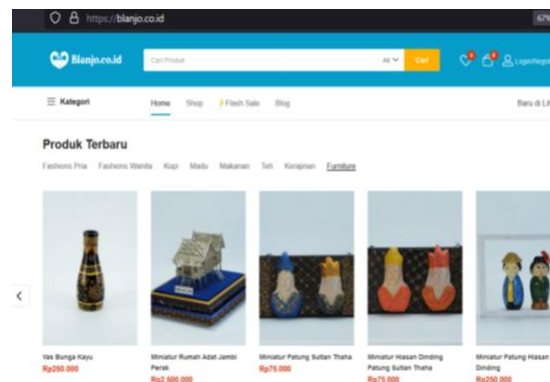
(a). Jambi local specialties



(b). Jambi Batik Shirt



(c). Jambi Batik Fabrics



(d). Jambi Handicrafts

Figure 1. Example of digital capital: Jambi local specialty shop (e-commerce)

Source: <https://blanjo.co.id/>

The practice of empowering local MSMEs in Jambi has been initiated through facilitation from the provincial government, with assistance provided by the Regional National Crafts Council (Dekranasda) of Jambi Province. This is the government's effort to strengthen local MSME entrepreneurs. In addition, there is also a mentoring collaboration with the well-known e-commerce platform, Shopee, which has resulted in the formation of an e-commerce store ecosystem specifically for Jambi, namely <https://blanjo.co.id/>. This Jambi local marketplace functions as a collective platform for local MSME players to display and sell superior local products that have high selling value. The philosophy behind the development of blanjo.co.id is rooted in product uniqueness and quality. The name "Blanjo" for the shop link was chosen because the word is a symbol of cultural communication that reflects traditional buying and selling activities in Jambi

society, showing familiarity and relevance to local customs. The aim of building a unique local shop market ecosystem in Jambi is to show the showcase and branding of superior local MSME products in the context of a shop market or e-commerce. The products displayed are the result of industrial downstream processes, including semi-finished products and finished products. It is important for these derivative products to have added value, local characteristics that show creativity, and high selling value. The industrial downstream process is a crucial step for business actors in increasing the value of raw products, strengthening the industrial ecosystem, creating jobs and expanding business opportunities (Wuryasti, 2018).

The blanjoco.id marketplace link has implemented the practice of digital capital mechanisms through interface design, product storefront layout and delivery of product information. The concept of digital capital explained by Ragnedda (2018), in the form of knowledge in managing the marketplace ecosystem through the creation of creative digital content (for example the quality of product photos and presentation methods), has been applied on this site. Competence in managing social media, which is the result of entrepreneurs' digital experience, becomes capital that increases financial profits and expands the reach of their business promotion. The marketplace blanjoco.id, as a digital showcase for local products typical of Jambi Province, facilitates the achievement of a wider target market. This initiative is in line with Roberts and Townsend (2016), Komara and Bagus Setiawan (2020), and Mahmuda (2021), which shows how collaboration between digital and cultural capital through creativity can support community economic resilience.

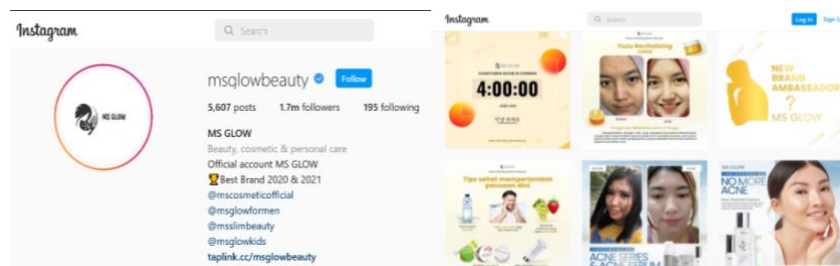


Figure 2. MS GLOW Beauty Instagram Accounts
Source: <https://www.instagram.com/msglowbeauty/>

An example of the influence of digital capital can be seen in the MS GLOW beauty product, which is part of the Juragan 99 business owned by celebs Gilang Widya Pramana and Shandy Purnamasari. Their business has developed widely in the ecosystem of large national market stores such as Tokopedia and Shopee. In addition, they also utilize social media such as Instagram, YouTube, and TikTok for promotion, which is an effective practice of using digital capital. With millions of followers on social media, the financial benefits they gain from simply posting products on social media accounts shows the huge potential of digital capital. These are real examples of how digital capital can be used, and their strategies can be studied, adapted, and modified by local product entrepreneurs to expand the reach of their businesses.

Empowerment of Collective Social Action Models

One of the failures felt by local entrepreneurs is the government's "hit and run" program system approach in facilitating and assisting business groups. Based on field findings, the term "hit and run" refers to government programs that are only implemented based on budget projects, with program sustainability completely dependent on budget availability. When the budget is not available, the project stalls. This condition is perceived by many local MSME entrepreneurs as something akin to "premature ejaculation," where business assistance from the government quickly ends, so that the mentoring engagement with the community is only temporary. This has become a classic problem in social empowerment, which is caused by a lack of a sense of ownership, a sense of nurturing, and a sense of responsibility for assistance programs from the government. This situation has become a "big enemy" that threatens the sustainability of the program, showing the government's powerlessness in creating independence among the community.

Table 1. Community Based Local Products (CBLP) Practice Mechanisms

Description	Community development	Community/Association Action	Community Service Approach
purpose	Creating community/association independence through mastering and increasing knowledge in managing digital technology competencies into digital capital for association/community participants Collectively formulate social entrepreneurship based on the problems at hand	Campaigns and promotions, as well as periodic assistance to target communities, namely MSME business actors through Advocacy and Technical Guidance for digital marketing based on social media and marketplace. Intensive guidance on managing social media accounts, creating creative digital content about local products, etc. Business actors jointly identify local products that have high selling value, are unique and distinctive, which can differentiate them in the market.	Develop community-based associations oriented towards assisting vulnerable groups or business actors (entrepreneurs affected by the COVID-19 pandemic)
Participants	Local communities who are members of the association can design and identify their own needs	Local communities of MSME actors gather themselves in associations to increase collective strength.	Associations and service users, namely vulnerable MSME business actors as equal partners
Method	Bottom-up empowerment by involving local associations/communities as driving actors in controlling the design, development, management of digital resources, and local product resources, collective decision-making for each action, as well as distribution of roles and benefits based on the principle of equity.	Using campaign techniques and promotion of instructional designs or technical guidelines by mapping the technical needs needed by participants (SME actors) through FGDs The material about the importance of digital marketing social media for their business, and the importance of using the market shop as their stall. Creative content creation materials for promotional materials on social media Holding workshops and intensive assistance on how to market local products online. Making learning videos for good practice of digital marketing and managing social media business accounts on YouTube so that they can be accessed independently by MSME actors	Maximizing the involvement of strategic partners, namely the government and MSME business actors as well as strengthening business networks on social media and multi-market locations
Role	<ul style="list-style-type: none"> • Professional staff with non-directive internalization patterns. • Professional staff, preferably from business actors (famous business actors) have shops in various well-established market locations, have social media networks with followers over 1000 accounts. This aims to spread good digital business practices to business actors who are just starting up MSMEs. • Volunteers who are experts in managing creative content and social media, such 		

Description	Community development	Community/Association Action	Community Service Approach
			as students who have IT competencies. This workforce is expected to be an intensive facilitator for MSME business actors in creating social media accounts, operating them, and creating shop accounts at the market shop.
Empowerment Strategy	<ul style="list-style-type: none"> • Community participation bottom-up empowerment approach. • Creating a multi-market independent business market ecosystem (making shops in various marketplaces such as Tokopedia, smart cashier, Shopee, etc.) that characterizes locality, is unique and distinctive. • Create a digital business clinic in developing the competence of MSME actors in the use of social media and multi-vendor marketplace such as technical guidance, FGDs, workshops, training, or courses on an ongoing basis. • Develop a formal education system through collaboration with vocational education institutions in educating MSME business actors who are digitally ready. • Build a digital MSME empowerment system by involving millennials because they are more open and adapt quickly to technology and can be used as agents of change. 		

Source: Analysis Results, 2024

Community empowerment through MSME associations is very important to increase involvement in government programs. This association, which operates with a bottom-up and independent approach, allows business actors to better control and understand the situation and conditions in the field, especially in dealing with MSME problems. A conceptual initiative that can create independence for local MSME business actors is to strengthen the multimarket ecosystem through a community-based local product approach. The combination of community involvement and strengthening multimarket ecosystems is considered an effective collective social action alternative so that MSMEs can adapt to digital transformation, or "MSMEs go digital". The Community Based Tourism (CBT) approach adopted by CBLP (see Table 1), as offered by [Yacob et al. \(2021\)](#), emphasizes the importance of a bottom-up empowerment paradigm with the involvement of local people or communities. It aims to be a vital driver in the control of design, development, management of cultural and tourism resources, decision making, and the fair sharing of collective benefits, as emphasized by [Giampiccoli \(2015\)](#). This approach highlights the important role of local communities in advancing sectors such as MSMEs, culture and tourism through empowerment and active participation in every aspect of development and management.

Based on the Community Based Local Product (CBLP) practice mechanism, which prioritizes local, community-based products (as listed in table 1) and adapted to the collaborative theory of [Glen \(1993\)](#) and [Rukminto \(2008\)](#), this community intervention practice focuses on three main elements: development community, community action, and community service approaches. This CBLP operational mechanism emphasizes the involvement of local communities who not only have digital skills and competencies as their digital capital, but also play an active role in designing, developing, and managing digital resources (such as multi-market locations) and local products. In addition, the community is also involved in decision making and profit sharing, which is carried out with the principle of justice. This shows the importance of collaboration and participation of local communities in every stage of development and management of local products, which is expected to bring sustainable and fair benefits to all parties involved.

Conclusion

In facing the challenges of economic development, especially in the digital business era, local SMEs in Jambi must quickly adapt to the digital economy. The COVID-19 pandemic has become a trigger for local business actors to accelerate their business orientation towards the use of digital capital, which is an important asset owned by the business world. Now, the challenge is how to direct, manage and utilize these digital capital resources to obtain additional benefits, such as increasing capital.

The local MSME community in Jambi is required to have the courage to display quality local products in the marketplace and make these products competitive through digital marketing, especially through social media. Local products must have three main strengths: authenticity, strong

local traditional values (distinctive), and attractiveness. Products resulting from industrial downstreaming, in particular, have great potential as branding power that can be combined with digital capital competence, creating resources that have an impact on increasing financial profits and expanding business promotions.

In addition, there is also a need for intervention and internalization of social action through the practice of the Community Based Local Product (CBLP), which focuses on empowering independent entrepreneurs, especially MSMEs, by strengthening the potential of superior local products and digital capital competence as the core of its development. Sustainable assistance through the creation of a multimarket ecosystem and digital marketing strategies for business actors is one of the main strategies. It is hoped that this CBLP approach can be a curative effort to reduce the dependence of MSME actors on the government, by strengthening their capacity in the digital business ecosystem.

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