THE EFFECTIVENESS OF DIGITAL MARKETING: A CASE STUDY OF ONE BOWL SOUP MSMES

Keefektifan Strategi Pemasaran Digital: Studi Kasus pada UMKM One Bowl Soup

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Abstract

Digital marketing is a key factor in facing business competition in the current era. Effective digital marketing strategy implementation could lead MSMEs to maximize the market potential available in social media. Most small business still focus on daily operational production and sales (offline), without considering the importance of display and activity of the business on social media. Therefore, this research is conducted to investigate the effectiveness of digital marketing implemented for One Bowl Soup, because previously OBS only relied on word of mouth marketing. As previous research doesn’t show an actual comparison regarding before and after the suggested strategy implemented, this research does not only overcome the referred limitation, but is not limited to only 2 social medias and comprised of major social medias which has highest active users in Indonesia simultaneously. A qualitative approach is utilized, and the data collected by interviews with customers and MSME owner and observations. Data were analyzed using the discourse analysis method to find out digital marketing trends. It was found that social media usage by enterprises, including MSMEs, would improve the brand awareness of residents towards said enterprise. Moreover, for Instagram, which majority of interviewed sample uses Instagram in their daily life, including searching about local culinary options. After using social media, OBS has improved visibility or brand awareness in Batam City, Indonesia, which can be seen from profile traffic insights provided by each social media.

Keywords: Digital Marketing, Instagram, Marketing Strategy, Social Media Marketing.

Abstrak


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Introduction

The era of globalization has brought about intense competition and technological advancements, posing a challenge for businesses. Innovation of new products, competitive pricing, and customers are determining factors in business competition today (Mardhiyah & Safrin, 2021). Winning in the highly competitive business world requires companies to have a strong and adaptable strategy and a competitive advantage. It can be achieved by providing customers with more value than their competitors and offering products or services that provide significant benefits. The business world constantly evolves, and companies of all sizes must keep up with the changing landscape to survive. In particular, small businesses like Micro, Small, and Medium Enterprises (MSMEs) must also be strategic to remain competitive (Hadi & Zakiah, 2021).

The MSME sector is a business sector with smaller scales, a limited number of employees, limited resources, and limited expertise (Harini & Yulianeu, 2018). Despite having resource and scale limitations, MSMEs can face competition and grow by developing creative marketing strategies. Marketing strategies are necessary to expand and increase market share, retain customers, increase sales, compete with rivals, and generate profits (Rengganawati & Taufik, 2020). With effective marketing strategies, MSMEs can optimize their marketing efforts to reach business goals and compete in a competitive market.

OBS, an MSME in the culinary industry, has yet to discover an effective marketing strategy to compete successfully. OBS was established by Mr. Joni Ng in April 2019 and is located at A2 Food Court Stand No. 11, where it was one of the first to introduce fried fish soup with a unique recipe from Singapore. OBS opened its first branch on January 6th, 2020, at Nagoya Food Court Stand No. 08. The name "One Bowl Soup" was derived from the owner's mentor shop at the Harbourfront Centre Singapore food court, known as "一碗汤" in Mandarin, which translates to "One Bowl Soup" in English.

OBS is currently facing a significant challenge due to the need for an effective digital marketing strategy. In this digital era, digital marketing has become crucial for businesses to compete successfully (Utama, 2019). However, OBS has yet to leverage the potential of digital marketing fully. As a result, they have encountered various obstacles. Digital marketing involves promoting a brand using digital media to deliver the message to consumers at the right time (Septiningrum et al., 2020). Digital marketing is necessary to expand market share, increase brand awareness, and attract new customers (Sari & Putri, 2021). With a proper digital marketing strategy, this MSME might be able to utilize social media opportunities. Therefore, OBS needs to tackle this challenge by developing an effective digital marketing strategy that ensures the growth and expansion of its business.

The current trend in marketing involves utilizing digital channels, namely social media platforms like Instagram, TikTok, and Facebook, as well as advertising (Mulyani et al., 2022). Social media has become a crucial component of marketing strategy management and an indispensable part of marketing endeavors (Nurmalasari & Masito, 2020). Successful implementation of digital marketing strategies at OBS can drive MSMEs to capitalize on the market potential available on social media. Since OBS started its business, it has been found that MSME owners still need to maximize their marketing efforts. OBS currently has limited customers, consisting only of regular customers and those who stumble upon the store without any digital marketing campaigns to reach a larger audience. By adopting digital marketing at OBS, MSMEs can broaden their reach and growth on social media and increase brand awareness of their products.
The key to OBS's success as an MSME lies in its ability to implement strong digital marketing strategies. With the right marketing strategy, MSMEs can experience a significant boost in their growth and development. The results of this study will serve as a valuable resource for MSME owners to develop effective marketing strategies that align with their business concepts, as previous research doesn’t show an actual comparison regarding before and after the suggested strategy implemented. This research is not limited to only 2 social medias, but comprised of major social medias which has highest active users in Indonesia simultaneously.

Based on the We Are Social report, the number of active social media users in Indonesia was 167 million people in January 2023. This number is equivalent to 60.4% of Indonesia’s population. With social media users in Indonesia increasing every year, MSMEs need to take advantage of opportunities to develop their marketing strategy from word of mouth to digital marketing to reach a wider range of potential customers. Hence, this research assesses the impact of adopting digital marketing strategies on OBS, a business previously reliant on word of mouth. The findings contribute to academic knowledge and offer insights for MSME owners to enhance visibility through platforms like Instagram and Google Business.

In the digital era, where communication media undergoes transformation posing challenges across industries, digital marketing emerges as a stage in the evolution of communication history. This transformation is driven by changes in technology and consumer behavior, inevitably prompting shifts in marketing strategies (Junusi, 2020). Digital marketing techniques have the advantage of repeat communication and extend the marketing mix (Omar & Atteya, 2020).

Digital marketing is an integral part of the digital business transformation process. It includes new marketing techniques based on information and communication technology. This method was created as a new marketing technique relevant to the current market situation. Digital marketing can help businesses access their customers more effectively and increase customer satisfaction (Veleva & Tsvetanov, 2020). Digital marketing has become one of the activities that can simplify the process of marketing products. Implementing digital marketing provides benefits such as easier connecting with customers and giving information about the product (Hartanto et al., 2022). Digital marketing can effectively strengthen the value of a brand by eliminating misunderstandings about the brand and providing an exchange of ideas, opinions, and consumer experiences that lead to a greater intention to purchase (Dastane, 2020).

Meanwhile, social media, an online medium for participation, content sharing, and creation such as blogs, social networking, wikis, and virtual world forums (Rahmayani & Nofrialdi, 2022). Social media is important in increasing market share for MSMEs, enabling them to reach international markets (Cheng & Shi, 2019). Marketing activity in the coming years, such as promotion, advertising, and campaigns, will be entirely dominated and controlled by social media platforms (Ibrahim, 2022). It may happen because social media is considered a large potential target for companies when they want to market their goods or services to reach potential customers. According to Jasin (2022), social media can facilitate interactive communication between entrepreneurs, customers, or even other parties. Social media also doesn't limit the time and place for communication.

Marketing through social media such as Instagram or Facebook can create a new direction for MSMEs to connect with their customers (Abbasi et al., 2022). Viglerová et al. (2022) stated several pillars as the main characteristics of marketing through social media, such as internet applications, electronic word-of-mouth (E-WoM), and interaction. It was evidenced by Fahmi et al. (2022) and Asnawati et al. (2022) who suggested that social media marketing can increase brand image globally and E-WoM significantly influences company marketing. Social media marketing
can enhance a company’s brand image (Lady & Jusvenny, 2021). A positive brand image can build customer trust in purchasing or using a product or service (Pangestoe & Purwianti, 2022).

Instagram’s role in a brand’s product promotion strategy has emerged as indispensable. This platform enhances the purchasing process’s enjoyment and impulsivity, bypassing extensive evaluation during decision-making (Djafarova & Bowes, 2021). By utilizing Instagram, MSMEs can quickly and easily visualize their products. In addition, almost 80% of Instagram users are now dominated by Generation Y and Z (Yılmazdoğan et al., 2021). This application attracts many marketers in the food service industry because it is easily accessible by people worldwide and is an affordable marketing tool. In addition, MSMEs can use this application to gain valuable insights such as the impact on their business, social phenomena, and cultural issues (Lee et al., 2021).

Instagram has created a visual-oriented culture with a network based on photos or videos. Instagram continuously develops its product by adding new features, including the story feature (Kirçova et al., 2020). Instagram was considered to have the best ability to engage users compared to other social media in terms of visual communication, causing their users to be immersed in accessing this application (Soedarsono et al., 2020). According to Aji et al. (2020), focusing on marketing products through Instagram can increase brand awareness and build brand equity in the consumers’ minds. Thus, MSMEs can plan a series strategy in social media applications to develop brand networks, community, and interaction between the brand and consumer.

The pivotal concept of brand awareness pertains to a consumer’s capacity to recall or recognize a specific brand amidst competition (Machi et al., 2022). A brand with high awareness has a much stronger power to influence market share. Brand awareness can create familiarity among the company with customers and show commitment between the company and its customers (Supiyandi et al., 2022). Brand awareness is very important in marketing because it shows a company’s ability to use the differentiation strategy to distinguish its product from competitors to achieve a competitive advantage (Patoding & Muzammil, 2023).

Wibawa et al. (2022) found that brand awareness of MSMEs rapidly increases when utilizing digital marketing. Using social media as a digital marketing platform is crucial for advertising, branding, and promotion, where the customer can quickly forward ads, messages, or anything interesting to their followers. Through engaging ad content, it can grab the attention of customers and increase brand awareness. Nuseir et al. (2023) also stated that utilizing creative ideas in marketing content through social media can create higher opportunities to go viral. It can lead to a higher exposure of the brand and impact on increasing brand awareness among potential and repeat customers.

Marketing through social media plays an important role in building brand awareness and creating a positive brand image because it facilitates the interaction between businesses and potential consumers (Seo et al., 2020). Through continuous marketing in social media, consumers will recognize and remember a brand easily. Therefore, consumers will be interested in purchasing the products or services offered (Faisal & Ekawanto, 2022).

The entire content above illustrates how crucial the existence of an MSME is in the digital world, professionally and optimally utilizing the various features offered by each social media application. Facts prove that the majority of customers use social media in making daily decisions. However, the constraint lies in the limited skills and knowledge possessed by MSME owners. Hence, this research is conducted with the aim of providing insights to owners about the significance of their presence on social media, while still keeping it simple to learn and implement, considering the owners’ limitations.
Research Methods

The research was carried out at OBS located in Nagoya-Batam, utilizing a qualitative descriptive approach. The research method employed for this study was a case study, a form of problem analysis that examines one or more cases within a confined system. Primary data was acquired through interviews with the OBS owner and its customer base, coupled with on-site observations. Secondary data, in the form of articles, books, and journals, was collected from online sources. The owner and customers of OBS were chosen as the sample population due to their ability to meet the research criteria, thus providing the necessary information about MSMEs. Purposive sampling was utilized to specifically target sources that fulfilled the criteria for providing the required information (Umami & Darma, 2021). This study selected a total of eight sources as samples, comprising seven OBS customers who were active social media users, and the owner of OBS. The gathered data was subsequently subjected to discourse analysis to explore digital marketing trends and the rationale behind the significance of digital marketing for both MSME customers and owners.

There were several questions asked to the owner and customers of OBS. The questions for OBS customers were as follows (Umami & Darma, 2021):

- Do you use social media?
- How often do you use social media?
- How often do you use social media for reviews or advertisements about food/restaurants?
- What kind of content do you like when seeing food/restaurant promotions on social media?
- Have you ever seen a promotion related to food/restaurant, then searched for the related food/restaurant?
- Have you ever searched for a restaurant's social media account after seeing a promotion related to food/restaurant?
- Do you often use Gofood, Grabfood, or similar media to find food?
- Do you pay attention to promotions such as discounts or cashback offered when using Gofood, Grabfood, or similar media to order food?
- What are your criteria for assessing whether a restaurant's social media account is attractive?

The questions for the owner of OBS were as follows:

- Has the MSME owner implemented marketing strategies?
- During digital marketing, were there any problems encountered?
- Did the marketing conducted have an impact on OBS MSME?
Results and Discussion

Social Media Marketing

"I usually browse through GoFood, where I found One Bowl Soup. My friends often persuade me to order One Bowl Soup from GoFood. I like using Grab/GoFood because the promotions offered are quite diverse and plentiful." (Interviewee 1)

"I often use TikTok and see promotions for a new restaurant. Because of these promotions, I became interested and tried the offered products." (Interviewee 6)

"When looking for new culinary places, I mostly use Facebook." (Interviewee 7)

Khasanah et al. (2020) stated that the internet, especially on mobile phones, has the potential for marketing development, which allows businesses to reach a wider market share. Cheng and Shiu (2019) also stated that increasing the market share for MSMEs can be done by utilizing social media. The answers from the interviewees reflect the statements of Khasanah et al. (2020) and Cheng and Shiu (2019); as with social media, information regarding culinary places, both new and old, could be found by social media users and generate interest increasing the market potential of an MSME. Figure 1 displays OBS’s social media platforms for its marketing activities.

![Figure 1. The Social Media Platforms that OBS Utilizes for Their Marketing Activities](source: Instagram, 2023)

Instagram as Social Media Marketing Tool

"I think it would be more interesting if a place (business) uses Instagram because nowadays, more people use Instagram every day, including myself. Often there are ads about food on Instagram Feeds, and then there are attractive displays on their Instagram, and sometimes the price is even listed. So, I think it is more interesting for marketing on Instagram than Facebook, which I only use to see the news." (Interviewee 1)
"I spend 1-2 hours a day using Instagram. When using Instagram, I also quite often see reviews about food. Because I like to try new foods, I often search for the Instagram social media of a product when I see an ad about it." (Interviewee 3)

"Usually, I use Instagram for 2 hours or more a day. I like to see content from food vloggers who endorse a place to eat. With endorsements, I can find out the taste of a place to eat with reviews from the food vlogger. When I see an ad for a place to eat, I will look for information about the location, the menu offered, and others on Instagram." (Interviewee 4)

"On Instagram, I often see one of the influencers who also often promotes food. When the influencer promotes a place, I just found out that there is a new place to eat in Batam." (Interviewee 5)

"I found out about One Bowl Soup from one of the influencers in Batam. After that, I immediately came to try it, and it turned out that I liked the taste offered by One Bowl Soup. Sometimes, when I am curious about a particular place to eat, I order it through the GoFood application." (Interviewee 6)

Advertising on Instagram is divided into several methods, one of which is endorsement. With endorsements, potential customers can evaluate or assess a product or MSME as a whole because of the reviews given during the endorsement by the MSME. It is in line with Djafarova and Bowes’s (2021) study stating that customers will evaluate through the use of Instagram social media, ultimately leading to purchasing decisions by those customers.

The Promotion Used by the One Bowl Soup SME

"Previously, we have done promotions but not by ourselves. Two years ago, Nagoya Foodcourt invited popular food vloggers in Batam, namely Batamliciouz and Yusifadila. Both food vloggers visited OBS and made a video uploaded to their Instagram story. The story was not included in the highlight, so it could only be seen for 24 hours and disappeared. That was the only promotion that we have done so far. Besides promotions, OBS has joined Grab and Go Food but has never participated in their offered promotions. Occasionally, we sign up for free delivery, but OBS still has to bear the costs". (Interview with owner of OBS)

"We have been relying solely on word of mouth to attract customers since we started operating. However, about a year ago, we considered trying digital marketing strategies such as Instagram. We created an Instagram account but were unsure what to post. Eventually, our account became neglected and empty, with no posts, profile pictures, or MSME biodata. We also use WhatsApp, a personal account communication to interact with Grab and Go Food drivers and serve customers who order large quantities". (Interview with owner of OBS)

"OBS's target market is broad, ranging from children to elderly people. We also understand that the development of technology is very rapid, and traditional marketing methods like word of mouth are not very effective nowadays. So in the last month, OBS started to learn about Instagram and decided to use it to support OBS's marketing. At first, we only had 12 followers and an empty Instagram page. But then we started posting interesting feeds and stories to interact with followers". (Interview with owner of OBS)

"When we looked at the insights, our Instagram account received 219 visits. Also, the feeds reached 157 accounts, of which 33 accounts were followers, and 124 were non-followers. The initial number of followers of 12 people also increased to 52 people, as seen in Figure 2. Although we haven't
reached hundreds of followers yet, consistently posting photos and videos can help us reach a wider target market”. (Interview with owner of OBS)

Based on an interview with the owner of OBS, it was discovered that in the last month, OBS has started learning about Instagram and utilizing the platform to market its cuisine. Through consistently posting content on its feeds and stories, OBS’s Instagram account has experienced a growth in followers. Additionally, the insight data in Figures 3 and 4 show that 124 accounts, not followers of OBS, have visited its profile. It indicates that digital marketing can increase brand exposure and enhance brand awareness among potential and existing customers, as supported by Wibawa et al. (2022) dan Nuseir et al. (2023). By consistently promoting a brand on social media, consumers can easily become familiar with and remember it. As a result, customers may be more likely to purchase the products or services offered (Faisal & Ekawanto, 2022).

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**Figure 2.** One Bowl Soup’s Instagram Account  
Source: Instagram, 2023

**Figure 3.** One Bowl Soup’s Instagram Insight  
Source: Instagram, 2023
"Instagram is indeed very helpful for OBS in promoting their products. In addition to Instagram, we also tried creating a Google Business account because of its Google Maps feature, so potential customers who do not know OBS's location can access it directly through Google Maps, as seen in Figure 5. As claimed by the culinary business, they all register their MSMEs on Google Business". (Interview with owner of OBS)

"While learning about Instagram and Google Business, the OBS team has also explored successful MSMEs outside Batam in promoting their culinary products. Instagram greatly impacts marketing because it can reach a wider audience, not just in Batam. Using Google Business and Instagram, we only need internet quotas and adjust our content to the MSME concept to create branding. Currently, I see not only teenagers using Instagram but adults and even older people accessing Instagram daily for food, skincare, makeup, clothing, and more. In addition, when wanting to provide more information about the location of MSMEs, I focus more on Google Business because of its Google Maps feature that can be accessed by potential customers when having difficulty finding OBS's location." (Interview with owner of OBS)

Based on the interview with the owner of OBS, digital media is very helpful in providing information about MSMEs. In addition to being easy to use, it also significantly impacts the visibility of MSMEs, leading to increased brand awareness. It is in line with Seo et al. (2020) statement that marketing through social media plays an important role in building brand awareness and creating a good brand image because it can facilitate business interactions with potential customers. Based on information from Google Business insights, OBS has reached 1,483 Google
users, which can be seen in Figure 6, and some have also provided reviews through Google Business. Thus, utilizing social media for marketing can effectively boost OBS's brand awareness.

![Figure 6. One Bowl Soup’s Google Business Insight](Source: Instagram, 2023)

**Conclusions**

Since the beginning of the business, the owner of OBS needed an optimal marketing strategy because they relied solely on word of mouth to promote their products. Word of mouth is a marketing strategy that is rarely used nowadays due to the rapid development of digital marketing strategies. Therefore, this research was conducted to determine the effectiveness of applying digital marketing to OBS through a qualitative approach by interviewing customers and the owner of OBS.

The interviews found that some of OBS's customers tend to use social media to find new culinary experiences and look at reviews, with Instagram being the most commonly used social media platform for this purpose. Additionally, the interview with the owner of OBS revealed that OBS had just implemented a digital marketing strategy by utilizing Instagram and creating a Google Business account. The owner of OBS stated that digital media is very helpful in providing information about their MSME, as it is easy to use and significantly increases visibility leading to brand awareness.

The results of this research contribute to increasing academic knowledge regarding the importance of digital marketing and provide a basis for developing digital marketing strategies for MSME owners that align with their customers’ behavior. Based on the result, this study recommends the MSME owners to develop their digital marketing strategies by utilizing several social media platforms such as Instagram, Google Business and others social media platforms. In this case, the owner may use social media, but they do not fully maximize the utilization of the platform's features. For instance, Instagram offers a business option that allows linking the account to a Whatsapp account and provides easier access to Google Maps. Additionally, Whatsapp Business features a "Frequently Asked Questions" section, facilitating both owners and customers in asking and answering various questions related to orders or products. This research was constrained by the limited sample size, consisting of only a few OBS customers. Therefore, for future studies seeking to investigate the same subject, it is recommended to gather a more extensive and diverse sample and consider incorporating new types of social media platforms or features, such as TikTok.

**References**


