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The Innovation Breakthrough in Digital and Disruptive Era
Maximize The Use of Internet To Improve Sales of Small Businesses: Evidence from Indonesia

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ABSTRACT
In today's digital era, businesses must harness the internet’s full potential to improve their sales and remain competitive. Unfortunately, not all small businesses in Indonesia can improve their sales on internet. An official survey by APJII (Indonesia Internet Service Provider Association) found that estimates of sales growth of small businesses using the internet are not maximal, and some of them haven’t grown in sales. On the other side, case studies showcasing successful internet-driven sales technique implementations. Therefore, this study analyzes how small businesses can maximize internet use to optimize their sales performance and explores strategies and best practices. A comprehensive analysis of literature, secondary data, usage and user behavior of the internet in Indonesia was used. By understanding and applying the insights presented in this research, small businesses have the ability to take advantage of the internet and achieve considerable increases in their sales figures.

Keywords: Use of Internet, Sales, Small Business, Digital Marketing, e-Commerce, Marketplaces.

1. INTRODUCTION

The internet is an integral part of our daily lives and performs an essential function in many aspects of society. Social media, smartphone apps, and other digital communications devices have become commonplace for billions of people worldwide [1]. Information technology’s rapid growth allows businesses to improve their management models and provide high-value products and services to their customers [2]. 2016-2018 were the years of the Internet revolution. The cost of traffic and leads has increased. The company has concentrated on inbound marketing. It was vital to understand how to work on retention rather than gaining new customers [3]. The advancement of technology has produced an entirely new means for firms to engage with their consumers. With this innovation, it has faced an immense disruption in reaching out to its customers [4]. On the other hand, to enable more dynamic e-commerce and increase the number of services provided on the internet by MSMEs, IT infrastructure development should be complemented by promoting training programs in digital skills and information on current technologies that could be applied to production processes and marketing channels [5].

Internet usage has a significant influence on diverse facets of society and the personal lives of individuals. The usage of the internet creates both opportunities and challenges for the long-term development of businesses. In this scenario, digital technology may have unexpected consequences for long-term growth [6]. The business climate will continue to be impacted by rising orders, supply chain disruptions, changing consumer behavior, and shop closings [7]. Social media platforms have a growing impact on how merchants sell their products and interact with customers in the age of digital commerce [8]. People have begun engaging in new kinds of social contact as a direct result of the high penetration rate of the Internet [9]. Beyond the scope of the traditional method of conducting business, social media platforms offer a channel through which stakeholders and shareholders may be reached and communicated with [10].

Internet user behavior covers the various acts, activities, and interactions individuals exhibit online. This information carries significant value for businesses, marketers, and researchers, as it facilitates their comprehension of individuals’ internet usage patterns, areas of interest, and levels of engagement across diverse online platforms. Social media analytics
in the retail industry, focusing on the interaction between social media insight, consumer engagement, company prance, and customer engagement, refers to the kind and intensity of a customer's connection with a product or service supplier. In contrast, business performance refers to how such a relationship contributes to the organization's success and profitability [11]. Customer engagement behavior and interaction have a curved connection. Furthermore, tie strength acts as a bridge between interactivity and client involvement behavior [12]. The perceived influencing power of digital influencers not only boosts engagement but also enhances the expected value and behavioral intention toward suggested products [13]. Several marketing repercussions have been considered in social media marketing, including: The effect of the antecedents of consumer brand engagement (telepresence, social presence, and involvement) has received less attention than it deserves [14]. Small businesses with managers and owners that exhibit more individualistic behavior may favor employing Internet marketing and social media activities to promote their firms rather than having face-to-face talks with their potential consumers. This is because these activities provide greater control over the message sent to the target audience [15].

The recent development of the internet has significantly expanded the range of possibilities available to small enterprises, enabling them to establish connections with their customers, optimize their operational processes, and gain access to valuable resources. Customer acquisition is explained by firm-initiated and market-initiated digital communications, which drive new sales and continuously boost digital inbound marketing and paid media [16]. Characteristics of the relationship between a company and a consumer can illustrate the context of the relationship [17]. Use of social media in business-to-business relationships and the conditions under which social media use impacts consumer loyalty [18]. Customer engagement is primarily concerned with the kind and depth of a customer's connection with a product or service provider. In contrast, business performance is primarily concerned with the amount to which such a relationship contributes to the success and prosperity of an organization [11].

Internet use can significantly affect a business's revenue. The increasing use of the internet and its many applications has transformed business practices and consumer interactions. The marketing of a product is often impacted by several elements, such as price, product quality, and brand, to entice buyers to buy it [19]. Numeric and semantic priming supplied through advertising displayed throughout the shopping process might affect customers' online purchasing decisions [20]. When consumers buy online, they do not have the option to try out a product or service before making a purchase. As a result, they frequently look for helpful information that will allow them to make informed judgments about their purchases [21]. A positive and considerable influence on consumer purchasing, particularly among those tech-savvy and social media-prone customers, demonstrated that a successful digital marketing plan involves a practical understanding of the market they are targeting [8].

Following are some essential steps for using the internet for your small business: create a professional website and participate in online sales. Concurrent social media marketing activity may affect website traffic and social media marketing activity may also significantly impact orders and sales [8]. E-commerce web solutions can offer enterprises new sales prospects via online commerce [22]. The essential moderators of the inter-firm market's driving force about business performance and the significance of sustaining a strong brand presence in a marketplace [23]. E-commerce primarily refers to the process of completing business transactions online. In contrast, social commerce refers to the social cooperation between users through sharing product suggestions, expert advice, opinions, and reviews as an essential component in determining their online purchase decisions [24].

An efficient strategy to reach a wider audience and engage more consumers is using the internet to present a small business and its products. Feelings of expertise, excitement, and growth are all possible outcomes of digital marketing for small businesses [25]. Emerging market governments take several steps to support small businesses in going digital. Small businesses would be safer in global marketplaces if they could adopt the new digital standard more quickly [26]. A digital marketing effort is an attempt to advertise a product. The use of technology in all processes is a defining feature of digital marketing. This has been shown to boost the selling power of items, particularly those from small businesses [27]. It is essential to understand the link between these two factors to build marketing strategies that are more focused and cost-efficient and ultimately to grow the existing client base and increase customer satisfaction [23].

Using the internet to boost sales for small businesses can be a highly effective strategy. Consumer desire to
purchase in social commerce may be increased through trust in a social network community [28]. Long-term followers of trustworthy influencers who care about their followers and have competence on the issue are more likely to purchase the highlighted items [29]. Through social media, businesses may interact with their customers, raise brand recognition, change consumer behavior, get customer feedback, enhance their present goods and services, and boost sales [14]. The vividness that results from increased customer interaction, imagery, and elaboration may be prompted by a company's social presence, which eventually results in increased sales [30].

In fact, with their internet presence, some small businesses need a significant rise in sales. Social media increases website traffic but only significantly improves sales or orders of products [8]. The results indicate that perceived utility, simplicity of use, and compatibility positively affect the impact of social media marketing after small business adoption. In the use of social media marketing by small businesses, facilitating conditions have a minimal effect, whereas cost has a significant and negative impact [31]. Positive economic feedback occurs in the presence of growing returns to scale, which emerges from unit cost decline when output grows. However, constraints associated with obtaining economies of scale in e-commerce in small developing nations are widely acknowledged [32]. Building trust in the company and cultivating a positive attitude toward the brand should be a higher priority for small businesses with little to no market presence if they want their growth to be sustainable [9]. APJII conveyed the results of the 2023 Internet Use Survey by MSMEs and Corporations, that estimates of small business sales growth over the Internet could be more optimal, and some have yet to rise in sales.

2. RESEARCH METHODS

This study used a qualitative research method with a comprehensive literature review approach. The literature means materials that have been published and examines recent or current literature, and review articles can cover a wide range of topics at varying levels of depth and comprehensiveness based on literature evaluations that may contain research findings [33]. It also provides an overview of the variables investigated in each group of research subjects being compared; thus, descriptive analysis is required. Descriptive analysis provides a more complete description of a symptom or phenomenon, and it has the potential to show patterns about the phenomena raised [34]. An integrated literature review requires a thorough screening and selection of information sources to ensure the quality and correctness of the data analyzed and presented [35].

The present study utilizes secondary data from APJII and SCOPUS, the scientific paper database that is a highly regarded peer-reviewed platform within the academic community. Nevertheless, it is essential to realize that this study is limited in scope since it focuses exclusively on the SCOPUS database, excluding other academic databases [35].

The data collection for this study was assisted by using PoP (Publish-or-Perish) software. Filtering of the collected data was conducted using the following criteria: 1) The year of publication of the journal article was limited to the time series data spanning from 2018 to 2023; 2) The selection of titles and abstracts was based on the inclusion of keywords related to internet usage, sales, small business, digital marketing, e-commerce, and marketplaces; 3) The relevance of the articles was also evaluated based on their high citation rank and alignment with the study's topic. The 20 scientific publications undergo a narrative analysis to explore their content and potential common themes [35].

3. RESULT AND DISCUSSION

Table 1. Estimated Increase in Sales of Micro and Small Businesses When Using the Internet (Internet Use Survey by MSMEs and Corporations 2023 - APJII)

<table>
<thead>
<tr>
<th>Sales</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased more than two times</td>
<td>20.66 %</td>
</tr>
<tr>
<td>Increased, but less than two times</td>
<td>40.03 %</td>
</tr>
<tr>
<td>Remain</td>
<td>39.31 %</td>
</tr>
</tbody>
</table>

Table 2. Frequency of Making Online Transactions (Internet Penetration and Behavior Survey 2023 - APJII)

<table>
<thead>
<tr>
<th>Online Transaction</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than ten times per month</td>
<td>1.12 %</td>
</tr>
<tr>
<td>Between 5 – 10 times per month</td>
<td>4.73 %</td>
</tr>
<tr>
<td>Less than four times per month</td>
<td>43.68 %</td>
</tr>
<tr>
<td>Never</td>
<td>50.47 %</td>
</tr>
</tbody>
</table>
Table 3. Reasons to Make a Purchase Online (Internet Penetration and Behavior Survey 2023 - APJII)

<table>
<thead>
<tr>
<th>Reason</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lots of pricing options</td>
<td>0.14%</td>
</tr>
<tr>
<td>Easily compare items to be purchased</td>
<td>8.00%</td>
</tr>
<tr>
<td>Save time</td>
<td>8.26%</td>
</tr>
<tr>
<td>It can be done anywhere</td>
<td>15.77%</td>
</tr>
<tr>
<td>Faster and more practical</td>
<td>17.87%</td>
</tr>
<tr>
<td>Much lower price</td>
<td>20.72%</td>
</tr>
<tr>
<td>Lots of discounts and promos</td>
<td>29.24%</td>
</tr>
</tbody>
</table>

Table 4. Reasons to Never Buy Online (Internet Penetration and Behavior Survey 2023 - APJII)

<table>
<thead>
<tr>
<th>Reason</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipping costs are expensive</td>
<td>0.01%</td>
</tr>
<tr>
<td>Less guaranteed safety of the goods</td>
<td>0.01%</td>
</tr>
<tr>
<td>Address not reachable by courier</td>
<td>0.05%</td>
</tr>
<tr>
<td>Frequently problematic applications</td>
<td>0.08%</td>
</tr>
<tr>
<td>Not interested</td>
<td>0.13%</td>
</tr>
<tr>
<td>Many Scams</td>
<td>0.13%</td>
</tr>
<tr>
<td>The item does not match the picture</td>
<td>0.19%</td>
</tr>
<tr>
<td>The delivery time is relatively long</td>
<td>3.73%</td>
</tr>
<tr>
<td>Complicated payment methods</td>
<td>9.76%</td>
</tr>
<tr>
<td>I can’t use the application yet</td>
<td>10.52%</td>
</tr>
<tr>
<td>Do not know</td>
<td>11.80%</td>
</tr>
<tr>
<td>Prefer direct shopping to view products</td>
<td>63.59%</td>
</tr>
</tbody>
</table>

APJII conveyed the results of the 2023 Internet Use Survey by MSMEs and Corporations: approximately 39.31% of small businesses that use the Internet still need to increase sales. The results of another survey regarding sales and promotion through Internet media show that 41.98% of small businesses already have a website, and 82.10% have made sales and promotions through social media. This is influenced by consumer behavior that still prefers to shop directly to see the products purchased by 63.59% of internet users in Indonesia and by the presence of consumers who cannot use online shopping applications as many as 10.52% of internet users in Indonesia.

3.1. E-commerce and Consumer Behavior

E-commerce refers to the commercial transaction of products and services facilitated via telecommunication and telecommunication-based technologies, namely the Internet [32]. E-commerce platforms are online marketplaces where consumers can explore and purchase various items without visiting real businesses, making them inexpensive and convenient. Consumer involvement and engagement in internet-based settings are critical to the success of e-commerce. E-commerce involves the online purchase and sale of goods and services. As a result, e-commerce websites are online portals where these transactions occur, allowing for the transfer of product ownership and monetary and information transmission. They are online stores where customers may choose items and services and then pay and check out while waiting for delivery [36]. Small businesses should ensure that web design and interface aspects, including language, color, contrast, layout and placement, size and shape, and texture, are appropriate for increasing efficiency and user-friendliness. Furthermore, visitors’ propensity to connect with the many items offered and spend more time on the platform may be increased by aesthetics, consistency, clarity, concision, and responsiveness [37].

Customers’ purchasing habits and intents have been impacted by global technology trends and breakthroughs, leading to an increased inclination towards online purchases and the collection of product information. This shift is mainly driven by the perceived convenience and cost reduction associated with online shopping [38]. The availability of product-related information and pricing influences online customers’ actions and purchase intent. Consumers may use the internet to compare product pricing, read user reviews and suggestions, and seek items that provide the required services [39]. E-commerce uses software to build profiles of consumers by figuring out what they like and are interested in so that the right products can be suggested. First, these technologies help solve problems caused by the fact that there is too much information online, which can be frustrating and confusing for customers looking for company data to help them make decisions [40]. The success of marketing communications may be directly attributed to the contributions made by content marketing. Some of the research that has been done on the subject suggests
that the expression of feelings in a message can have a sizeable impact on customer behavior [41].

3.2. Marketing Strategies

Small businesses can use Facebook, Tik Tok, Twitter, and other social media sites to sell on social media. Interactive brand postings received more responses than informational message content. For informational appeal, Twitter was more successful. According to the findings, Facebook was better suited for interactive entertainment postings, while Instagram was better suited for interactive material combining informative-entertainment attractions. On Facebook and Instagram, interactive brand postings with mixed appeals earned the most reactions, while a self-oriented message with informative appeal received the least [42]. Using emotions in content marketing may provide a competitive edge and boost brand equity. Some research investigated how businesses should distribute their movies [10]. Conducted a scenario-based experiment with 462 participants and used social impact theory to argue that a live streaming-oriented strategy is more accurate in the eyes of consumers than pre-recorded films by improving customer seeking and subscription intention [43]. Message structure (interactivity, formality, and immediacy) substantially impacts customer behavior, such as brand attitude, company trust, and purchase intention [9].

3.3. Segmentation

Individual variances in behavior, psychology, and requirements are all affected by gender. As a result, marketers must develop and disseminate promotional messages that meet the concerns of each gender group by the target market segment that the organization has identified. Marketing is a tool businesses use to inform their target customers and raise awareness about the firm and the products and services linked with it. As a result, marketing material is essential for conveying an organization's value to customers and swaying their purchase decisions [41]. The promotional messages sent out to online shoppers should be unique to ensure fresh and appropriate differences from competitors to boost trust and develop online connections. E-commerce websites were utilized by a significant portion of internet users just for product investigation rather than actual product purchases [44]. While businesses tend to capitalize on the ease of use provided by online environments and their attraction to customers, they must create goods and services that guarantee extra applicable benefits [45]. For instance, the price of some things sold through traditional retail channels is lower than that of other online products. These unfavorable aspects influence the impressions of e-commerce held by users of the internet and damage confidence. E-marketing should, as a result, address this vacuum by giving correct and trustworthy information on the benefits of utilizing a business's e-commerce platforms and how they differ from other platforms. This information should be provided on the e-commerce platforms offered by the firm [46]. One of the marketing strategies that can be done on social media is to build content marketing. Still, before doing so, businesses or online shops must know their target audience and the material they enjoy reading to get fruitful results [41].

4. CONCLUSION

The internet may be a potent instrument for small enterprises to improve their sales. However, obtaining success in this endeavor needs implementing a well-thought-out strategy, substantial investment in online marketing, developing a website intuitive for users, and comprehensive comprehension of the intended demographic. Small businesses may achieve substantial development by effectively addressing difficulties and using the Internet’s full potential. Technological advancement has resulted in digitizing information and non-information items, prompting businesses to rethink their marketing and sales methods. E-commerce is a crucial development due to technical advances that have pushed commerce away from conventional physical storefronts and toward internet-enabled marketplaces. Online companies provide an interactive and information-based customer marketing approach to improve efficiency, experiences, and pleasure. E-commerce websites, for example, include design elements that assure responsiveness, clarity, consistency, and concision to increase interactivity and engagement [36]. Social networking, generally discussed in sociological terms, is considered significant in the digitization of MSMEs because firms invest in social capital via networks to obtain leverage or a competitive advantage on the internet platform [47]. Entrepreneurs may develop themselves by building their social networks and participating in different social media and e-commerce platforms to gather information and gain greater access to knowledge and resources that would otherwise be difficult and difficult to obtain [48]. Better knowledge and characterizing purchasing behavior in the electronic commerce industry may be
accomplished by segmenting online customers into numerous groups. This can lead to a better understanding of the market [49].

5. RECOMMENDATION

It is essential to maintain continuous effort and engage in innovative practices when leveraging the internet to enhance sales for a small business. It is essential to remain well-informed about current developments in digital marketing and consistently modify one's plans to address clients' evolving demands effectively.

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