

# CHAPTER 1

## INTRODUCTION

### 1.1. Background of the Project

In the current industrial world, whether in any case, it must be familiar with the industrial era 4.0, because this era is the use of the internet through the digital marketing production movement in the industrial world today in the business process. Changes occur in the industrial world, one of which is in the business and industrial climate, so that they are able to become more competitive because of the development of this information technology.

Digital marketing is a strategy that is quite potential in Indonesia in facing the competition of the industrial revolution 4.0, this is because Indonesia is in the first position in digital marketing growth reaching 26%, which is then followed by India (20%) in second position, then Russia, Thailand and Mexico. The rapid development of digital marketing in Indonesia is caused by the increase in the population of internet users which has reached 265.4 million people or exceeds almost the entire population of Indonesia. The development of advertising features on social media and online shopping styles are also a major factor in increasing digital-based businesses (Teachfor, 2019).

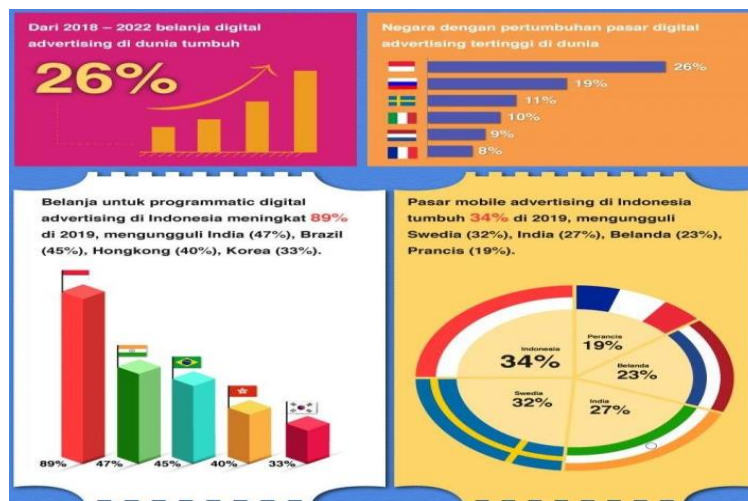


Figure 1.1 Digital Market Growth Chart in the World  
Source: Processed Data 2022

Based on the graph above, it is clear that the predicted growth of digital marketing in the world from 2018-2022 reaches 26% with Indonesia occupying the first position of growth, as well as in relation to the trend of digital program spending which has increased by 89%, as well as the increase in the mobile market which has grown to 34%, so digital marketing is a very appropriate strategy to use to survive in the midst of world market competition in the era of the industrial revolution 4.0.

The issue of the development of the industrial revolution 4.0 has begun to implemented by large and small-scale industry players, but this is a mere assumption that has become a dilemma for business actors, but since 2020, the Covid-19 outbreak phenomenon can cause paralysis in the country's economy (Nirvana, Biduri, 2021). Digital marketing is a promotional activity and market search through digital media online by utilizing various means, such as social networks (Sulaksono, 2020). The virtual world is no longer only able to connect people with devices, but also people with other people all over the world.

Where at this time the implementation of Industry 4.0 has an impact on business changes that started from simple businesses to become modern businesses to adapt to the development of information technology and big data. From the increasing use of digital marketing, the right strategy is needed to attract consumer interest in these products and maintain market share. To be a winner in a competitive competition, steps are needed to excel and be able to compete with competitors. Not only superior in terms of quality but also in terms of marketing. This needs to be done in order to maintain sustainability in the business world.

There are approximately 5 MSMEs under the guidance of PT Pertamina International RU II Sungai Pakning, one of which is a pineapple farmer cooperative, a mangrove cooperative, a honey business, herbal medicine, hand sanitizer and lemongrass products. For the use of digital marketing, partners use a social media platform, namely Tokopedia. However, there are still many MSMEs that still do not fully use the social media or digital marketing platform because the MSME group still sells directly and still markets in the local market in Pakning,

Dumai and Pekanbaru. MSMEs there use the Tokopedia platform for product marketing and are also managed directly by the local BUMDES. Based on the situation analysis, the problems that often occur in MSMEs are the lack of human resources and lack of knowledge about digital marketing and the ability of human resources to create and manage MSMEs, entrepreneurial characteristics that are not fully owned by MSME actors so they cannot focus on industrial development. 4.0, as well as training that has not been maximized due to lack of assistance.

Especially during the COVID-19 pandemic, which made MSMEs in Indonesia suffer a lot, especially in this day and age, e-commerce applications are indeed very possible to get profits quickly without having to spend a lot of money. Therefore, I am here to help SMEs who are lacking in implementing digital marketing in their business, I chose the case study in the MSMEs fostered by PT. The International Refinery Bill II in Pakning River has approximately 5 MSMEs.

This research is expected to be used as material for thought and consideration for MSMEs in making decisions about the marketing strategy of a product. Able to create creative and innovative ideas that can make MSMEs products develop in the market, reduce promotional costs, increase income for MSMEs, make it easier for MSMEs to promote products that are more effective and on target, follow the development and application of revolution 4.0 technology, and improve human resources for businessmen.

So here the author takes the title Implementation of the Digital Marketing Revolution 4.0 in a case study of MSMEs assisted by PT Kilang Pertamina International RU II Sungai Pakning. This will be a solution for every MSME under the auspices of PT Kilang Pertamina in the process of how to implement Digital marketing in the revolution 4.0 era and what platforms will be used to support the implementation process for MSMEs.

Based on the background that has been described, the Author are interested in conducting a study entitled: **“Implementation Marketing 4.0 on MSMEs Fostered Partner of PT Kilang Pertamina International RUU II Sungai Pakning)”**.

## **1.2. Identification of the Project**

Based on the explanation from the background above, the identification of project problems that will be discussed by the Author is as Follows: “Implementation Marketing 4.0 on MSMEs Fostered Partner of PT Kilang Pertamina International RUU II Sungai Pakning)”.

## **1.3. Purpose of The project**

The objectives of this project are divided into 2 (two) namely general project objectives and specific project objectives:

### **1.3.1 The General Project Purpose**

The general objective of the project to be achieved in this final project is to “Implementation Marketing 4.0 on MSMEs Fostered Partner of PT Kilang Pertamina International RUU II Sungai Pakning)”.

### **1.3.2 The Specific Project Purpose**

The specific objectives of the Final Project for Implementation digital marketing in the 4.0 era in MSMEs are as follows:

1. Implementing a digital marketing system for MSMEs To improve the most effective promotional services in product marketing.
2. Assisting in the creation and management of digital marketing and which was attended by all MSMEs assisted by PT Kilang Pertamina International RU II Sungai Pakning.
3. To find out the problems and solutions faced from the initial process of implementing digital marketing to the completion stage

## **1.4 Significance of the study**

The several of the benefits of the Final Project "Implementation Marketing 4.0 on MSMEs" are as follows:

### **1.4.1 Significance for MSMEs**

This research is expected to be used as material for thought and consideration for MSMEs in making decisions about the marketing strategy of a product. Able to create creative and innovative ideas that can make MSME products develop in the

market, reduce promotional costs, increase income for MSMEs, make it easier for MSMEs to promote products that are more effective and on target, follow the development and application of revolution 4.0 technology, and improve human resources for businessmen.

#### **1.4.2 Significance for the Author**

This can be used as additional experience, knowledge and also as a business opportunity to know the process of implementing digital marketing in MSMEs, and also as a guide in completing the Final Project which is one of the requirements for completing Diploma IV in the International Business Administration study program majoring in Business Administration. It is hoped that this Final Project can be used as a means to increase the development of creativity and innovation of writers.

#### **1.4.3 Significance for Participant**

This research is expected to provide insight in the form of a final project that can be used to increase knowledge in studying the activities of the digital marketing implementation process on a product in the 4.0 revolution era and also as a business opportunity for the community.

#### **1.4.4 Significance for Academic**

The benefit of the thesis for the academic community is as a reference material for readers in the field of digital marketing in the 4.0 era, especially in increasing the implementation of digital marketing in existing MSMEs.

### **1.5 Time and Place of Project Implementation**

#### **1.5.1 Place of Project Implementation**

The project implementation for this final project is located in UMKM Pakning fostered by PT Kilang Pertamina Internasional RU II Sungai Pakning, Bengkalis Regency.

#### **1.5.2 Time of Project Implementation**

The implementation of this final project will be carried out in the August, September, November 2022.

## **1.6 Writing Systems**

The systematics of writing the final project Overview on the “Implementation Marketing 4.0 on MSMEs Fostered Partner of PT Kilang Pertamina International RUU II Sungai Pakning)” as follows:

### **CHAPTER 1: INTRODUCTION**

In chapter 1 explains the background of the problem, Project identification, project objectives and then systematics of writing a project in the final project report.

### **CHAPTER 2: LITERATURE REVIEW**

Chapter 2 describes general and specific theories in the final project report, namely for general theory explaining business identification, and for specific theories explaining marketing identification.

### **CHAPTER 3: METHOD AND PROJECT COMPLETION PROCESS**

Chapter 3 describes the identification of project preparation plans, project implementation plans, project completion plans and project reporting plans which include project activity implementation reports and project activity implementation financial reports.

### **CHAPTER 4: RESULTS AND DISCUSSION**

Chapter 4 describes the profile of business activities, project activity implementation reports, which include project preparation, project implementation, project completion, project reporting, and marketing reports.

### **CHAPTER 5: CONCLUSION**

Chapter 5 explains the conclusions and suggestions after the project