

CHAPTER I

INTRODUCTION

1.1 Project Background

Indonesia is a country endowed with abundant natural resources and rich cultural diversity, which create wide opportunities for economic development across various regions. The diversity of local products, culinary traditions, and community creativity forms a strong foundation for business growth. One of the most important sectors that optimizes this potential is Micro, Small, and Medium Enterprises (MSMEs). MSMEs play a strategic role in strengthening the national economy, particularly in developing countries like Indonesia. They contribute significantly to employment generation, poverty reduction, income distribution, and regional economic resilience. MSMEs are widely recognized as the backbone of economic development due to their ability to absorb a large workforce and distribute economic growth more evenly (Saleh and Nelson, 2006 in Hidayat, Lesmana, and Latifah, 2022).

In recent years, the development of MSMEs in Indonesia has shown a rapid increase, especially in the culinary sector. The food and beverage industry has become one of the fastest-growing sectors due to changing consumer lifestyles, increasing urbanization, and the influence of digital media. Consumers are now more interested in innovative products, attractive packaging, and easily accessible services. However, the rapid growth of this sector has also intensified competition among businesses. MSME actors are required not only to maintain product quality but also to develop effective strategies in marketing, innovation, and customer engagement to sustain their businesses in a competitive market.

Alongside entrepreneurship, digital transformation has significantly reshaped business practices. The rapid development of technology has changed how businesses interact with customers and promote their products. Marketing activities are no longer limited to conventional methods but increasingly rely on digital platforms (HeIDrick and Struggles, 2009 in Hendro and Arlinda, 2023). Digital

marketing allows MSMEs to reach broader markets, promote products efficiently, build brand awareness, and maintain customer relationships at relatively low costs. Digital media has been proven to increase sales at both local and international levels (Mubarak et al., 2022) and to support customer interaction and loyalty (Wibowo et al., 2023). Social media platforms, online marketplaces, and digital payment systems provide opportunities for MSMEs to expand their market reach beyond geographical limitations.

However, despite these opportunities, many MSMEs still face limitations in implementing digital marketing strategies effectively. Challenges include limited digital literacy, lack of content creation skills, insufficient understanding of online consumer behavior, and inconsistent promotional activities. In addition, internal constraints such as limited capital, weak financial management, and lack of strategic planning often hinder MSME growth. Externally, increasing competition and changing market trends also demand continuous adaptation. Therefore, research related to MSME development is essential to identify existing problems and formulate appropriate strategies to support sustainable growth (Tejasari, 2008 in Hidayat, Lesmana, and Latifah, 2022).

In Bengkalis Regency, MSMEs play an important role in supporting local economic development and employment opportunities. Most MSMEs in this region are based on local products and culinary creativity. Although they have strong potential, many of them still face obstacles in marketing, limited use of digital platforms, and low public awareness of local brands. This condition indicates the need for strategic interventions that focus on strengthening entrepreneurial capabilities and optimizing digital marketing implementation to improve business performance.

Savory Potatoes and Queen Mango are two culinary MSMEs currently developing in Bengkalis. Savory Potatoes offers innovative potato-based snack products such as Potato Curry, Twist Potato, and Potato Stick, which are characterized by attractive presentation, unique taste, and affordable prices. Meanwhile, Queen Mango focuses on healthy food and beverage products, particularly fresh mango juice and mochi as its flagship products. Both MSMEs

have distinctive product characteristics and promising market potential. Nevertheless, to compete effectively and expand their market reach, they require structured entrepreneurial strategies and consistent digital marketing practices.

The Polbeng Business Expo serves as a strategic platform for MSMEs to introduce their products, interact directly with consumers, apply promotional strategies, and evaluate business performance. Through this event, MSMEs can implement entrepreneurial practices such as opportunity recognition, innovation, customer service improvement, and risk management. Additionally, the expo provides an opportunity to utilize digital marketing tools, including social media promotion, digital payment systems, and online engagement, to increase visibility and sales performance.

Based on the background described above, this research entitled “Increasing Savory Potatoes and Queen Mango Bengkalis MSMEs’ Performance through Entrepreneurship and Digital Marketing at Polbeng Business Expo” aims to analyze how entrepreneurship and digital marketing strategies implemented during the exhibition can improve sales performance, expand market reach, and strengthen business competitiveness. This study is expected to provide practical contributions to MSME development strategies and support sustainable local economic growth in Bengkalis Regency.

1.2 Identification of the Project

1. How to organize the Polbeng business expo chapter II and ensure that the event is a success?
2. How does digital marketing content affect the performance of MSMEs at Polbeng Business Expo Chapter II?

1.3 Purpose of the Project

1.3.1 General Purpose

1. Organizing the Polbeng Business Expo Chapter II so that the event can run successfully.
2. This study focuses on the implementation of branding and marketing strategies to support MSME growth at the Polbeng Business Expo Chapter II.

1.3.2. Specific Purpose.

The specific project objectives that are expected to be achieved in writing in this final project are as follows:

1. To create and complete 2 business profile videos and provide certificates to MSME tenants as a form of appreciation and documentation.
2. To post 30 promotional videos for tenants on social media platforms as part of digital marketing efforts
3. To publish 30 digital product catalogs for tenants on social media to increase product visibility.
4. To implement and complete social media promotion activities on selected platforms prior to the Polbeng Business Expo Chapter II.
5. To support MSMEs through the successful implementation of QRIS as a digital payment system.
6. To prepare and complete financial reports for MSME tenants, both before and during the exhibition period.

1.4 Significance of the Project

Everything that is done must have benefits, as well as the benefits of the final project “Increasing Savory Potatoes and Queen Mango Bengkalis MSME’s Performance through Entrepreneurship, and Digital Marketing at Polbeng Business Expo Chapter II” are as follows:

1. For Entrepreneurs

From this project, it is expected to make a significant contribution to the development of Savory Potatoes and Queen Mango Bengkalis MSMEs, enabling both brands to become better known to the public in terms of product quality and brand identity. This increased recognition is expected to expand their market reach and strengthen their position in an increasingly competitive business environment.

2. For Author

The outcome of this project is the enhancement of practical understanding in implementing theoretical concepts obtained during academic lectures,

particularly in the areas of entrepreneurship and event management. Through this project, theoretical knowledge related to business and entrepreneurial management is applied in real-world conditions, enabling a deeper comprehension of the entrepreneurial process. Furthermore, the project provides valuable insights into key success factors in entrepreneurship, including market assessment, effective marketing strategies, efficient resource utilization, innovation capability, and risk management. These experiences contribute significantly to the development of managerial and entrepreneurial competencies.

3. For Universities

This project strengthens the role of the State Polytechnic of Bengkalis in supporting MSME development and highlights the institution's contribution to fostering student competencies and promoting local economic growth through practical and community-based activities.

1.5 Time and Place of Project Implementation

1. Time of Project Implementation

The Polbeng Business Exhibition Chapter II will be held on May 20-21, 2025, and will last for 3 days.

2. Place of Project Implementation

The project took place at the courtyard of the State Polytechnic of Bengkalis campus on Bathin Alam Street, Bengkalis District, Bengkalis Regency, Riau.

1.6 Writing System

CHAPTER I : INTRODUCTION

In this chapter the author explains the background of MSMEs, the aims of the Expo and the benefits of holding the Expo for MSMEs, the place and time of the Expo, as well as the systematics of writing project reports in the thesis.

CHAPTER II : LITERATURE REVIEW

In this chapter the author explains theories that are relevant to the main material in the Final Project, namely the basic concepts

of MSMEs, the importance of branding and promotion, as well as the benefits and challenges faced by MSMEs in participating in the Expo

CHAPTER III : METHODS AND ACCOMPLISHMENT PROCESS

In this chapter, the author will describe the plan with a project implementation diagram, then proceed with the implementation plan, implementation process, and project implementation report. Then followed a schedule of estimated costs incurred to make the expo a success.

CHAPTER IV : RESULTS AND DISCUSSION

In this chapter, the author will describe the plan with a project implementation diagram, then proceed with the implementation plan, implementation process, and project implementation report. Then followed a schedule of estimated costs incurred to make the expo a success.

CHAPTER V : CONCLUSIONS AND RECOMMENDATIONS

This chapter contains a summary of the results of the previous chapters written as a conclusion as well as suggestions for improvement instead of writing.

REFERENCES

ATTACHMENT

WRITER BIOGRAPHY