

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 Background of the Project**

Hany Cake MSMEs are MSMEs engaged in the production of cakes and biscuits, this Business was established in 2013. The owner of this MSME started his business when he was in high school, he started the business when he was still in Palembang, he got his customers from people who ordered, he hopes that with this mentoring activity, the business he runs will be successful and smooth.

Micro, Small, and Medium Enterprises (MSMEs) are sectors that play an important role in the development of the Indonesian economy and have a high enough potential to improve economic welfare, both national and regional economies. MSMEs also play a role in efforts to decentralize or equitably distribute economic development, this is because MSMEs are a support for the country's economic growth starting from growth in each region. In addition, the existence of small and medium enterprises helps in providing and expanding jobs so that it can reduce the unemployment rate, especially in the areas where the MSMEs are located (Mudjiarto, 2019).

Based on the statement (Pakpahan, 2020) that MSMEs that dominate the Indonesian economy need special attention because of their huge contribution to the national economy. There are three important aspects that are highly dependent on MSMEs, namely means of lifting people from the abyss of poverty, means of equitable distribution of the economic level, especially for small communities, and providing foreign exchange for the state (Prasetyo & Huda, 2019).

In the current modern era, it turns out that there are still many MSMEs that are slow in their development process. There are many obstacles faced by business actors such as lack of capital, lack of knowledge about raw materials, marketing strategies that can be said to be still old-fashioned, namely word of mouth, to the lack of innovations that should be carried out to keep up with the times. As a

solution to these problems, assistance and empowerment of MSMEs are needed to increase competitiveness and endurance so that they are ready to face challenges in the future. Business actors must prepare themselves for various challenges that may shake their businesses such as economic crises and so on. With the empowerment of MSMEs, it is also hoped that it can improve the ability of MSMEs to eradicate poverty and lack of jobs (Agusti et al., 2022)

Digital marketing has been proven to increase MSME income. MSME actors who use digital marketing can increase their income with unlimited time efficiency. This is proven after MSMEs decided to use digital marketing to increase the income of these MSMEs. And digital marketing is also able to increase revenue with unlimited time efficiency.

Digital marketing has been proven to increase MSME income. MSME actors who use digital marketing can increase their income with unlimited time efficiency. Digital marketing also has a significant effect on increasing MSME income. MSME actors are greatly helped in all aspects of business activities carried out through digital marketing.

The costs that must be incurred for promotions and other marketing activities through digital marketing are cheaper than the costs that will be incurred if done traditionally/conventionally. The use of digital marketing has helped MSME players in marketing their products, expanding their market share, and minimizing the promotional costs they incur.

This mentorship program provides useful resources and help to MSMEs (Micro, Small, and Medium Enterprises) looking to boost their digital marketing efforts. This program provides extensive training sessions on a number of tools and approaches, as well as personalized mentoring and continuing support, to equip participants with the skills and knowledge required to successfully traverse the complexity of digital marketing.

From goal setting to strategy development and effective implementation, this hands-on approach appears to be customized to the specific needs and challenges that MSMEs encounter in the digital environment. It's encouraging to

see efforts that attempt to help small businesses prosper in an increasingly competitive online world.

In addition, this project also aims to identify the challenges faced by MSMEs in implementing digital marketing, so from the background above,. It is estimated that by understanding the advantages and disadvantages of the company as well as external possibilities and threats, the right solution to use digital technology to increase market reach and increase the competitiveness of Hany Cake goods will be developed by the researcher will raise the title, namely : **“Digital Marketing Assistance For MSMEs Assisted by PHR-Polbeng in Duri, Mandau District (Case study Hany Cake MSMEs and Dadang Bersaudara MSMEs)”**.

## **1.2 Identification of the Project**

How to conduct digital marketing activities at the Hany Cake MSMEs in Duri, Mandau District

## **1.3 Purpose of the Project**

The purpose of this project are divided to into 2 (two), namely the main purpose and specific purpose. Thr purpose of the project are as follows :

### **1.3.1 General Purpose of the project**

Conducting digital marketing activities at Hany Cake MSMEs in Duri, Mandau District.

### **1.3.2 Specific Purpose of the project**

1. Provide assistance to Hany Cake MSMEs and Dadang Bersaudara MSMEs in Duri, Mandau District.
2. Conducting digital marketing to Hany Cake MSMEs and Dadang Bersaudara MSMEs in Duri, Mandau District.
3. Create a profile video to Hany Cake MSMEs in Duri, Mandau District.
4. Create a catalog product to Hany Cake MSMEs in Duri, Mandau District.
5. Create a logbook digital marketing to Hany Cake MSMEs in Duri, Mandau District.

#### **1.4 Significance of the Project**

This project is significant for several:

1. For MSMEs : Providing practical guidance and strategies that MSMEs can implement to improve their digital marketing effectiveness.
2. For PHR Polbeng : Providing useful data and feedback to enhance their mentorship and digital marketing training programs.
3. For Academics : Adding to the literature and research on the implementation of digital marketing in MSMEs in Indonesia, particularly in the culinary sector.
4. For Authors : Contributing to professional development and establishing expertise in the field of MSME digital marketing, particularly within the Indonesian culinary sector.

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

This project focuses on increasing the effectiveness of digital marketing of Hany Cake MSMEs in Duri, Mandau District, which is mentored by PHR Polbeng. The project will be implemented over a period of three months, from August to October 2024.

#### **1.6 Writing System**

The writing systematics carried out for the project Digital Marketing Assistance Fostered by PHR-Polbeng in Duri, Mandau Sub-District (Heny Cake MSMEs and Dadang Bersaudara MSMEs Case Study ) are as follows :

### **CHAPTER 1 : INTRODUCTION**

This chapter introduces the project by providing background information and identifying the project's key elements. It outlines the project's purpose, motivations, and intended goals, highlighting its significance and potential impact. The chapter specifies the time and place of the project implementation, detailing the scope and context. Additionally, it describes the writing system used for consistency and readability throughout the document.

## **CHAPTER 2 : LITERATURE REVIEW**

This chapter reviews theoretical foundations and existing research related to the project. It defines digital marketing and its theoretical perspectives. It examines the role of digital marketing in developing MSMEs, using case studies from Indonesia. The chapter also explores various mentorship programs and their impacts on MSMEs, highlighting effective practices and lessons learned.

## **CHAPTER 3 : METHOD AND ACCOMPLISHMENT PROCESS**

This chapter outlines the research approach, design, and participants. It describes data collection methods and tools used to gather information. Finally, it explains how the data will be analyzed for insights.

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

This chapter presents the research findings and provides an in-depth analysis. It begins with an analysis of the internal and external conditions affecting MSMEs. It evaluates the effectiveness of digital marketing strategies and their impact on businesses. The chapter also analyzes the impact of PHR Polbeng's mentorship program, integrating the findings with the literature reviewed to discuss their implications.

## **CHAPTER 5 : CONCLUSION AND SUGGESTION**

This chapter summarizes key research findings and provides actionable insights. It offers conclusions and recommendations for MSMEs, PHR Polbeng, and other stakeholders to enhance digital marketing and mentorship programs.