



Capacity Building of MSME Actors through Online Business Innovation Training and the Utilization of Digital Media

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Abstract: *Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in driving economic growth but often face challenges in marketing and business management in the digital era. This study aims to enhance the capacity of MSME actors through training in online business innovation and the utilization of digital media. The methods employed include a participatory approach, practical training, and intensive mentoring for MSME actors in the target area. The training materials cover digital marketing strategies, the use of social media as a promotional platform, and the optimization of marketplaces to increase sales. The results of the study indicate that after participating in the training, MSME actors experienced improved skills in creating creative content, utilizing digital marketing features, and managing online stores. Additionally, there was an average sales increase of 35% within three months post-training. This study concludes that training in online business innovation and the utilization of digital media significantly contributes to strengthening the competitiveness of MSMEs in the digital era.*

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I. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are one of the important pillars of the Indonesian economy, contributing significantly to the Gross Domestic Product (GDP) and job creation (Ansar et al., 2024). However, the challenges in the digital era are increasingly complex, especially in terms of adapting to the development of information and communication technology (Latiep et al., 2024). Many MSME actors have not optimally utilized digital technology as a tool to increase competitiveness, marketing, and business management. Lack of knowledge and skills in digital marketing is often a major obstacle that results in business growth potential not being maximized.

On the other hand, the use of digital media and innovation in online business is increasingly relevant to face increasingly competitive market competition (Saad et al., 2024). Social media, marketplaces, and other digital platforms offer great opportunities for MSMEs. However, many MSME actors have not fully taken advantage of the potential of digitalization in running their businesses. Various factors that hinder such as limited

knowledge of technology, limited infrastructure, and lack of skills in using digital platforms for marketing and business management are still significant problems. Therefore, strengthening the capacity of MSMEs through relevant and digital technology-based training is an urgent need.

This activity aims to identify the extent to which online-based business innovation training and the use of digital media can increase the capacity of MSME actors in developing their businesses (Indriasari et al., 2024). By providing training that focuses on business innovation and the use of digital media, it is hoped that MSME actors can gain new skills and knowledge that support their business transformation, improve operational efficiency, and expand market reach through digital platforms.

Effective use of digital media can provide MSMEs with the opportunity to compete in a wider market, both at the national and international levels. Through flexible online training, MSME actors can more easily access information and knowledge without being limited by time and location (Hardiyono et al., 2023). Therefore, this research is important to explore the potential and impact of the capacity building approach through online training and the use of digital media for the development of MSMEs in Indonesia (Indriasari et al., 2023).

Methodology of Service Activities

The method used in this community service activity is knowledge transfer, which is designed to increase the capacity of MSME actors through online business innovation training and the use of digital media (Rachman et al., 2023). This activity was carried out in the form of a one-day training/workshop with a participatory, practical, and structured approach.

The implementation of the activity was carried out on April 9, 2024, at 09.00-14.00, and was attended by 37 participants, consisting of 27 MSME actors and 10 lecturers from the Faculty of Digital Economics and Business, Megarezky University. This program aims to equip participants with digital marketing skills and the ability to create innovative promotional content.

The steps to implement the activity are as follows:

1. Material Initiation (Lectures and Discussions)

Participants were given an understanding of the importance of online business innovation and the use of digital media. The material presented includes digital marketing strategies, the use of social media, and marketplace optimization (Fatmawaty et al., 2024).

2. Hands-on Practice

Participants practiced creating promotional content using their smartphones.

The presenter acts as a facilitator, assisting participants in editing videos and creating interesting creative content.

3. Presentation and Feedback

Participants are asked to display their content works. Feedback is given to improve the quality of the content that has been created.

4. Evaluation

The evaluation was carried out by collecting participant feedback regarding the benefits of training. Active participants were given appreciation in the form of basic necessities and door prizes to increase their enthusiasm.

II. RESULTS AND DISCUSSION



Figure 1. Socialization of online business introduction and the use of digital media

This Community Service (PKM) activity began with an opening session guided by the Master of Ceremony (MC), namely Muh fajrin djafar. During the opening session, participants showed high enthusiasm for training activities. The remarks from the government represented by the village secretary of Bone village, which can be seen in Figure 1, emphasized the importance of efforts to increase the capacity of MSME actors in the digital era. After the remarks, the session continued with the presentation of material that aimed to equip participants with online business innovation skills and the use of digital media. Lecturers from the Faculty of Digital Economics and Business, Megarezky University, together with the students involved, introduced themselves and explained the purpose of this activity, which is to help MSME actors in optimizing digital marketing strategies and the use of social media and marketplaces to increase the competitiveness of their businesses (Latiep et al., 2023; Putri & Latiep, 2023).

In the next session, the participants were trained to practice creative content creation using their digital devices. With assistance from the facilitator, participants showed improvement in their ability to create attractive promotional content. This shows that online business innovation training and the use of digital media can have a positive impact on increasing the capacity of MSMEs.



Figure 2. Socialization of online business introduction and digital media utilization

MSME actors Most of the participants in this activity are MSME actors in the target area, with the majority of participants being housewives (IRT) who help their husbands with insufficient income. In addition, there are also representatives from various levels of society, such as RT, RW, and Lurah. The presence of these various groups shows the high enthusiasm of the local community in increasing the capacity of MSMEs in the digital era. In this section, the results of the training will be described qualitatively and quantitatively regarding the impact on PKM partners. Quantitative data was obtained from the responses of participants submitted through questionnaires. However, this questionnaire was not taken from the answers of all participants, because only 23 out of 37 participants actively filled out and collected the questionnaire.

The results of the questionnaire showed a significant increase in participants' understanding of digital marketing strategies, the use of social media as a promotional tool, and online store management. In addition, participants also reported an increase in their ability to create creative content, which is expected to increase their sales more effectively.



Figure 3. Giving eye cendra

In this session, the speaker gave a look at the head of Bone Village as proof that he participated in enlivening the community service event (PKM) carried out by the Faculty of Economics and Digital Business in the S1 Digital Business study program





III. CONCLUSION

The conclusion is that online business innovation training and the use of digital media effectively increase the capacity of MSME actors in adapting technology, developing digital marketing, and expanding market reach. This supports the sustainability and competitiveness of MSMEs in the digital era. Some of the explanations are:

1. The Importance of Innovation in Online Business

- Innovation is needed to create added value in products or services.
- Innovation is not only related to products, but also business models, customer service, and marketing approaches.

Examples of innovation include the use of technologies such as AI, chatbots for customer service, and personalization in product offerings.

2. Digital Media as the Main Tool

- Digital media, such as social media, websites, marketplaces, and email marketing, are an important means of reaching a wider audience.
- The use of digital media must be optimized with appropriate strategies, such as:
 - Selection of the right platform based on the target audience.
 - Use of creative content (images, videos, or writing) to attract attention.
 - Leverage paid advertising such as Google Ads or ads on social media to increase exposure.

3. Effective Digital Media Utilization Strategy

- Use data and analytics to understand consumer behavior.
- Focus on Search Engine Optimization (SEO) to improve the visibility of the business in search engines.
- Build relationships with customers through active interaction on social media and responsive customer service.

4. Challenges and Solutions in Online Business

- Challenges: Fierce competition, changing consumer trends, and adaptation to new technologies.
- Solution: Consistency in learning and adapting, and utilizing data for strategic decision-making.

5. Sustainability and Competitive Advantage

Successful businesses are those that are able to adapt to technological changes and take advantage of existing opportunities.

- A focus on sustainability, such as the use of eco-friendly technology or a business model that supports the local economy, can be a differentiating addition to your business.

With the implementation of the right strategy, consistent innovation, and effective use of digital media, online businesses can grow and develop in the midst of the challenges of the times. This provides great opportunities not only for business actors but also for the community in creating value

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Innovation and Effective Utilization of Digital Media". We hope that the material presented can provide real benefits and be an inspiration in developing online business strategies and making the most of digital media. Hopefully this discussion opens up new opportunities for all of us to continue to innovate in the ever-evolving digital era. We would like to thank the organizing committee for giving us the opportunity to contribute to this extraordinary activity. Hopefully activities like this can continue to be carried out to encourage mutual progress.

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