



Adoption Of Social Media And E Commerce Platforms As Development Strategies For Msmes

Ishita Soni

Research Scholar, Department of Commerce and Business Administration, University of Allahabad

Abstract

Since online sales are now the most popular and can be accessed from any location at any time given that they possess internet connectivity, any customer in digital era will choose them. Because they can pick up their products without having to travel to the company location, customers enjoy the ease of online shopping. The majority of MSMEs marketing procedures really still depend on traditional transaction recording techniques and manual transaction processing systems for direct purchases. One study target aimed at resolving the insufficiency of MSMEs in adapting to information technology is the implementation of an e-commerce information system for MSMEs, which would facilitate online transactions for both MSMEs and customers and enable MSMEs to adjust to the digital era. The analysis results shows the electronic commerce system's features are tailored to the analysis of user needs. For example, the system has features for products, ordering, transaction details, and reports that make it easier for customers to make purchases through the e-commerce system. This means that the system has superior features to enhance the quality of MSME services and keep customers loyal so that online transactions can be conducted. In order to boost MSMEs' expansion in the digital age, this study suggests maximizing analytics fuelled digital media tactics along with collaborations regional platforms. In order aimed to understand how social media and e-commerce are transforming marketing techniques among Indian MSMEs, this article offers a multi-theoretical framework.

Keywords:

Micro, Small, and Medium Enterprises , Development strategies, Social Media, E Commerce platforms.

Introduction

In the digital age, information technology is used in almost every company's operational operations. In particular, the internet is used in a number of ways to assist commercial activity. Many human initiatives have benefited from information technology, especially those of MSME. MSMEs are important to the rise and progression of the economy. An increase in microbusinesses leads to an increase in employment and revenue opportunities. Due to their big workforce, MSMEs are essential to the government's efforts to fight unemployment and poverty. MSMEs (UMKM) is trade company that is owned and operated by certain companies or people with the goal of increasing economic productivity. Law No. 20 of 2008 on Small and Medium Sized enterprises governs this. Because it does not need a significant amount of capital and is consequently flexible—anyone may start a business—this commercial activity is vital to the economy. SME firms may gain advantages from the sales transaction process as they expand. Since online sales are now the most popular and can be accessed from any location at any time given the availability of internet access, any customer in digital era will choose them. Because they may pick up their products without having to travel to the store, customers enjoy the ease of online shopping. This makes it possible to reach a wider audience and run promotions at the right moment to increase sales volume. Based on the size and scope of their activities, SMEs as well as MSMEs are two distinct groups. There are significant distinctions between the two terms, though: the latter's definition differs from nation to nation, but in general, they are lesser in size than SMEs, employ fewer people, having diminished yearly turnover. Instance, in India, a small enterprise can hire up to 50 people and have a sales of up to 50 million rupees (about US\$ 680,000), whereas a micro level business can hire up to 10 persons and have a turnover of up to 5 million. SMEs, on the other hand, are bigger than MSMEs, employ more people, and have a greater yearly turnover. Enterprises up to 200 workers and yearly income of 498 crore rupees are classified as SMEs by EU. putting these strategies into practice because it is quickly becoming a vital technological tool for customer service, business expansion, competitive response, and cost reduction MSMEs and established enterprises still differ greatly, even with the notable expansion of global e-commerce.

According to the results of a prior research (Yacob et al., 2021), of a sample of 40 MSMEs, 34 were small enterprises (85%) and six were medium-sized firms (15%), and all of them were actively dealing through e-commerce. These findings highlight how underutilized commercial activities—particularly e-commerce—are among Jambi's MSMEs. Because most SME owners have a negative opinion of using media and E Commerce to encourage their businesses, this element needs extra attention. According to Shah and Ahmad (2019), entrepreneurial attitude makes a big difference. Systematic study on the performance advantages of media adoption and E Commerce strategy for MSMEs in India's emerging markets is still lacking.

Literature review

Depending on its usage and interpretation, social media can be defined in a variety of ways (Kietzmann et al., 2011). Because of its readability and simplicity, this study uses the definition provided by Kaplan and Haenlein (2010). Social networking sites, as per Kaplan and Haenlein (2010), is "a collection of Internet-based applications built on the ideological and fundamental principles of Web 2.0 technology, facilitating the creation and exchange of user-generated content." By improving communication and supply chain logistics management, encouraging information sharing, and fortifying ties with trading partners, social media may help organizations thrive when used properly (Humphrey et al., 2003). Social networking adoption its effects on MSMEs' output in both developed and developing nations have been the subject of several studies. For a nation to advance, it is crucial to understand that extrapolating earlier research in this situation is challenging (Dewan & Kraemer, 2000). Organizations can benefit greatly from social media in terms of a brand's reputation, relationships, and brand equity (Kim & Ko, 2012); in addition, social media can enhance digital advertising and promotion, raise the bar for customer service, stimulate creative thinking, and improve customer relations (Solis, 2010). More precisely, social media is essential for improving organizational services in addition to the previously described advantages (Parveen et al., 2014). E-commerce is the process of purchasing, selling, or trading goods, services, and information via the internet and other paperless media (Turbman, King, MacKay, Marshall, Lee, and Viehland, 2008). Any commercial or economic activity that uses ICT-based applications to allow transactions between businesses, business-to-business (B2B), people, customers to customers (C2C), or business to customers (B2C) is referred to as e-commerce by Huy and Filiatrault (2006). That's why, E Commerce is the result used to describe integration for many new as well as existing technological applications in commerce activities. E-commerce technology grew rapidly once the internet and web were made commercially available in the late 1990s, and it has continued to expand to this day (Heng, 2003). E-commerce platform use has appeared as a key plan for businesses trying to grow their market share. MSMEs may get beyond traditional barriers and connect with a global clientele thanks to the global marketplace that e-commerce generates. Businesses can operate 24/7 thanks to E Commerce platforms, that too provide customers unprecedented access. Even though studies worldwide have shown a positive correlation between the adoption of e-commerce and increased market reach, the complexities of the Indonesian market pose unique opportunities and challenges (Amalia Putri et al., 2023; Ananda et al., 2023; Bening et al., 2023). A more thorough understanding of E Commerce impacts MSMEs market access in various sectors and locales is necessary due to the variety of the archipelago.

Objectives

The following objectives guided this study:

- To assess how performance of MSME sector is affected by the incorporation of e-commerce.
- To ascertain how social media integration affects companies' performance in the MSME sector.

Research questions

- How does the efficiency of businesses in MSME sector be affected by the incorporation of e-commerce?
- How does social media integration affects businesses' performance in the MSME sector?

Research method

The Systematic Literature Review technique is utilised in this study to collect, assess, and outline scientific results about how e-commerce and digital media marketing affects the marketing effectiveness and long-term feasibility of MSMEs. SLR was selected because it minimizes bias and offers a thorough picture based on prior research by enabling systematic, transparent, and organized analysis. In order to address the study topic of how e-commerce and digital marketing support the development of MSMEs, this method guarantees that all pertinent data is carefully taken into account. Establishing inclusion and exclusion criteria to choose pertinent research is the first step in the SLR process. Scientific studies, reports, or scholarly publications that use empirical data in English or Indonesian that concentrate on digital media marketing, E Commerce, marketing outcome, and MSME endurance and are published between 2019 and 2025 are eligible to be included. Excluded studies include those that are in other languages, irrelevant, or non-empirical. Databases including Scopus, Google Scholar, and Emerald were used to search for literature using keywords like "digital marketing," "e-commerce," "UMKM," "marketing performance," and "business sustainability." Three steps were engaged in the selecting process: (1) preliminary screening using the abstract and title, (2) evaluation of the whole articles to make sure they are appropriate for the study's goals, and (3) data extraction from chosen studies. 30 publications in all underwent a thorough screening procedure before being examined. . Key results, methodology, study background, and factors including digital platforms, cost effectiveness, and implementation issues were all included in the retrieved data. The results were grouped into topics such the advantages of digital media marketing, the function of electronic commerce, and the challenges encountered by MSMEs. The analysis was carried out in a thematic qualitative fashion. Triangulation of sources, which ensured that conclusions were backed by a variety of viewpoints and research techniques, including quantitative and qualitative studies, improved validity of results. By using under method, the study was able to find trends, consistency, and inconsistencies in the literature, offering detailed insights into how e-commerce and digital marketing help MSMEs. It also identified elements like digital literacy and content strategies that affect the success of implementation.

Results/Analysis

Using a Systematic Literature Review methodology, this study comes to the conclusion that e-commerce and digital marketing are important for improving marketing effectiveness and business sustainability for MSMEs. With the use of digital marketing platforms like Facebook, Instagram, and TikTok, MSMEs can communicate directly with consumers, build brand recognition, and reach a wider audience beyond regional boundaries. When compared to traditional marketing techniques, these tactics provide cost-

effectiveness while increasing sales volume and client loyalty. Consistent content enhances brand identity, particularly for local items, and paid social media advertising has been shown to be successful in expanding audience reach and sales conversions. . E-commerce promotes the viability of MSME businesses by providing flexibility in payment methods, logistics, and inventory management through platforms like Tokopedia, Shopee, and Bukalapak. These platforms enable MSMEs to react to changes in the market, access new clients, and weather catastrophes like the pandemic. Digital payment methods like e-wallets improve consumer retention, while e-commerce analytics tools offer useful information for decision-making. However, some MSMEs are unable to take full use of digital potential due to obstacles such low digital literacy, a lack of content strategy, pricing competition, and platform service costs.

Discussion

The study's conclusions provide valuable insights into the relation among electronic commerce adoption, user experience, digital marketing strategies, as well as how these elements interact to influence the competitiveness and market penetration of MSMEs. The discussion's goals are to assess these findings, establish connections with the corpus of recent research, and take into account the practical ramifications for businesses and decision-makers.

Implications for policymakers

The research highlights for policymakers the need of fostering an environment that is conducive to digitization. Programs that help MSMEs install electronic commerce frameworks, provide tools for training in digital media marketing, and emphasize the importance of user centric design can expedite economic growth. It is advised that policymakers collaborate with industry participants to create an atmosphere that supports the growth of digital enterprises.

Limitations and future directions

Recognizing the constraints of this study, are the cross sectional format of the data design and potential self declared information bias, opens up new avenues for future research. Longitudinal surveys that examine the time related variations of the confirmed relationships along with qualitative investigations that centering on particular enablers and challenges that the MSMEs face during the digital process can provide deeper understanding of topic.

Conclusion

The study's findings so greatly contribute to our understanding of the vital roles that e-commerce adoption, user experience, and digital marketing play in the success of Indonesian MSMEs. For the MSMEs looking for increase their market reach and competitive strength, the significant and positive correlations shown highlight the need of a comprehensive digital strategy. Strategic use of electronic commerce, targeted digital media marketing, and user focussed design are important factors influencing retail space performance. Policymakers may utilize these findings to develop beneficial policies, and

enterprises can adjust the approach for long duration success in this digitalised era. Although this study has limitations, it lay down the basis for future research study into evolving landscape of internet electronic commerce in emerging nations.

References

1. Cakranegara, P. A., Zuana, M. M. M., Sestri, E., Surahman, B., & Kurniawansyah, K. (2022). Implementation of the e-commerce platform to improve technology adaptation in MSMEs. *Jurnal Ekonomi*, 11(03), 1713-1719.
2. Samsudin, S. (2023, December). The Role of Social Media and E-Commerce in Accelerating the Growth of Indonesian MSMEs. In *International Conference on Sciences Development and Technology* (Vol. 3, No. 1, pp. 164-173)
3. .Yacob, S., Sulistiyo, U., Marzal, J., Siregar, A. P., & Mukminin, A. (2023). An Investigation of Entrepreneurial Orientation, Social Media Adoption and E-commerce on MSME Business Performance: An Empirical Study in Indonesia. *Revista Galega de Economía*, 32(3), 1-24.
4. Kumar, A., Bapat, G. S., Tiwari, K., Hashem, T., & Rroy, A. D. (2025). How Mobile E-Commerce is Revolutionizing Marketing Strategies for Indian MSMEs. *International Journal of Interactive Mobile Technologies*, 19(14).
5. Achiando, H. A. (2019). E-commerce strategy adoption and performance of micro and small enterprises: A case of private security firms in Nairobi County, Kenya. *IOSR Journal of Business and Management*, 21(7), 35-64.
6. Wijayanto, G., Jushermi, J., Nursanti, A., Novandalina, A., & Rivai, Y. (2024). The effect of e-Bawono, K. A., & Mas'ud, F. (2025).
7. Optimizing MSMEs through Digital Marketing and E Commerce for Growth and Sustainability. *Business Strategy and Innovation: An International Journal*, 4(1), 1-17.commerce platforms, digital marketing, and user experience on market reach and competitiveness of Indonesian MSMEs. *International Journal of Business, Law, and Education*, 5(1), 811-823.