

## CRITICAL ANALYSIS ON THE PRACTICE AND EFFECTIVENESS OF DIGITAL MARKETING STRATEGIES IN STRENGTHENING MSME BRANDING IN KENDARI CITY

**Bunga Kartika<sup>1\*</sup>**

Halu Oleo University, Kendari, Indonesia  
[bungakartika181@gmail.com](mailto:bungakartika181@gmail.com)

**Muh. Husriadi<sup>2</sup>**

Halu Oleo University, Kendari, Indonesia

**La Ode Ahmad Darwin<sup>3</sup>**

Halu Oleo University, Kendari, Indonesia

### ABSTRACT

*Kendari City's MSMEs, which contribute 60% of local GDP, are facing the challenge of low brand equity due to fragmented digital marketing strategies and weak digital infrastructure in the era of transformation post-pandemic. This study aims analyze critical the practice and effectiveness of digital marketing strategies in strengthening the branding of Kendari MSMEs using a qualitative approach descriptive. Data collected through interview In-depth research with 15 informants (MSME owners, agencies, Cooperative Service officials), observation, and documentation, analyzed using the Miles & Huberman model. The results identified three theme Main factors: strategic fragmentation (80%), cultural-content gap Tolaki (73%), and digital infrastructure bottleneck (93%), hindering the RACE framework and brand associations Aaker (1991). Implications covers training local cultural content and contribute to the marketing roadmap contextual emerging market Indonesia.*

**Keywords:** digital marketing, MSMEs, brand equity, digital infrastructure

### INTRODUCTION

Post-COVID-19 pandemic digital transformation era, Micro, Small, and Medium Enterprises (MSMEs) in Indonesia have become the main pillar economy national, contribute around 60% of the product Domestic Gross Domestic Product (GDP) and absorbs 97% of the workforce ( Aprilia, Subroto, and Sakti 2025) . Specifically, in Kendari City, Southeast Sulawesi, the MSME sector dominates with more than 25,000 business units, especially in the culinary and handicraft sectors. hands , and tourism based on local culture Tolaki (Muh. Husriadi, Megasari 2021; Syahrir et al. 2024) . However, this potential is hampered by dependence on public channels. marketing conventional, where global visibility remains low despite adoption of digital platforms such as Instagram and TikTok jumped 35% in the last three years. In line with this, digital marketing strategies have emerged as a catalyst crucial for strengthening branding that enables MSMEs to build brand equity through content interactive,

personalized, and multichannel engagement. Globally, the effectiveness of social media marketing in increasing brand awareness is up to 40% for entity small (Christine et al. 2025; Husriadi 2026). In Indonesia, government initiatives such as the National Movement of 1,000 Digital Startups (2024) encourage this transition, but implementation in the region developing like Kendari is still sporadic (Sari et al. 2025). This can be seen from the existence of challenge digital infrastructure such as low connectivity in peripheral areas and lack of adaptation cultural contextual inhibits optimization. As a result, Kendari MSMEs are having difficulties compete with players national, triggering the need for critical analysis on practices and effectiveness of digital marketing strategies to strengthen branding sustainably.

Although potential large, digital marketing practices of MSMEs in Kendari City tend to reactive and unmeasurable so that result in suboptimal branding effectiveness. Based on findings (Santoso, Hufad, and Wahyudin 2024) Research shows that 70% of local MSMEs rely solely on organic posts on Instagram without paid advertising or SEO optimization, resulting in average engagement rates below 5% and stagnant brand recall at the local level. specific covers multichannel strategy fragmentation which results in a lack of integration between social media, e-commerce such as Shopee, and influencer marketing as well inability measuring the return on investment (ROI) of branding through metrics such as Net Promoter Score (NPS) or customer lifetime value (CLV). Furthermore, local cultural adaptations such as the use of local language Tolaki in digital content is rare implemented, causing brand dissonance in the younger generation market. millennials. This ineffectiveness is not just operational, but rather structural, where the lack of data-driven decision making hinders branding scalability in a dynamic digital ecosystem. Based on several studies such as (Afifah et al. 2024) revealed that business actors' perceptions that social media such as Instagram are a tool main to improve visibility products, with organic strategies dominate Because convenience access. However, respondents in a way consistent state obstacle thematic in the form of limitations knowledge technical in optimization content and lack of planning strategic, causing dependence on range spontaneously. In addition, the opportunity influencer collaboration to expand interaction customers, even though there is minimal discussion adaptation of local culture or regional infrastructure. In addition, (Utomo 2024) his findings describe confession general on the importance of social media and e-commerce for market reach, with respondents emphasize visual content as the key early awareness. The findings evaluate there is constraint digital literacy and platform optimization, where business actors feel limitations inhibiting resources transition from promotion conventional. Likewise with the findings, that the application of consistent social media and branding content as a driver loyalty consumer, with the theme repeatedly about the accuracy of the strategy in building image product local through interaction routine.

Narrative analysis identifies effectiveness beginning from a massive approach such as promotional videos, even though business actors state challenge consistency and adaptation

digital trends. But his findings nature exploratory that emphasizes potential digital marketing for sustainable sales without evaluation critical regional branding metrics. These findings, limited to the description general North Sulawesi so that leaving gaps in infrastructure local and unique cultural context of Kendari. Therefore, this study aims analyze critical the practice and effectiveness of digital marketing strategies in strengthening the branding of Kendari MSMEs. specific: (1) identify practice dominant; (2) evaluate its effectiveness on brand equity metrics. The novelty of this research lies in the integration of Aaker's Brand Equity framework with digital sentiment analysis and Tolaki cultural variables, a first of its kind in Kendari. Therefore, this research can enrich marketing knowledge with emerging market insights that can support the digitalization target of 30 million MSMEs.

## **RESEARCH METHODS**

This research uses a qualitative approach to reveal the phenomenon in detail. holistic and contextual, in accordance with the nature exploratory critical analysis digital marketing practices of MSMEs. The research design is descriptive qualitative, purposeful describe branding effectiveness through perspective subjects in natural settings, because using researchers as instruments key. Population covering 2,500 MSMEs in Kendari City; sample of 15 informants purposively selected: 10 MSME owners active in digital marketing, 3 practitioners' agency, and 2 officials from the Cooperatives Department. This informant was right Because own experience direct and knowledge In-depth analysis of the phenomenon. Kendari City's location is crucial as a hub for Southeast Sulawesi's MSMEs, which face unique digital challenges. Procedures covers observation participants, interviews in-depth, and documentation, in iterative until data saturation, for triangulation validity. The data analysis technique adopts the Miles and Huberman model (reduction, display, verification), because allows for interactive and thematic processes for conclusions credible.

## **RESULTS AND DISCUSSION**

### **A. Fragmentation Strategy**

Based on the results of this study, it shows that 15 informants reveal theme dominant fragmentation of strategy where Kendari MSMEs are stuck on sporadic organic Instagram posts without multichannel integration. Based on results interviews with informants revealed that "*Just IG, posting photos Hurry up for WA captions okay!*". In addition, the community local identify multichannel fragmentation due to limited resources, despite the potential cultural narrative for visibility, without effective platform integration. Therefore , this finding is in line with (Utomo 2024) , where the infrastructure weak make things worse fragmentation , decrease branding effectiveness in general contextual . Likewise with the findings (Robertson and Brand 1994) that low digital literacy leads to sporadic strategies , with perpetrators

admitting single social media dependency hinder control performance and ongoing interaction .

## **B. Cultural Content Gap**

Based on the results of this study, it shows that the cultural-content gap is an obstacle. brand equity. Kendari MSMEs failed to integrate the elements Tolaki in digital content, use formal Indonesian captions instead dialect local. Based on results interviews with informants revealed that *"Use ' Mohafo coto wow!" definitely best-selling sweet to Gen Z"*. In addition, observations Instagram content shows that posts without narrative local (*Watu-Watu motif, poigar Lavonda*), causing brand dissonance in the millennial market. Therefore , this finding is in line with the findings (Aeni et al. 2025) that narrative local and symbols traditional increase cultural appreciation through visual interaction , although integration content authentic Still fragmented without an integrated strategy . In addition , (Dipoatmodjo 2025) that generation young people are less interested product local consequence digital packaging lacks cultural essence and social media is effective if the narrative authentic dominate content .

## **C. Digital Infrastructure**

Based on the results of this study, it shows that digital infrastructure is the main bottleneck with complaints. consistent about signals slow in the outskirts of Kendari. Based on results interviews with informants revealed that *" TikTok Upload delayed hours in Konda"*. This illustrates that the digital divide is hindering real-time content. Likewise, MSMEs use low -spec phones and unstable 4G networks in Mandonga. so that force dependence on WhatsApp over interactive video. Therefore , this finding is in line with the findings (Rismayani 2025) that Kendari MSME actors found access limited digital infrastructure is an obstacle external dominant , with business actors complain connectivity weak hinder optimal adoption of e-commerce and social media . In addition , the findings (Marsalena 2024) that 36 villages have internet blank spots, where respondents confess dependence signal bad slow down digital transformation of tourism MSMEs .

## **CONCLUSION AND SUGGESTION**

This study concludes that the effectiveness of digital marketing strategies of Kendari City MSMEs is hampered three factor structural: fragmentation of strategy, cultural content, and weak digital infrastructure so that resulting in low brand equity. In addition, the potential local cultural adaptation as a catalyst main sustainable branding transformation. Therefore, it is hoped that the Kendari City Government can launch training Tolaki - content creation and free Wi-Fi BTS in 25 MSME centers. In addition, the RT influencer model was replicated for organic engagement. Therefore, further research is needed. It is hoped that mixed-methods longitudinal tracking can be used to measure success effectiveness post the launch of the program.

## REFERENCE

- Aeni, Syarifa, H Firman, Andi Amitya, and Resty Dwiyantri. 2025. "Structuring: Scientific Journal of Master of Public Administration Branding Regional Products through Local Identity in the Creative Industry." 7(August): 51–61.
- Affah, Belia et al. 2024. "Socialization on the Use of Instagram as a Marketing Media in Ridan Permai MSMEs: Introduction to Implementation Methods." 3(1): 17–20.
- Aprilia, Novita, Waspo Tjipto Subroto, and Norida Canda Sakti. 2025. "The Role of Small and Medium Enterprises (SMEs) in Supporting the People's Economy in Indonesia." XI(2321): 368–76.
- Christine, Jessica et al. 2025. "The Influence of Branding and Digital Marketing on the Development of MSMEs." 15(1): 55–66.
- Dipoatmodjo, Tenri Sayu Puspitaningsih. 2025. "Culturally Rooted MSME Strategies: Integrating Local Wisdom into Cultural Tourism Development in Sulawesi." : 479–86.
- Husriadi, Muh. 2026. "MOBILE COFFEE SME VISUAL IDENTITY REDESIGN TO INCREASE BRAND." 2(7): 1196–1202.
- Marsalena, Nindy Ade. 2024. "Almufi Journal of Social and Humanities." 1(3).
- Muh. Husriadi, Megasari, Citra Ayu Ningsi. 2021. "ANALYSIS OF FACTORS DETERMINING CUSTOMER LOYALTY IN BUILDING SHOPPING SATISFACTION AT A COFFEE SHOP." *INTERNATIONAL JOURNAL OF FINANCIAL ECONOMICS (IJEFE)* 2(1): 167–86.
- Paransa, Rizki Pratama Johanis. 2024. "Efficiency: A Study of Administrative Science." 21(2): 164–81.
- RISMAYANI, Risris. 2025. "No Title." 61(3): 1887–99.
- Robertson, Lynne SC, and Brand. 1994. "Lincoln University Digital Thesis Updating Aaker 'SM Odel of B Rand Equity to I ncorporate M Odern S ocial M Edia S Trategies and c Onsumer I Nteractions." 1994.
- Santoso, Budi, Achmad Hufad, and Uyu Wahyudin. 2024. "Digital Literacy Transformation: Digital Marketing Competence for Micro, Small, and Medium Enterprises (MSMEs)." 10(2): 332–42.
- Sari, Dian Nurvita, Firman Romdoni, Umar Farisal, and Raden Nita. 2025. "Collaboration between Village Government and Academics in Building Digital Branding Awareness for Village MSMEs." 5(3): 399–408.
- Souza, Yuri De, Odaguiri Enes, Gisela Demo, and Rafael Barreiros Porto. 2024. "What Is Next for Consumer-Based Brand Equity in Digital Brands? Research Itineraries and New Challenges."
- Syahrir, Sasmita Nabila, Yuyun Anggraini, Surianto Ilham, and Sembilanbelas November University. 2024. "( MSMEs ) DURING THE COVID-19 PANDEMIC FOR THE ECONOMY Abstract." 9(2): 241–47.
- Utomo, Bambang. 2024. "Leveraging Digital Technology in Micro SMEs to Enhance Indonesia's Economic Prosperity." 12(3): 391–402.