

Utilization of Digital Marketing after the Covid-19 Pandemic in Indonesia Businesses

Yenni Merlin Djajalaksana^a and Doro Edi^b

Information Systems Program, Maranatha Christian University, Jl. Surya Sumantri No. 65, Bandung, Indonesia

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Abstract: In the midst of difficult time due to COVID-19 Pandemic, Digital Marketing turned out to be a significant help for the businesses that were forced to reach out to customers using online means. This study investigated the impact of the COVID-19 Pandemic on the use of Digital Marketing Tools in Indonesia Businesses. The 106 survey participants were Indonesia-based Business Owners on a small to medium scale, contacted through Instagram Direct Messages, Facebook Instant Messengers, Facebook Groups, WhatsApp Groups, and Telegram Groups by purposive sampling method. Statistical Tabulation of the responses and correlation analysis on the characteristics of the businesses and usage behavior of digital marketing tools are identified. Among many results, several important highlights were the followings. There was a significant difference among the use of different marketing media before and after the COVID-19 Pandemic ($F=18.30$, $p<0,05$), however, there was no significant difference in the use of the same digital media before and after COVID-19 ($F=0,08$, $p>0,05$). There was no evidence of a difference in marketing expenditure before and after COVID-19 ($F=0$, $p>0,05$).

1 BACKGROUND

The COVID-19 Pandemic that emerged at the end of 2019 has had a profound impact on the entire world in all areas and aspects of human life and the world economy. This is very pronounced when many countries impose social restrictions, including Indonesia. Indonesia enforced large-scale social restrictions that lasted from March to July 2020, having an impact on many aspects of business, resulting in layoffs (PHK or Pemutusan Hubungan Kerja), reduction in employee salaries, postponement of holiday allowances Eid al-Fitr, and many more.

Many businesses were suffered as a result of the COVID-19 Pandemic; however, as the business mechanism works, many specific businesses also experienced positive income trends as a result of this Pandemic. The term "New Normal," which has been adapted to become "Adapted to New Habits" in Indonesia, has now been running, and the Indonesian people have begun to adapt. In line with these adjustments are the changing procedures and mechanisms for implementing business processes.

For example, companies in Indonesia, which usually use printed materials and distribute brochures for marketing activities, had switched to using online media marketing or digital marketing. This was done to minimize physical paper contact among many people and avoid the close social distances between the person giving the brochures and the recipients of the brochures.

By looking at this trend, the researchers saw an unusual impetus in the expenditure of promotional funds that shifted from printed marketing materials to online media, with various benefits. By looking at this trend, researchers see that aspects of digital marketing can play an important role in helping companies to bounce back from difficult times. This research was carried out with the aim of identifying the use of digital marketing for companies in the presence of the COVID-19 Pandemic.

2 LITERATURE REVIEW

The COVID-19 Pandemic has changed the way

^a <https://orcid.org/0000-0001-9789-4394>

^b <https://orcid.org/0000-0002-3093-2816>

businesses market their products; from what was originally conventional to being completely digital. This has led to various studies regarding the impact of the COVID-19 Pandemic on businesses in Indonesia. This literature review will present previous similar research that have been carried out.

2.1 The Impact of the COVID-19 Pandemic on the Business World

The COVID-19 Pandemic had a major impact on the business world in Indonesia. Based on research from Thaha (2020), there are indications that 1,785 cooperatives and 163,713 micro, small, and medium enterprises (MSME) were affected by the coronavirus Pandemic (COVID-19), they even indicate that in a few months of the Pandemic, 50% of the MSME respondents were threatened with bankruptcy. This statement is supported by similar research conducted by Amri (2020), who found that the impact of COVID-19 on MSMEs was very significant because of the domino effect of the lockdown from the tourism industry, which had a domino effect on MSMEs such as handicrafts, souvenirs and the like.

Research from Taufik and Ayuningtyas (2020), which uses secondary data on the impact of COVID-19 on various fields from January to April 2020, provides some information, namely the following affected areas:

1. Elementary, Secondary, and Higher Education - has a big impact on learning that is carried out at home, but positively businesses and organizations in this industry can still carry out their operations and business activities.
2. Trade - heavily affected by business restrictions, forcing most to use e-commerce for business actors, which is welcome because consumers who have to stay at home increase their spending through e-commerce interfaces.
3. Online Transportation - due to the absence of normal traffic, online transportation has experienced a significant reduction in transactions but is later helped by partnerships with various businesses that provide various basic commodities.
4. Hospitality - the impact is extremely heavy, as there have been many cancellations of trips so this business area has fallen into disrepair.
5. Tourism - various tourist attractions have been completely closed, resulting in significant impacts on small and medium enterprises that rely on these tourist attractions.
6. Pharmaceuticals and Healthcare Needs - the business is growing with an increase in production and consumption.

According to Taufik and Ayuningtyas (2020), the following are business fields that developed after the COVID-19 Pandemic, telecommunications, online platform providers / vendors, pharmaceuticals, health products through the adjustment of online-based business platforms.

Apart from this research, various news in newspapers and national news reports have also announced the impact of the COVID-19 Pandemic, including the Indonesian Minister of Finance - Sri Mulyani, the Asian Development Bank (ADB), and the World Bank, predicting the economy in early 2021. Indonesia will experience growth of approximately minus 2.2 percent (or contraction) in 2021 (Fauzie, 2021).

The efforts of Indonesian President Joko Widodo continue to be made to help MSMEs; for example, the State of Indonesia provides Working Capital Assistance of Rp 2.4 million, which has been launched since July 2020 to MSME players in the hope that it can help push the wheels of business, especially for increasing MSME trade transactions (Kantor Staf Presiden, 2021). For real results, it may still take time, but MSME actors are a priority for the Indonesian State to continue to survive in this difficult time of the Pandemic.

2.2 Digital Marketing in the Business World

Digital Marketing is also commonly referred to as Online Marketing. The definition of digital marketing itself, according to Chaffey and Ellis-Chadwick (2019), is "The application of digital media, data, and technology integrated with traditional communications to achieve marketing objectives." Or in the translation is "Application of digital media, data, and technology that is integrated with traditional communications to achieve marketing goals."

Despite the fact that Digital Marketing is not a totally brand-new innovative concept and has flourished in more advanced countries such as the USA, research from Kane et al. (2015) only 4,800 corporations in the USA showed that they were not ready to use digital platforms in the most effective way. The readiness of the corporations to go digital cannot be undermined. As resulted from interviews on 777 marketing executives by Leeflang et al. (2014), a number of challenges were identified, such as trying to find the people to fill the "talent gaps," making changes in relation to the "organizational design" to fit the new digital forms, and using newly identified "actionable metrics" in the new digital business forms.

Based on research conducted by Jati and Yuliansyah (2017), the influence of online marketing strategies on consumer purchase interest based on a case study at the Azzam Store Online Shop states that online marketing strategies and consumer purchase interest with this system are considered quite good with an average score of 336.67 for online marketing strategies and 343.33 for consumer buying interest. From these studies, it can also be concluded that the coefficient between online marketing strategies and consumer purchase intention has a very strong relationship. If the seller and buyer here have a good relationship, this can be a major factor in increasing buyer interest.

Meanwhile, according to Setiawati (2017), in her research entitled Online Marketing to Increase MSMEs Profits, the results of this study answer the hypothesis statement, which shows that online marketing strategies have a positive effect on the profits of MSMEs in Central Java. In this study, the data obtained are primary data, collected by sending questionnaires to respondents both online and offline. This online marketing system can improve the welfare of the community considering a large number of internet users in Indonesia. By maximizing online marketing in the field of MSMEs, sales profits will increase.

According to Redjeki and Affandi (2021), a few simple things to start a business with Digital Marketing are to determine marketing goals, marketing targets, digital platform selection, setting budgets, and creating content that can attract consumer attention. They also described the added value obtained by customers who use digital media. Based on this study, Digital Marketing provided convenience to customers in terms of information, time, distance, availability of goods for 24 hours, and of course, choices. These value creations were not obtained through conventional marketing systems that have been available previously. The effectiveness of Digital Marketing was confirmed by an interview study by Putri and Hermawan (2021) on creative consultants during the COVID-19 Pandemic.

Digital / Online Marketing is also often associated with Digital Branding. According to Fadly and Sutama (2020) in their research entitled Building Online Marketing and Digital Branding in the midst of the COVID-19 Pandemic, it was concluded that online marketing and digital branding strategies are very effective marketing strategies, considering that technological developments today are increasingly rapid and have entered the era of the industrial revolution 4.0. Some of the advantages of this online marketing system are that it is easy to access and

communicate between sellers and customers in regard to product sales problems, payment systems that are easier because of utilizing technology, and efficiency of time and place. If online marketing is maximized by building the brand, the products sold will be increasingly recognized by the wider community and can maximize the role of online marketing.

An interesting phenomenon was found by Alshaketheep et al. (2020), discovering that consumers have certain behaviors and preferences during the COVID-19 Pandemic. Their participants in Amman, Jordan reacted positively towards messages that gave an emotional touch, such as "offers, anti-crisis deals, personalized digital communication, and empathy" given by the company promoting their products or services.

2.3 Potential Market for Digital Marketing

Technology and digital media are not something new, since more than 25 years ago when the World Wide Web was created by Sir Tim Berners Lee (Chaffey & Ellis-Chadwick, 2019), the world began to include this element. Even so, the development of technology and online media is so fast that in 2021 there are so many ways for certain companies or brands to interact with potential customers. The existence of the first e-commerce with Amazon.com in 1994, Yahoo and Alta Vista search engine in 1995, eBay online auction site in 1995 changed the world of business forever (Laudon & Traver, 2021). Amazon.com and eBay, which to this day still exist, still dominate the world of E-Commerce. While Yahoo is currently still in the top ranks, it has been defeated by the Google search engine, which was born in 1998, wherein 2021, it controls a market share of more than 90% almost evenly around the world (Stat Counter, 2020).

In the latest statistics for social media in Indonesia, Facebook as of December 2020, recorded more than 170 million users (Napoleon Cat, 2020). while for Instagram, there are more than 83 million users (Napoleon Cat, 2020). Of course, these statistics are a bright spot for the business world because digital marketing tools through social media will enable them to reach a very large market, more than 60% of the total population in Indonesia. Moreover, the new habit of living and working at home will be greatly helped by the use of digital marketing. Of course, for social media, there are still many other popular platforms with promising user statistics in Indonesia. It is evident that Indonesia is now forced to accelerate its Digital Transformation in the COVID-19 Pandemic era, as confirmed by a study from

Muditomo and Wahyudi (2020) that digital transformation has been forced on the Small to Medium Enterprises (SME) in Indonesia, while those enterprises did not have enough maturity for the transformation.

There are still many other online marketing tools used specifically for the implementation of digital marketing in Indonesia and around the world. These include Twitter, LinkedIn, Snapchat, Whatsapp, Telegram, Line, and Tiktok, depending on what market you want to target.

2.4 Social Media for Digital Marketing

Marketing through social media is a marketing process carried out through third parties, namely social media-based websites. Currently, there are many social media platforms that can be used for marketing or the promotion of a product or service. Social media platforms that are often used for marketing or promotion include Facebook, Instagram, and Twitter. Through this media, the company or brand can carry out a structured and targeted promotion.

Marketing with social media is not always directly related to buying and selling. In this marketing, content can be marketed in the form of posts on the web, images, or videos. Content marketing through social media is related to the product to be sold. Apart from marketing content, this modern marketing technique is also used to market brands. The purpose of marketing the brand here is to introduce the brand in general to the public as a whole or what is often referred to as brand awareness.

Zainal Abidin Achmad and friends (Achmad et al., 2020) conducted a research entitled Utilization of Social Media in Marketing of MSMEs Products in Sidokumpul Village, Gresik Regency. Based on the results and discussion, this study produces two conclusions. First, social media platforms play an important role in marketing MSMEs products in the Sidokumpul Village during the COVID-19 Pandemic. Second, the MSMEs in the Sidokumpul Village have not optimized the marketing of MSMEs products through social media. Some MSME players have used social media for marketing, but it is still small and not well organized. Third, the trial of optimizing the use of social media as a means of marketing good products for MSMEs in Sidokumpul Urban Village can increase the number of MSMEs product sales again and reach consumers on a scale in Gresik Regency and outside the Gresik Regency area. Fourth, the use of social media as an effective means of support for the running of MSMEs during the COVID-19 Pandemic because MSMEs players in the Sidokumpul Village can still carry out their business

activities by complying with and implementing health protocols. This study suggests that it is important for MSME players to understand and add insight into the importance of digital marketing strategies to support the sustainability of MSME businesses. Digital marketing is an opportunity that can be developed to maximize business profits during the COVID-19 Pandemic. By looking at these case studies, the potential of social media for MSMEs can be said to be promising and can continue to be developed for the future.

2.5 Research Gap based on Literature Review

Based on the literature review in the previous subsections, this research aimed at completing the following research gaps:

1. There were no scientific data on how large the Indonesian companies' revenue changes were due to the COVID-19 Pandemic.
2. There were no scientific data on the difference in marketing media used before and after the COVID-19 Pandemic.
3. There were no scientific data on the marketing expenditure before and after the COVID-19 Pandemic.
4. There were no scientific data on the most effective digital marketing tools after the COVID-19 Pandemic.
5. There were no scientific data on the reasons and challenges for the company in regard to using and choosing digital marketing tools.

3 RESEARCH METHODS

3.1 Research Questions

Aligned with the research gaps identified, the following research questions have guided this research:

1. How did the company's revenue perform before and after the COVID-19 Pandemic?
2. What kind of marketing media were used before and after the COVID-19 Pandemic?
3. What was the company's marketing expenditure before and after the COVID-19 Pandemic?
4. What are the most effective digital marketing tools for companies after the COVID-19 Pandemic?
5. What are the reasons and challenges that the company faces in using and choosing digital marketing tools?

3.2 Data Collection Method

This research was conducted with primary and secondary data collection. The primary data collection was conducted using a Google Form that was targeted towards business owners, marketing staff, or employees who handle marketing tasks. A purposive sampling method was implemented by targeting qualified potential respondents. A filtering question was initially asked to potential respondents to avoid non-qualified participants answering the research questionnaire.

The distribution of questionnaires was conducted through several channels:

1. Business people Whatsapp groups
2. Digital marketer Telegram groups
3. Instagram Direct Messages targeted to businesses
4. Facebook groups related to business
5. Facebook messenger messages targeted to businesses
6. Businesses relations of the researchers

3.3 Factors Studied

The factors to be studied are:

- 1) Impact of the COVID-19 Pandemic on Business:
 - a) Income
- 2) Company Marketing before and after the COVID-19 Pandemic:
 - a) Marketing tools that are used
 - b) Marketing Expenditures
- 3) The most effective digital marketing tools
 - a) Evaluation of various digital marketing tools (Facebook Ads, Instagram, etc.)
 - b) The determining factor in choosing the use of digital marketing tools
 - c) Challenges in using digital marketing tools

These factors were reflected in the questionnaire distributed in a digital form format.

3.4 Construct Validity

The questionnaire underwent construct validity tests through expert verification on the questions and tests sent to several potential participants. There were two experts that read the questions and suggested better wording and changes as needed. There were 5 participants who tested the questionnaires and contributed input for questionnaire improvement. Questionnaires by means of Google Form were distributed post questionnaire refinement.

4 RESULTS AND DISCUSSION

The execution of the data collection effort was between January 2021 and February 2021. There were 106 qualified responses obtained and 12 unqualified responses. The data collected were processed and analyzed with descriptive statistics and presented in the following sub-sections. The following results can be described below.

4.1 Participants Profile

The 106 qualified responses were obtained from 15 employees in marketing functions (14.16%) and 91 business owners (85.84%). The respondents who were employees were staff at the lowest level, up to General Manager at the highest. Of those employees, 80% of them have been working for over two years at the current company. Business owners were diverse in terms of the industry they were in. Table 1 shows the ranges of Business Field, with Consumer Services (24%), Food and Beverage (20%) and Retail and Commerce (17%) as the top three.

The business owners specified the number of employees they currently employee in Table 2. The majority were MSMEs with fewer than 20 employees and 76% of the business responding. The businesses in the majority had operated longer than three years (72%), as shown in Table 3. In terms of the availability of physical facilities (office or store), 77 respondents (73%), which was the majority, owned it. Business locations spread across Indonesia cities, mostly coming from Java Island 95 respondents (90%), Bali Island 7(7%), and Sumatra Island 4 (4%).

Table 1: Respondents Business Fields.

Business Fields	Freq.	%
1. Consumer Services	25	24
2. Food and Beverage	21	20
3. Retail and Commerce	18	17
4. Information Technology	9	8
5. Education	6	6
6. Travel and Leisure	6	6
7. Industrial/Factory	5	5
8. Technical and Engineering	4	4
9. Medical and Health	4	4
10. Real Estate	4	4
11. Agriculture	2	2
12. Financial Services	2	2
TOTAL	106	100

Table 2: Number of Employees in the Company.

Number of Employees	Freq	%
No employee	18	17
Fewer than 10	46	43
11 – 20	17	16
21 – 50	12	11
50 – 100	8	8
> 100	5	5
TOTAL	106	100

Table 3: Number of Years in Operation.

Number of Years in Operation	Freq	%
Shorter than 1 year	12	11
Between 1 and 3 years	17	16
More than 3 to 5 years	12	11
Longer than 5 years	65	61
TOTAL	106	100

The respondent’s ages are classified in Table 4. The majority of respondents are 36-45 years old (40%), followed by respondents above 46 years old (38%), 25-35 years old (22%), and respondents below 25 years old with just one person (1%)

Table 4: Age of Respondents.

Age Range	Freq.	%
< 25 years old	1	1
25-35 years old	23	22
36-45 years old	42	40
46 > years old	40	38
TOTAL	106	100

Table 5: Level of Education.

Levels	Freq.	%
D3 or lower	11	10
D4 or S1	71	67
S2	21	20
S3	3	3
TOTAL	106	100

Table 5 shows the respondents’ level of education. The majority of them are in D4 or S1 (bachelor’s degree) with 71 respondents (67%), followed by respondents in S2 (master’s degree) with 21 respondents (20%), D3 or lower with 11 respondents (10%), and S3 (doctoral degree) 3 respondents (3%).

Table 6: Respondents’ Gender.

Gender	Freq.	%
Male	64	60
Female	42	40
TOTAL	106	100

Table 6 shows the gender of the respondents. There were 106 respondents, with a majority of the 64 (60%) were males.

4.2 Business Performance

The majority of businesses (72 responses, 68%) had decreasing performance due to the COVID-19 Pandemic. Those affected by decreased performance were in the majority, decreasing over 30% compared to their condition prior to COVID-19 (referring to Table 7). On the opposite condition, there were still 20% of business (20 businesses) that experienced an increase.

About 29% (31 businesses) of respondents also revealed that they were forced to reduce the number of employees in the company. The rest put their best effort into keeping their employees intact and made alternative efforts to survive the difficult time. Among many major efforts to survive were reducing opening hours of businesses and offices, reducing staff salary, reducing physical media promotion, and reducing operational and overhead costs.

Table 7: Magnitude of Impacts on Business Performance.

Percent Decrease / Increase	Freq	%
Decrease over 30%	49	46
Decrease between 10-30 %	21	20
Decrease less than 10%	2	2
No significant change	14	13
Increase less than 10%	5	5
Increase between 10-30%	8	8
Increase more than 30%	7	7
TOTAL	106	100

4.3 Marketing Media Utilization

This study investigated the different use of digital marketing media for marketing. Based on the percentage difference between before and after COVID-19 in Table 8, this study found that fewer respondents used several marketing media such as flyers, printed media, newspaper/magazine/other printed media (-7%), SMS (-3%), radio (-2%), Company Website (-2%), Offline Marketing (-2%), and Search Engine Ads (-3%) after the Pandemic as compared to before the Pandemic. On the opposite, the use of the following marketing media was increased for Instagram (6%), Facebook (3%), and Whatsapp (5%).

Table 9 shows that there was a significant difference ($F=18.30, p<0,05$) among groups in terms of utilization before and after COVID-19. However, there was no significant difference ($F=0,08, p>0,05$) in the use of digital media between before and after

COVID-19, as shown in Table 10. Thus, there is no proof that there was a change between the use of the marketing media before and after COVID-19.

4.4 Marketing Spending and Tools

Following the results, this study also surveyed marketing expenditure before and after COVID-19, as shown in Table 11. The results show that there were changes in terms of percentage of before and after COVID-19 with a trend of businesses reducing their marketing expenditure. There was no evidence of a significant difference in marketing expenditure before and after COVID-19, as shown in Table 12 ($F=0$, $p>0,05$).

The top three most effective marketing tools to get new customers are shown in Table 13, with the most being Instagram ads (27%), WhatsApp (27%), Facebook Ads (9%), while other tools follow. When asked about the most effective marketing tools to generate revenue, the respondents chose the top three most effective marketing tools as shown in Table 14, they were WhatsApp (31%), Instagram (25%), Search Engine Ads (9%), while other tools follow.

Table 8: Marketing Media Utilized Before and After COVID-19.

Marketing Media	Before		After		% Diff
	Freq	%	Freq	%	
Flyers, Printed media Newspaper/Magazine/Other printed media	36	10	10	3	-7
Radio	9	3	3	1	-2
Company Website	43	13	34	11	-2
Email	33	10	31	10	0
Facebook	44	13	50	16	3
Instagram	64	19	77	25	6
WhatsApp	59	17	69	22	5
Line	3	1	4	1	0
SMS	14	4	3	1	-3
Marketing Offline	9	3	3	1	-2
Search Engine ads	12	3	0	0	-3
Others	17	5	24	8	3
TOTAL	343	100	308	100	

Table 9: ANOVA Table on Different Marketing Media Utilization Before and After COVID-19.

SUMMARY						
Groups	Count	Sum	Average	Variance		
Flyers	2	46	23	338		
Radio	2	12	6	18		
Company Website	2	77	38,5	40,5		
Email	2	64	32	2		
Facebook	2	94	47	18		
Instagram	2	141	70,5	84,5		
WhatsApp	2	128	64	50		
Line	2	7	3,5	0,5		
SMS	2	17	8,5	60,5		
Marketing Offline	2	12	6	18		
Search Engine ads	2	12	6	72		
Others	2	41	20,5	24,5		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	12188,13	11	1108,011	18,30163	0,000008	2,717331
Within Groups	726,5	12	60,54167			
Total	12914,63	23				

Table 10: ANOVA Table on Before and After COVID-19 Marketing Media Utilization.

SUMMARY						
Groups	Count	Sum	Average	Variance		
BEFORE	12	343	28,58333	431,1742		
AFTER	12	308	25,66667	738,2424		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	51,0416667	1	51,04167	0,087294	0,770416	4,30095
Within Groups	12863,5833	22	584,7083			
Total	12914,625	23				

Table 11: Marketing Expenditure Before and After COVID-19.

Marketing Expenditure	Before		After		% Diff
	Freq	%	Freq	%	
<500k	39	37	48	45	8
>500k – 1000k	17	16	17	16	0
>1000k – 3000k	13	12	15	14	2
>3000k – 5000k	14	13	7	7	-7
>5000k – 10.000k	6	6	5	5	-1
>10.000k – 20.000k	4	4	5	5	1
>20.000k – 50.000k	6	6	2	2	-4
> 50.000k	7	7	7	7	0
Total	106	100	106	100	

Table 12: ANOVA Table on Marketing Spending Before and After COVID-19.

SUMMARY						
Groups	Count	Sum	Average	Variance		
BEFORE	8	106	13,25	129,6429		
AFTER	8	106	13,25	223,6429		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	0	1	0	0	1	4,60011
Within Groups	2473	14	176,6429			
Total	2473	15				

Table 13: Most Effective Marketing Tools to Get New Customers.

Marketing Tools	Freq.	%
Instagram ads	29	27
WhatsApp	29	27
Facebook Ads	10	9
Search Engine Ads	9	8
Website Bisnis	7	7
Email Marketing	4	4
LinkedIn	4	4
Shopee	2	2
Tokopedia	2	2
Others	10	9
TOTAL	106	100

The top four reasons why the respondents wanted to utilize digital marketing tools include the “Ability to reach a larger market” (26%), the “Savings on printed marketing materials” (16%), the “Ability to target a market with certain characteristics” (16%), and the “Right targeting to reach the market wanted” (16%) as shown in Table 15.

The respondents' top reasons in choosing certain digital marketing tools are shown in Table 16 with the top three reasons being “Number of Active Users in the Digital Marketing Tools in Indonesia” (19%), “Ease of Use” (17%), and “Success in Improving Sales” (16%).

Table 14: Most Effective Marketing Tools to Generate Revenues.

Marketing Tools	Freq.	%
WhatsApp	33	31
Instagram ads	26	25
Search Engine Ads	10	9
Facebook Ads	8	8
Website Bisnis	7	7
LinkedIn	3	3
Shopee	2	2
Tokopedia	2	2
Others	15	14
TOTAL	106	100

Table 15: Reasons for Utilizing Digital Marketing Tools.

Reasons	Freq.	%
Ability to reach a larger market	83	26
Savings on printed market material	50	16
Ability to target a market with certain characteristics	50	16
Right targeting to reach the market wanted	50	16
Increase brand awareness	36	11
Increase sales conversion	33	10
Increase web traffic	8	3
Increase search engine ranks	5	2
Others	3	1
TOTAL	318	100

The availability of digital marketing tools did not automatically persuade business owners and marketing staff to utilize it due to a number of

reasons. The top three challenges that the respondents chose, as shown in Table 17, were “Do not have a staff focusing on digital marketing tasks” (20%), “Do not have time to create content” (19%), and “Do not fully understand how to use Digital Marketing Tools effectively” (18%).

Table 16: Reasons for Choosing Certain Digital Marketing Tools.

Reasons	Freq	%
Number of Active Users of the Digital Marketing Tools in Indonesia	60	19
Ease of Use	53	17
Success in improving sales	52	16
Popularity of the tool	49	15
Ease for Audience Targeting	37	12
Lower cost per new leads or impression	30	9
Demographic of the users fit the products/ services	27	8
Security factor	7	2
Others	3	1
TOTAL	318	100

Table 17: Challenges in Utilizing Digital Marketing Tools.

Challenges	Freq	%
Do not have a staff focusing on digital marketing tasks	63	20
Do not have time to create content	60	19
Do not fully understand how to use Digital Marketing Tool effectively	58	18
Inability to create photo or video content	48	15
Do not have an idea on creating content	42	13
Lacking the budget to push with Paid Ads	35	11
Others	12	4
TOTAL	318	100

5 CONCLUSIONS AND RECOMMENDATIONS

This study obtained 106 valid responses from targeted study participants and produced the following conclusions:

1. Respondents' company revenue had decreased in the majority, over 30% in comparison to revenue before COVID-19. A major percentage of respondents, a total of 68%, experienced this business performance decrease. Only 20% of respondents stated an increase in business performance after COVID-19.
2. There was a decrease of respondents using several marketing media such as flyers, printed media, newspaper/magazine/other printed media (-7%), SMS (-3%), radio (-2%), Company Website (-

2%), Offline Marketing (-2%), and Search Engine Ads (-3%) after Pandemic as compared to before the Pandemic. On the opposite, the use of the following marketing media was increased for Instagram (6%), Facebook (3%), and Whatsapp (5%).

3. There was a significant difference among the use of different marketing media before and after the COVID-19 Pandemic ($F=18.30$, $p<0,05$), however, there was no significant difference in the use of the same digital media between before and after COVID-19 ($F=0,08$, $p>0,05$).
4. The respondents stated that they decreased their marketing expenditure; however, there was no evidence of the difference in marketing expenditure before and after COVID-19 ($F=0$, $p>0,05$).
5. The top three most effective marketing tools to get new customers were Instagram ads (27%), Whatsapp (27%), Facebook Ads (9%), and the most effective marketing tools to generate revenues were Whatsapp (31%), Instagram (25%), Search Engine Ads (9%).
6. The top four reasons why the respondents wanted to utilize digital marketing tools include the “Ability to reach a larger market” (26%), the “Savings on printed marketing materials” (16%), the “Ability to target a market with certain characteristics” (16%), and the “Right targeting to reach the market wanted” (16%).
7. The top three reasons for choosing certain digital marketing tools were “Number of Active Users in the Digital Marketing Tools in Indonesia” (19%), “Ease of Use” (17%), and “Success in Improving Sales” (16%).
8. The top three challenges that the respondents chose were “Do not have a staff focusing on digital marketing tasks” (20%), “Do not have time to create content” (19%), and “Do not fully understand how to use Digital Marketing Tools effectively” (18%).

The results of this study portrait the results of the participants responding to this research questionnaire; thus, the results cannot be generalized to all industries nor participant types.

Recommendation for the continuing study will be the followings:

1. A replication of this study with a larger sample size and wider area coverage in Indonesia in the 12 months after this study will add value to the current results and provide comparisons.
2. A qualitative study in the method of interviews where the targeted respondents can produce better

insights on the reasons why they use or avoid certain digital marketing tools.

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