

# **Opportunities And Challenges For Shopee Users In MSMEs**

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#### Abstract

The era of digitalization now has penetrate to various field life man . Phenomenon This bring impact significant to shift pattern buy and consume society , p This change method think as well as culture something community . Transformation This cause shift from approach conventional in nature physique going to a more digital approach and not tangible . Research methods used \_ in study This namely the Qualitative Method with do data collection via Internet Searching. Many related articles , journals and ebooks \_ with topic study . Rating result literacy depend on \_ collected findings \_ from various source , like books , journals , and reports before that , of course related with subject study . The existence of the Shopee application makes A convenience for MSME players to \_ operate his business , that is impact Because wheel economy a country still Can turn with the existence of MSME actors and also sectors the become savior in the middle difficult conditions . \_ Lots of it features provided \_ like Shopee food, features the there is various type attractive offer \_ consumer interest \_ like Lots discount , free fare Send become A things that consumers find interesting so consumers \_ sometimes more choose buy food via Shopee Food compared buy direct in place

Keywords : Internet, MSMEs , Shopee, Digital

# **INTRODUCTION**

The era of digitalization now has penetrate to various field life man. Phenomenon This bring impact significant to shift pattern buy and consume society, p This change method think as well as culture something community. Transformation This cause shift from approach conventional in nature physique going to a more digital approach and not tangible transformation This result many countries, industries, and companies in a way creative and innovative do adjustment repeat in business strategy they. The goal is For increase Power competitive their products / services offer to customer or holder interest they With method make it easier service received by customers through utilization digital economy. Although there is opportunity through digitalization, but also emerging a number of impact negative. One of loss in the digital era is increasing cyber crime and weaknesses protection consumer from facet law . For face challenges and opportunities MSMEs need this behave dynamic and responsive in manage business they. Change and shift in digital preferences and culture can cause disruptive economy in various sector business . Although Thus , on the other hand , p this also opens opportunity For business new. MSMEs, as part from economy national, giving impact significant economy with contribute to the sector real and empowering public . Therefore MSMEs need that switch from conventional (offline) to digital (online) models. Of course No Possible For avoid development of the digital era. According to expert marketing Yuswohadi , for can to survive , MSME actors need own ability For maximizing profit from digital evolution does not only limited to aspects marketing in use digital technology by MSMEs, but also includes involvement in various stage business process management . <sup>1</sup>

Implementation digitalization reflect MSME capabilities in control Technology Information Communication . Mastery of ICT by the perpetrator business become essential For applied in activity business, where level high ICT skills can increase frequency use technology the . Companies that adopt ICT in development his business will experience enhancement in Power its competition. Existence technology information, especially the internet, is changing paradigm business with open opportunities and challenges new and different from purchase offline . Access to digital communications does not only increase affordability trading and marketing, but also creating opportunity work, potential income, as well give mark plus for public . In order to For expedite Genre goods and services from producer to consumer, selection channel distribution ( channel of distribution ) becomes factor important thing to do MSMEs pay attention. Distribution is activity channel goods or service from producer to consumers, have role crucial for producer Because possible goods produced can until to public . If goods or service No distributed to consumer, production the only will piling up in warehouses and potentially cause loss for producer. Therefore that, order goods or service can beneficial moment Already is in hand consumer through use of the internet, producers endeavor For channel the product through channel proper distribution. This is also related with the necessary promotional strategies done, esp via online media. Creation mark for customer For fulfil desire they need merger Various marketing strategies are available . In the digital era, where innovation especially in technology become key, obviously seen How business moment This can fulfil desire customer through utilization existing services . As example, mother House ladder can with easy operate online business from House only with use data packages and Android devices (gadgets). Phenomenon This reflect that business small can in a way effective fulfil desire customer . Circumstances This can considered as part from strategy through digital services provided by the system . System service this also plays a role in shorten chain sales, so price product become more affordable. See exposure above, author will do analysis more carry on about opportunities and challenges digitalization of

<sup>&</sup>lt;sup>1</sup> Aprilia, Socialization Challenges and Opportunities for MSMEs in the Digital Era, 2019, TRI PAMAS COMMUNITY SERVICE JOURNAL, 1(2), 70-81.

MSMEs towards perpetrator economy in the digital era. Analysis This will highlighting How digitalization of MSMEs provides benefits and impacts to perpetrator economy .<sup>2</sup>

#### **RESEARCH METHODS**

Research methods applied \_ in studies This is approach qualitative with the data collection process via Internet Searching.Method Research used \_ in study This that is method study studies where is the library ? study discuss in a way deep content information written or printed , then formulate conclusion based on existing data collected Then in analysis the use approach qualitative because the data has been generated changed the word or description . Study studies literature is A study the source originate from diverse information literature like Journal Book \_ scientific , digital data, documents and so on. Many related articles , journals and ebooks \_ with topic study . This more Lots use review intended narrative \_ For increase relevant knowledge \_ with subject research and produce understanding , assessment results literacy depend on \_ collected findings \_ from various source , like books , journals , and reports before that , of course related with subject study .

# **STUDY OF LITERATURE**

## • Understanding MSMEs

MSMEs, which are abbreviation of Micro, Small and Medium Enterprises, refers to activities trading managed by individuals \_ or business entity . the effort in accordance with criteria covered \_ in scale small or micro . In the MSME concept, criteria the covers business micro, small and medium . Through classification this, the government hope that MSMEs can role in build economy national, with focus on development business based on potency area and orientation market. According to Law No. 20 of 2008, Micro, Small and Medium Enterprises explained as activity businesses that have potency For increase amount field work, provide service equitable economy \_ for society, and play a role in effort equality and improvement income public . Expected that MSMEs can become pusher growth economy and contribute to creating stability national . As the main pillar economy Nationally, MSMEs are recognized as group business economy people in need extensive support, protection and development,

<sup>&</sup>lt;sup>2</sup> Krisnaresanti , A., Naufalin , LR, & Indrayanto , A. Analysis Implementation Digitalization of MSMEs during the Covid-19 Pandemic (Case Study in Districts Banyumas ), 2022, July, In Midyear International Conference (Vol. 1, No. 01).

without \_ ignore role from Large Businesses and State- Owned Enterprises . Dalam In the context of Law No. 20 of 2008, the definition of MSMEs is trading businesses operated by individuals and refers to activities economy productive in accordance with standards that have been arranged in regulation law . Therefore \_ that , for identify type moderate business \_ ongoing , necessary attention to criteria that have been set .

## • Service

Service, according to Kasmir (2017: 47), refers to action or actions carried out by individuals or something organization with objective give satisfaction to customers, colleagues work, and even to leader. Temporary that, according to Armistead and Clark (1999:56-57), the services and support provided to customer is ability employee in operate his duties, namely give service and support with full commitment, as well own Skills For overcome problems that arise during the giving process service.

## • Shopee

Shopee, a e-commerce company managed by SEA Group, official start operations in Indonesia in the month December 2015 below management of PT Shopee International Indonesia. Shopee Indonesia is known in a way wide Because adopting a C2C (customer to customer) business model in a mobile market platform , which involves various market segment in Indonesia. Shopee presents variety category products , incl electronics , fashion, equipment babies & children , health & care , sports , and equipment House ladder . Shopee's growth in Indonesia is happening with fast , and firm This implement system service interactive buying and selling through live chat feature . Shopee also provides various option payments , such as bank transfers, Kredivo , Indomaret , and cards credit .

#### • Shopee Food

Shopee Food is a marketing platform food and Drink online supported by one of the provider e-commerce service , namely Shopee

## • Marketing

According to Kotler (2001), marketing is an involving social and managerial process \_ individual and group in fulfil need they with create as well as offer products that have mark . Activity marketing essentially consists of from development product , distribution , communication , determination price , and service . Kotler (2001) also explains that in realm

marketing , there is draft mix marketing , which refers to a series of variable marketing that can controlled by the company To use reach desired response \_ from the target market. Mix marketing covers all efforts made \_ company For influence request to the product . Furthermore , Kotler (2005) stated that marketing strategy is something pattern think applied marketing \_ For reach objective marketing . In this strategy , there are details regarding the target market, determination position , mix marketing , and allocation budget marketing . Kotler (2008) also introduced marketing mix concept , which consists of from seven elements (7Ps): product , place , price , promotion , people, proof physical , and process.<sup>3</sup>

#### **RESULTS AND DISCUSSION**

## A. Opportunity Shopee Users in MSMEs in the Digital Era

Shopee's impact on very MSME players significant . Existence Shopee application provides convenience for they in operate effort, which in turn give contribution positive to wheel economy a country. MSME actors become savior in the middle condition difficult, and the Shopee application becomes tools that make things easier they in doing business. The features provided by Shopee, such as Shopee Food, provide Lots profit for consumers, like discounts and free fares Send . This matter make consumer tend choose For buy via Shopee Food than directly on the spot . This feature also provides description about product popular and trusted food, based on evaluation consumer previous. Process disbursement of funds on Shopee is also included easy with enclose account, so that funds can be obtained quick disbursed and transferred to registered account . Comparison between purchase directly in the store and through Shopee application shows that 70% of society more choose For shop via Shopee Food, shows effectiveness and impact big Shopee application for perpetrator UMKM.Events held by Shopee, such as the Shopee 9.9 event, are also included give impact positive for growth economy in various regions in Indonesia. The excitement of the event increase order for MSME actors, especially at the top Shopee 9.9 campaign. This matter become profit for development business local, especially MSMEs, who can utilise Shopee application and various events held by this platform . In line with Shopee's goal for support MSMEs, existence application This give opportunity for the perpetrators business local and MSMEs for develop business they more wide . This can become a stepping stone for they For

<sup>&</sup>lt;sup>3</sup> Simarmata , F., Lesmana , RN, Sari, PR, & Setiyawan , A. Influence Utilization Shopee Food Services for Perpetrators MSMEs in the Midst of the Covid-19 Pandemic , 2021, SERINA PROCEEDINGS, 1(1), 2099-2106.

reach profit maximize and develop expansion more business \_ big . With exists initiative in develop consistency business , these MSME players can become motivation for willing individual \_ For start something business . Business independent , creative and innovative .

Shopee has reach popularity among \_ public blessing various convenience and various features , providing \_ benefit for consumers and MSMEs . The Shopee application becomes familiar among people general Because makes it easier access and provide experience transaction sell buy safe \_ as well as comfortable . Unfortunately , a lot MSME actors who started business on Shopee without a development strategy planned business , so \_ expected results \_ not optimal in utilise potency Shopee application .<sup>4</sup>

### **B.** Challenge Shopee Users in MSMEs

MSME players complain decline sales, difficulties in obtain material standards, and obstacles in distribution. Although so, no all MSMEs experience decline. According to LPEM UI research, several shining MSMEs is what produces herbal products, fruits, and vegetables that contribute to health and vigor stand body. Change pattern life more society Healthy push interest in products the. Impact decline economy trigger a number of countries implement it the concept of "new normal" for support recovery economy. Indonesia also followed suit current This with introduce pattern production and consumption new, where digitalization and automation become more fast . In facing the "new normal," MSMEs need adopting new strategies.Digitalization business become opportunity for MSMEs to increase performance they through various digital platforms. Digitalization, which has sinking in to all sector business, opening previous market access limited, change it become without limit. Potency This can optimized by the perpetrator business micro, small, medium, and cooperative, however the challenge is How they can make optimal use of digital platforms by increase skills and abilities them. Although digitalization can become key growth economy nationally, MSMEs in Indonesia still face various challenges and challenges faced involve source Power less than optimal human (HR) role system supporters who don't efficient, as well lacking policies and regulations effective . HR challenges include lack of level education , skills , experience, and limitations access to information. The majority of MSMEs haven't either own

<sup>&</sup>lt;sup>4</sup> Madania , SP, Daffa, MM, Huda, INF, Husna, ANU, Riswanti , BM, & Firmansyah, M. Integration Shopee Application For Optimizing Economy Creative MSMEs in Pakel Village Regency Jombang During the Revolution Industry 4.0, 2023, Journal Management and Science Social, 1(2), 100-112.

#### **OPPORTUNITIES AND CHALLENGES FOR SHOPEE USERS IN MSMES**

capacity adequate entrepreneurship , visible \_ from focus business those who are more into production than response to market demand . Lack of optimality system supporter increase complexity MSME access to source power , technology , and markets. System supporter involve various institution like provider material standards , institutions financing , institutions research and development , marketing mediators , institutions service business , and so on . System role MSME support also depends on availability infrastructure and incentives . For support development of MSMEs, still required harmonization regulations in various level , okay between central and regional , inter sector , as well as between regions.<sup>5</sup>

#### CONCLUSION

Significant impact from presence Shopee application against MSME actors become very real. The Shopee application provides convenience for domestic MSME players operate business them, so can contribute to continuity wheel economy a country. Features in application This give description about product popular and trusted food, with see evaluation consumer previously. The more The higher the average rating and stars, the more high level too trust consumer to MSME products . The method for disbursing funds on Shopee is also listed easy, with only enter information account, funds can be obtained disbursed and sent via transfer to existing account \_ registered . Comparison between purchase directly in the store and through Shopee application shows difference Enough significant . As many as 30% of society more choose purchase directly in the store, while 70% more choose buy via Shopee Food. This matter describe effectiveness Shopee application and impact the positive for MSME actors. Impact more carry on felt by MSME actors when happen various event, like Shopee 9.9 event. Participation in events the push growth economy in various regions in Indonesia. Excitement events this is also reflected in increasing order for MSME actors, reach peak during campaign Shopee 9.9. Profit from presence application Shopee and the events it holds become opportunity for development business local, esp for MSME actors. Suitability with objective Shopee, which delivers focusing on MSMEs, becomes a stepping stone for perpetrator business and products local For develop business they to more levels big and spacious . This also creates opportunity For always innovate and develop consistency in operate business, that

<sup>&</sup>lt;sup>5</sup> Saribu, SD Challenges and Solutions for MSME Business in the New Normal Era, 2022.

can become source inspiration for people who are interested For start business independent, creative and innovative.

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