

# Digital Economy to Growing Up Communal Brand in Dawuhan Mangli Jember

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**Abstract-** The era of the industrial revolution 4.0 made the internet an inevitable matter. The changes brought by the internet are an interesting discussion as to whether these changes are able to grow the economy for MSMEs. The digital economy is one of the efforts to develop a communal brand in the village of Dawuhan Mangli Jember. The efforts of MSMEs in dawuhanmangli village as a birdhouse center also seem to have contributed to the development of the current digital economy. MSMEs in dawuhanmangli also market their products through marketplaces, social media, and other online optimizations.

**Keywords-** internet, digital economy, SMEs

## I. INTRODUCTION

Bird Cage Crafts in Jember Regency are bird cages that are unique compared to other regions. Dawuhan Mangli Village, Sukowono District, is a center for birdcage crafts in the North Jember area. Craft birdcages of this area have long been established, according to information has been started since before independence. Previously the work produced there were four types, including Surabaya, Jember, Monyetan, and Banyuwangan. It was only in 1958 that the birdhouse was re-introduced by Mr. Santena by developing a better quality of production; the hope was that the handicraft would not be consumed by time.

The direction of economic growth and innovation, productive and social infrastructure. Today, innovations in the world experience significant changes — existing resources in business development, especially in the development of the digital economy. The development of global information and communication technology or Internet technology leads to the formation of a global electronic environment for economic activities.

Information change is the main actor in the world today. The diversity of data and the speed of knowledge make the dynamics of this era different. The scope of technological innovation, competitive conditions requires new restructuring at every stage of life. Not only reshaped around information, abilities, and experience. Social media plays an important role in changing internet usage behavior and marketing practices (Habibi et al., 2014: 155).

Business is currently experiencing intense competition, especially with the development of the world of information technology that has an impact on people's patterns of communication both in the fields of education, health, entertainment, labor, and business. Nowadays, businesses no longer need direct interaction, just being in the hands.

In contrast to large companies, small and medium-sized entrepreneurs have limited capital in promotion, some of the boundaries between traditional promotion. With the presence of social media, it is an advantage for MSMEs to carry out promotions without being limited by distance. In this case, this study aims to determine the digital economy strengthens the communal brand in Dawuhanmangli of Jember.

## II. METHODS

The type of research used is qualitative research with a descriptive approach. Descriptive research is used to describe, describe, and summarize the various situations and conditions of the object of research in real terms. Qualitative research is used to describe the results of how the digital economy fosters communal branding in Dawuhanmangli Jember.

## III. RESULTS AND DISCUSSION

Development of the world of information and communication technology leads to the formation of online communities. Nowadays, the change in cyberspace is one of the centers of development in society. Business turnover also develops through technological developments. Indonesia is also one of the major social media users, including Facebook, Twitter, Instagram, YouTube, etc.

The development of these technologies eventually also inevitably must be followed by MSMEs, especially MSMEs in Jember Regency. In the 1940s the Dawuhanmangli village of Jember had jobs as farmers and PTPN laborers, both of which became the main activities of the dawuhanmangli community. some residents only own land in Dawuhanmangli village. Most of the land in the dawuhanmangli village is owned by

residents outside the village. So in the 1950s Dawuhanmangli village community worked as PTP laborers.

According to Kominfo the development of the economic sector in Indonesia, which is entering the era of the digital economy, has also changed the existing business model. The business model has also changed from the old, new, or existing models that are currently running as well as future models. Ministry of Commerce's (2016) trade notes that Indonesia's main export commodities are textile products, electronic goods, footwear, palm oil, rubber, and coffee.

Marketing communication must be done as well and effectively as possible to potential customers. Advertising activities means activities to disseminate news (information) to the market (community/consumer). The public needs to know who is acting through the advertising media (Mursid, 2017).

At present, the purchasing process is also carried out digitally, from the process which results in businesses also thinking and acting by making new innovations. The activities carried out are not only to increase the presence of MSMEs in the digital world, as well as other higher things, namely establishing a communal brand so that consumers are caught in the minds of consumers. Marketing experts claim that the brand is now born from searching for information on the internet, now the world is accustomed to "big data," search engines, and marketing automation. Another opinion states that currently, users have experienced a significant increase in social media, especially now brands are formed from the message of customers in cyberspace. The digital age strengthens the brand of products produced by business people.

This is in accordance with the opinion of Kuswiratmo (2016: 163) relating to E-Commerce which is the implementation of commerce in the form of sales, purchases, orders, payments, and promotions of goods and services carried out by utilizing computers and digital electronic communication facilities or data telecommunications that can be done globally, namely by using internet networks.

E-marketing describes the company's efforts to notify buyers, communicate, promote, and sell products and services via the internet (Kotler & Keller, 2008: 196)

Dawuhanmangli birdcage centers in Jember Regency use advertisements through electronic media, print media, and internet media. Dawuhanmangli birdcage centers conduct advertising activities in order to provide information related to the products offered so that it can influence consumers to be interested in buying the products offered.

Van Dijk in Fuchs (2014) which said that social media is a media platform that focuses on the existence of users who facilitate them in their activities and collaborations. Meanwhile, according to Nasrullah (2017), social media is a medium on the internet that allows users to represent themselves and interact, work together, share, communicate with other users, and form virtual social ties. Kaplan and Haenlein (2010) describe social media as a group of media in internet-based applications that build on the ideology and web

2.0 technology foundation. Web 2.0 technology enables interactive two-way conversations between producers and consumers.

A social networking site is a service-based site that allows users to create a profile, view a list of available users, and invite or accept friends to join the site (Priansa, 2017).

Dawuhanmangli birdcage centers in Jember Regency by making oral presentations about the products offered to prospective buyers. Dawuhanmangli birdcage center in Jember Regency also conducts personal sales activities in its marketing communication activities. Personal sales include providing excellent service when there are customers who come directly to the Dawuhanmangli Birdhouse Center, Jember Regency.

Some internet marketing efforts that have been carried out by the Dawuhanmangli Birdhouse Center in Jember Regency can attract consumers to buy the products offered. Dawuhanmangli birdcage centers use the internet for marketing their products, an effort made through social media Instagram and Facebook. Marketing through the internet can make it easier for consumers to see product images posted on Instagram and Facebook, so consumers do not need to come directly to the Dawuhanmangli Birdhouse to make purchases. Marketing products through the internet is only intended to make the products sold known to the public.

Every social media has a different character, although the function and usability are the same, one of them is a social media portal such as Facebook, Google+, and the like. Users or members of social media are more varied, both in terms of age, profession, location, education level, and income level. In terms of age, it can be said that the productive age data is between 15-60 years old, educated, meaning that at least school is compulsory to study or at least has the will to learn, whereas when viewed in terms of profession it can be from students, students, office workers, entrepreneurs, educators celebrities or other important figures. On the other hand, social media can influence changes in consumer consumption behavior at large and change the way marketing companies today. (Thoumrunroje, 2014).

One of the social media that can be utilized for the application of social media marketing is Facebook (Zarella and Zarella, 2010), (Funk, 2013), (Porterfield, 2013), (Barnes, 2015) and (Helianthusonfri, 2016). As part of the marketing concept, Facebook as social media marketing in its application also depends on four important variables in commercial marketing that are often referred to as the marketing mix or marketing mix (Evans, 2010), (Parker, 2010), (Kotler and Zaltman in Hussein, 2014), (Tuten and Solomon, 2017), which includes product, price, place, distribution and promotion. (Singh, 2010), (Tjiptono and Chandra, 2012), (Salim, 2014), (Setiyaningrum et al., 2015), and (Kissinger, 2017).

The event held by the Jember Regency government was utilized by the Dawuhanmangli Birdhouse Center in Jember Regency to conduct a sales promotion by opening a bazaar stand with the aim of introducing the product and attracting the buyers' interests of visitors who came to the

event. The results showed that not all sales promotions conducted by the Dawuhanmangli Birdhouse Center in Jember Regency could attract consumers to make purchases.

In addition to using the internet to support the digital economy. Dawuhanmangli bird cage centers also make efforts called integrated marketing communication or often called Integrated Marketing Communication (IMC) is a communication process that requires planning, integration, and implementation of various elements such as advertising, sales promotion, publicity.

Dawuhanmangli birdcage centers carry out advertising activities using several media, including print, electronic, outdoor media, and social media. This advertising media was chosen by producers because it is easily accessed by consumers, both consumers who are in Jember Regency and consumers outside Jember Regency. Just like radio broadcasts, marketing communication via the internet also contains information and invitations that influence consumers to buy the products offered. Dawuhanmangli bird cage centers conduct advertising activities with the aim of attracting consumers to buy the products offered so as to increase company sales.

Personal selling is a form of integrated marketing communication strategy by way of face to face with potential customers. The personal sales conducted by the Dawuhanmangli Birdhouse are by providing good information and services to consumers. Here the owner at the same time serving sales.

Public relations, aside from doing advertising, personal selling, and sales promotion activities, Dawuhanmangli Birdhouse is still not in a good relationship with various agencies, such as government agencies, banks, and others. A good relationship can certainly be a positive response from its partners so that it can attract public interest to buy products offered by the Dawuhanmangli Birdhouse and can create a good image of the company. Good relations should be established with hotels in Jember Regency.

Marketing via the internet is also carried out by the Dawuhanmangli Birdhouse Center now through Instagram, Facebook, WhatsApp, and so on. The internet is used by many people around the world with the aim of exchanging information, marketing via the internet aims to persuade potential customers to buy the products offered, but not all consumers make a purchase just by looking at pictures through the internet. Marketing communication activities via the internet can also be used as a means of advertising and sales promotion. Dawuhanmangli birdcage centers are currently studying using Facebook ads. Marketing via the internet aims to make consumers aware of the products being sold.

#### IV. CONCLUSIONS

Based on the results of research and discussion on the digital economy to develop communal branding in Dawuhanmangli, Jember Regency, currently the role of technology in business can be used to form and strengthen

communal brands in the UMKM Dawuhanmangli birdhouse. The development carried out by the Dawuhanmangli birdcage center continues to strive to provide innovation in terms of marketing that has traditionally been directed towards a digital economy. Also giving impact to the turnover that was received by the craftsmen at the Dawuhanmangli in Jember.

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