

SIJDEB, 7(2), 2023, 121-136

p-ISSN: 2581-2904, e-ISSN: 2581-2912

DOI: <https://doi.org/10.29259/sijdeb.v7i2.121-136>

Received: 20th July 2023; Revised: 2nd Oct 2023; Accepted: 12th Oct 2023

SRIWIJAYA INTERNATIONAL JOURNAL OF DYNAMIC ECONOMICS AND BUSINESS

<http://ejournal.unsri.ac.id/index.php/sijdeb>

E-Commerce Implementation in An Effort to Consolidate the Competitiveness of Small Industry Businesses

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Abstract: Technology brings about changes in all aspects of life, including in business and trade. One of the technologies are presented in business is e-commerce. E-commerce will provide benefits for business actors if utilized optimally, especially for small and medium businesses. This study analyzes the impact of e-commerce implementation efforts to consolidate the competitiveness of small industries in Ogan Ilir Regency. The data used is primary data taken directly by making observations and interviews. Techniques in data retrieval using simple random sampling techniques. The data obtained will be analyzed using statistical analysis and comparative approaches. The results of this study show that the implementation of e-commerce business will have a higher competitiveness index, greater amount of revenue and profit, and more total production, or it can be said that higher productivity than small micro businesses prevent those who have not used e-commerce in their business.

Keywords: Micro Small Medium Enterprises; E-Commerce; Competitiveness; Productivity

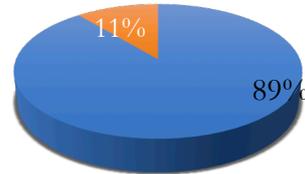
Introduction

The rapid technological progress in the current era has changed all aspects of life that exist, including the fields of business and trade aspects. The presence of technology makes aspects of the field of sales and trade easier and faster. Transactions between sellers and buyers also become easier and more efficient. This is because it can be done anytime and anywhere. The technology that is present provides a new order in the world of business and trade (Silvia, 2021), this is a new opportunity and challenge for business people and entrepreneurs.

Technology that is present in the field of online trading and purchases is usually called electronic commerce or often known as e-commerce. E-commerce is a part of a trading

business based on the internet network. This technology is often known as an electronic-business. Electronic business itself is the basic technology of evidence on networks and electronic mail, this technology is a trading service or trading stall provided through online shop applications and platforms such as startups and websites (Sisil, 2017).

Figure 1. E-Commerce Users in Indonesia 2020



Source: Publication of E-Commerce Statistics 2020 BPS.co.id, data processed

Based on data from the Indonesian Statistics (Badan Pusat Statistik, 2020), e-commerce users in Indonesia are relatively high, high e-commerce users will certainly have a good effect on the government and business actors, if the implementation of e-commerce is balanced with high use of social networks or the internet. This is because the system in today's trading era, especially those based on applications and social media, really needs users or internet users as buyers, better known as buyers (Andriyanto, 2018 & H. Zaied, 2012) and (Ibrahim et al., 2018).

In the current era of digitalization, internet users or users in Indonesia have increased from year to year. It is noted that internet users or users based on data from the (Kusnandar, 2021) research in Indonesia, in 2019 as many as 150 million people, and increased in March 2021 by 41.57 percent or to 76.8 percent, of the total population of the existing community, so that in March 2021 internet users in Indonesia there were as many as 212.35 million people, who are already involved in the use of internet technology. Seeing this, it will certainly be an opportunity for industry players or businesses in marketing and distributing the products they produce. Seeing this opportunity, of course, the government will not waste the existing opportunities. The government continues to strive to encourage economic actors, especially those in the regions to utilize this technology in their trade, in order to compete competitively both nationally and between regions. One of them is the government of South Sumatra Province.

The South Sumatra Provincial Government has recorded the use of e-commerce based on data from the National Statistics Agency of 82.85 percent (Badan Pusat Statistik, 2020a). The percentage is further divided based on the number of business units in the regions or regencies in South Sumatra Province. Sourced from data from the Central Statistics Agency of South Sumatra Province, there are 80,549 businesses (BPS Provinsi Sumatera Selatan, 2020), both MSMEs and Medium Large Industries, meaning that the number of businesses that have switched to using e-commerce in South Sumatra Province is 66,734 businesses. The number of e-commerce uses in the province continues to be optimized to encourage a digital economy that has a target to create a more prosperous society. The support and encouragement carried out by the province continue to be intensified to all businesses in the regions, especially those that have not used digitalization in their business.

Ogan Ilir Regency is the district with the largest population of small industries in South Sumatra Province, so researchers are interested in observing small industries in Ogan Ilir.

In addition, the district continues to strive in advancing trade, both conventionally and e-business by utilizing e-commerce. One of the main targets in an effort to advance the digital economy is Micro, Small, Medium, Enterprises (MSMEs) or home industry. Based on the report of the MSME and Cooperatives Office and the Indonesian Statistics of Ogan Ilir, it is stated that the home industry or often known as MSMEs, is one of the contributors to the economy in Ogan Ilir Regency. This is due to the number of SMEs in this district, more than 99 percent of the total existing business population. Of this percentage, businesses engaged in eating and culinary are one of the dominating SMEs. In other words, the contribution of SMEs or MSMEs to the economy in Ogan Ilir Regency is very large. If it is assumed that if all home industries or MSMEs switch to the digital industry, it will certainly expand markets for the industry or business concerned, and this can certainly have a good effect on industrial income and can increase the profits generated. Therefore, MSMEs will improve the level of welfare for the perpetrators and also in the regions concerned.

Table 1. Number of Business Units of Ogan Ilir Regency

Years	SMEs/MSMEs	Medium Large Industries
2020	20421	22
2019	10434	20
2018	9441	21
2017	6362	25
2016	6091	27

Source: Ogan Ilir Publications in Numbers (2020)

The use of e-business in this case e-commerce, will certainly increase the competitiveness of products produced against products from outside the region, business actors who implement e-commerce will continue to innovate products, in order to survive the shock of their competitors' products. So that the competitiveness of the products produced will continue to be improved in order to expand market share (Hendrawan et al., 2018, & Purba et al., 2021.& Kirom et al., n.d. & Wahyuni et al., 2020). It can be said that the higher the use of e-commerce in MSMEs, of course, the greater the marketing carried out. Therefore, from the statement above, researchers are interested in analyzing how the impact on the home industry or MSMEs, if they switch to the digital industry or use digitalization both in marketing, payment transactions, and distribution, as well as the promotion of the products they produce, and it is hoped that this research can illustrate the impact of using the technology for related parties.

The purpose of this study is to analyze how the effects caused by the application of e-commerce in their business, as well as compare the level of productivity of small and medium enterprises that have implemented online commerce with businesses that have not implemented online commerce, as well as to compare the competitiveness between small businesses that implement e-commerce with businesses that have not implemented e-commerce.

The difference with previous research is that it emphasizes the comparison of business productivity that uses e-commerce with those that have not implemented it and the comparison of the competitiveness of industries that apply it with those that have not implemented it.

The practical benefits of this research are as a reference strategy in expanding markets and distribution for small businesses without using large marketing costs, and it is hoped that the results of this research will prevent small business actors from switching from conventional trade to e-business.

This research was conducted in Ogan Ilir Regency, and only focused on small and medium enterprises or dry food MSMEs. The choice of food business because it is one of the businesses with the largest population in Ogan Ilir, the choice of dry food is because dry food is more durable and durable if marketed in areas far from the place of production or the business that produces it.

Literature Review

MSME Concept or Small Industry Concept

The concept of MSMEs or small industries is an industry that has a small production scale and little capital. The existing limited capital makes the resulting production certainly not compared to large industries. Small production, the income obtained will certainly be relatively smaller than industries that have large capital (Saputra et al., 2020).

E-Commerce Concept

E-commerce or cyber-based trading (online) is a transactional process in trade in the form of goods, services or information that are carried out by utilizing information networks from cyber or online devices. E-commerce is a commodity trade in goods that is carried out electronically by consumers and producers or vice versa from producers or companies to other companies through information network intermediaries using electronic devices such as smartphones or computers (Laudon & C. G. T., 2017). According to (Baum, 1999) e-commerce is a set of technologies that are active in business processes that bring together producers, consumers and the public through negotiations in the form of trade in goods, services or information carried out online.

The Concept of Competitiveness

Competitiveness is the ability or skill intended to compete in a certain market, where competitiveness is created through continuous improvement in all aspects of the industry, especially the increase in the amount of capital and also the quality and quantity of production so as to produce a product that is better than before (Porter, 1990). Competitiveness itself can be interpreted as adding benefits with a more meaningful concept, as well as prioritizing innovation from a product commodity, which is distributed or marketed. This, of course, will make consumers interested and become a regular subscription to buy goods from the company.

Methods

This research is a case study, with direct observation and interviews. This data is taken as primary data using a simple random sampling technique with three sub-districts that are places of observation, namely Inderalaya District which is the district with the largest

MSME population, North Inderalaya District which is a district with a strategic place in the development or pioneering of small industries because it is passed by two main causeways, and South Inderalaya District which is the district with the largest number of small businesses and the largest food medium in Organ Ili. This study was conducted for more than a month, so that sample collection can be optimal.

The list of questions carried out is a question developed from research conducted by (Utia Elja Rizki, 2021). The results of observations and interviews conducted will be recorded, then the data obtained are analyzed by statistical analysis.

The analysis technique used to see competitiveness is the calculation of the competitiveness index (Wiyadi, 2009) through the sales value of production results, with the following calculation model;

$$C_1 = \frac{1}{\pi ki} \sum_{ijk} \cdot W_{ijk} \dots \dots \dots (1)$$

Description: i = Industrial Sample i; NK= Total Sales; C1 = Competitiveness Index; W = Competitiveness Value Weight; \sum_{ijk} = Industrial Sales. Then the analysis technique that will be used in analyzing the impact of *e-commerce* implementation on the productivity of other food MSMEs with the following calculation formulation;

$$P_{ij} = \frac{I_{ij}}{O_{ij}} \dots \dots \dots (2)$$

Description: Pij = Productivity; Oij = Output; Iij = Input

Furthermore, the analytical techniques used in analyzing the implementation of *e-commerce* in the consolidation of competitiveness, namely; Data Reduction; Data Presentation and Verification or Conclusion Drawing. The tool used is the Excel software application, which is an application that will be used by researchers in analyzing the data that has been obtained, where the data obtained will be analyzed using statistical analysis methods. Furthermore, the results of data processing will be carried out a comparison between industries that have implemented e-commerce with industries that have not used it.

Findings

The development of MSMEs in Ogan Ilir is currently experiencing a positive trend or experiencing an increasing trend every year with an average increase of 39.7 percent from 2016 to 2020 (BPS Ogan Ilir, 2020). This increase was due to an increase in demand for MSME products from Ogan Ilir Regency both locally and nationally. Of course, this increase is not only seen from the demand side of these MSME products, but also the existence of business opportunities that can bring profits or income to business actors. This opportunity is used by entrepreneurs to offer the products they produce, as a result of this, many people open businesses to obtain income coffers. The development of the number of MSMEs in Ogan Ilir Regency which has increased not only craft MSMEs but other processed MSMEs has also increased, including food MSMEs in Ogan Ilir Regency.

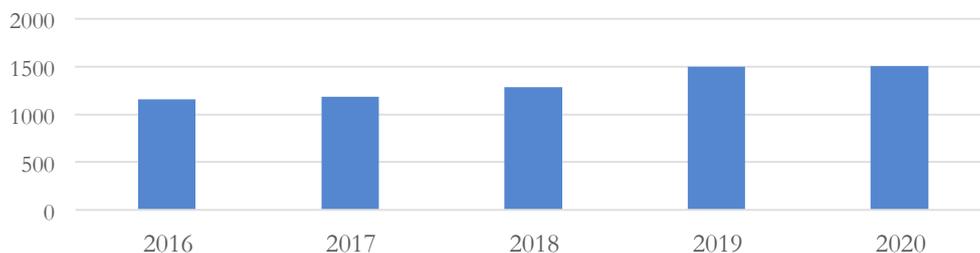
The development of the food industry is increasing due to the increasing need for food. The presence of this industry is intended to make it easier to meet food needs for mankind, including food needs in Ogan Ilir Regency. The development of the food industry in this district has increased every year, this proves that the demand for people to obtain easily

available food needs is increasing as well. This is one of the focuses in the development of the food industry in Ogan Ilir Regency. However, people's purchasing power for food needs is also one of the most important things in determining the development and sustainability of this industry. High public interest in the results of the products being marketed will certainly motivate economic actors to develop their businesses (Delmayuni et al., 2017).

Figure 2 above, the food industry in Ogan Ilir Regency has increased from year to year. The increase in the food industry in Ogan Ilir District every year is increasing by an average of 6.91 percent. The increase that occurs is due to the demand or consumption of food that is practically increasing. The increasing demand is due to the increasing number of residents, where currently the number of residents of Ogan Ilir Regency is increasing every year with an average of 0.9 percent (Badan Pusat Statistik, 2021). As a result of the increasing population, the demand for easy and practical food has also increased, so that opportunities for economic actors or producers to develop their businesses have also increased. Business development can be in the form of opening new branches or increasing sales volumes or results from the production.

The increase in the existing food industry in the district is more dominated by an increase in the number of SMEs or Small and Medium Industries (BPS Ogan Ilir, 2020). Small industries and food MSMEs are currently one of the dominating industries in Ogan Ilir Regency, this is due to the increase in the number of people which has resulted in an increase in the demand for practical and easily available food. So, this is one of the main reasons for the increase in the number of food MSMEs in Ogan Ilir Regency. Of course, the increase in the number of food MSMEs will have an impact on market share and sales in this industry, which will have a positive effect on income and welfare for business actors and consumers.

Figure 2. Number of Food Industries in Ogan Ilir District



Source: Ogan Ilir 2020 Statistics Publication BPS.co.id, data processed

The positive impact caused by competition between producers or business actors is due to the competition of products in the market, of course, producers will improve the quality and quantity of their products, in other words, business actors will continue to innovate and efficiency products to maintain the market and customers they have obtained (Ahmad & Sinha, 2016). This is what makes business income will increase. Meanwhile, for the public or consumers, it is the availability of food products at relatively affordable prices with varying shapes or packaging and quantities of products, or it can be said that it will provide diverse choices for consumers due to innovations and quality improvements made by producers. The increase in the number of food industries in Ogan Ilir Regency at this time, is not only caused by the increasing demand, but some people in this district opening

a food business because it is a side business or as a second livelihood to increase the coffers of income, this is based on the interviews that have been conducted.

The increasing number of business, especially in the food sector, means that the consumption of easy and practical food is increasing. This should certainly make a considerable contribution to the wheels of the economy in the district. The food industry based on the publication of the Central Statistics Agency of Ogan Ilir currently accounts for 23.6 percent of the total number of MSMEs that exist (Badan Pusat Statistik, 2020). Based on the contribution of the food processing industry, even though it is one of the *prima donna* industries in Ogan Ilir Regency. The contribution is still relatively low. The low contribution that exists can be caused by the sales volume which is still relatively small. Of course, in order to increase sales volume, a large amount of production is needed. These production results can be increased by increasing capital or making efficiencies in terms of producing, if you increase capital or efficiency in producing, of course, you can increase production results which results in the number of sales or sales value will increase. So that the income of producers or business actors will increase, which this increase can increase the contribution of food MSMEs in Ogan Ilir Regency.

Capital is a very important role in a business, this is because capital is the root or the earliest stage in doing business, both production and trade. Capital in conducting trading business or making a business can be in the form of money or tools or technology used in the business (Kuncoro, 2008). In terms of obtaining capital for business and business, capital is divided into two parts, namely; Capital earned on loans. This capital is usually in the form of money or goods obtained from third parties or from parties who lend capital such as; friends, closest people or the bank; Capital obtained from personal funds. This capital is usually in the form of tools or money obtained from oneself. In today's era, most industries and businesses have begun to utilize capital from various parties or from certain loans to obtain optimal production results, but it is different in the use of capital from outside parties such as banks and other loans in the case of small industries, especially in Ogan Ilir Regency.

This proves that based on the results of observations made, the use of personal capital that is widely carried out by food MSMEs is due to the lack of information and knowledge about business capital loans and the fear of being in debt if the business experiences problems. As a result, business actors prefer to use personal capital even though the amount of capital issued is very limited. This means that the borrower usually the bank still has not carried out overall socialization to business actors, especially other food-processed MSMEs in Kabupaten Ogan Ilir.

Limitations in the use of this capital are what will make the business stagnates in the development of its business or the business does not progress. Doubts that arise in taking risks have an impact on the results of the products produced, where the products produced are certainly very limited unlike MSMEs that have used greater capital. This is an illustration of the consequences of limited capital used in food MSMEs in Ogan Ilir Regency.

The problem with this capital is not only an impact on performance in producing, but the number of sales and marketing targets are also problems in the industry. The problem of existing capital limitations can be handled if the marketing target can be met, in this case

the industry concerned can take advantage of opportunities and make efficiencies in terms of producing so that it will improve the quality and quantity of products produced, as a result of which the sales value will increase which can increase turnover and income, in addition to making efficiencies in production, business actors must dare to try new things by utilizing existing information to looking at the capital assistance provided by the government through banks and the assistance of private parties who already have licenses. So that the capital loan provided will not burden business actors to return the loans made.

Food MSMEs have various levels of products produced. The level of production they produce depends on the amount of capital they spend. The capital has the most important role in producing goods to be marketed. Capital in food MSMEs includes the overall input factors they use. The small food industry generally includes the cost of raw materials that are greater than other costs, because in producing food the input factor is the most widely used. The input factor that has the greatest influence is the raw materials they will use. Because raw materials are determinants of how much product can be produced, as well as raw materials that have good quality, of course, they will produce products that have good quality as well. In other food MSMEs, input factors that are often used include; raw materials, means of production, labor and also the capital. The interrelationship between input factors is what determines the amount of production they produce (Supriyadi et al., 2017).

Appendix 1 above, it shows that the greater the capital used, the more the results of the production obtained will be. This is in line with the theory of production where the increase or decrease in the use of input factors, both labor, technology or capital, then the results of the production obtained also decrease or increase (Mankiw, 2006). It can be said that the influence of capital in terms of producing goods is very large so that if MSMEs increase the capital they use, it will certainly increase the amount of production they spend. The amount of capital in other food MSMEs based on observed results depends on how much demand. These industry players are reluctant to spend large capital if the demand for their products produced is not too much, according to them, if the products they produce exceeds the demand for their products, it will make producers suffer losses. This is due to the fear of taking risks and the sales market which is only limited to local needs. Therefore, these other food MSME producers are afraid to increase capital to produce more products.

Another factor that makes the results of the products they produce not too high is because some business actors still cannot determine the size or size of the products produced, in other words, the products they produce are not equal or have not created efficiency in producing goods. This is due to the lack of use of technology and more use of tools that are still simple and use doses with estimates or hand sizes of workers in producing.

E-commerce is currently a service or base used in terms of business and commerce. The use of e-commerce in a business or business can facilitate sales and distribution, so that the business concerned can expand its marketing reach and market share (Rahmidani, 2015) & (Monica, 2016). The use of e-commerce will expand the target in sales, which this expansion will provide benefits for business actors because it can increase marketing targets. This is what entrepreneurs often target or dream of to increase the usefulness and sustainability of their business.

E-commerce itself is often interpreted as technology to facilitate trade services, even

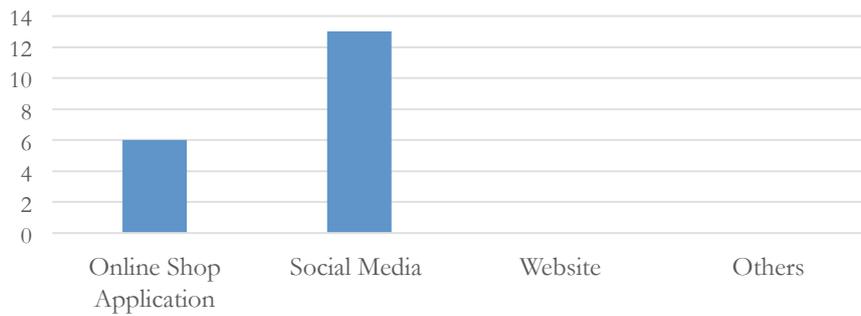
though e-commerce is not just a trade thing but can be a place for consumers to obtain information about products in the business and become a place for consumers to provide input and opinions to business actors, so that the input provided by these consumers will be the basis for producers in making decisions or taking actions to innovate and improve the quality and packaging of products (Sugiarti et al., 2020). E-commerce will provide benefits for both parties if utilized optimally. Currently, the use of e-commerce in other food MSMEs or dry food in Ogan Ilir is still limited, this is seen from the results of observations that have been made (Chiliya et al., 2011).

The results of observations through interviews, it was obtained that from the number of samples taken, only 19 percent had used e-commerce, meaning that use of technology in business and trade in Ogan Ilir Regency was still very minimal, especially in food MSMEs. The lack of use or utilization of e-commerce is caused by lack of knowledge and not mastering existing technology (Nelly, 2021). So that business actors are reluctant to use it, apart from the lack of mastery of technology, business actors are also afraid to try new things. This is because they argue that selling manually or simply has become a tradition from the past.

The results of observations, it was also obtained that the use of existing e-commerce is more dominated to carry out promotional places, transactions and advertising of the products produced. Product promotions and transactions are 54 percent of the total sample of MSMEs that have used e-commerce or there are as many as 7 food MSMEs from 13 food MSMEs that have utilized e-commerce in terms of promotions and transactions, while 46 percent of MSMEs or as many as 6 other food MSMEs use e-commerce only as a service for advertising trade products. E-commerce, which is more widely used by food MSMEs in Ogan Ilir Regency, is more dominated by e-commerce in the form of social media applications and online shopping applications, along with an overview of the use of e-commerce in food MSMEs in Ogan Ilir Regency.

The online shop application is a service or application intended for business matters such as trading, advertising, or a place to make transactions, usually this application such as Shopee, Tokopedia, Bukalapak, and many more, this application is often known as a marketplace. Social media is a form of platform such as a service to facilitate users in terms of communicating and also sharing content and promotions in the form of photos, videos, and so on. While the website is a platform in the form of pages or windows that provide information and places of transactions in trade and services provided by a business to internet users who want to know information about the business in the form of domains or subdomains such as the world wide web (www) on the internet (Setiadi, 2017).

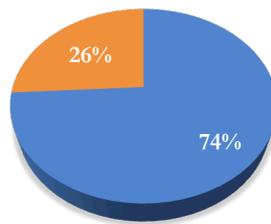
Figure 3. E-Commerce Used by Food MSMEs in Ogan Ilir Regency



Source: Ogan Ilir MSME Primary Data 2021, data processed

Figure 3, the use of social media applications in the use of e-commerce is a superior or food MSMEs in Ogan Ilir. This can be seen from the results of observations made, from these results 68 percent of food MSMEs use social media more and 32 percent use online shop applications or marketplaces and 0 percent or no MSMEs use website bases and others in the use of e-commerce. The use of social media applications is excellent because according to business actors this application is easier and faster, because just using status updates or promoting in chat media is easier to use than having to take care of or create stalls in online shop applications and websites. This is what causes business actors to use this application more than other e-commerce. The use or application of e-commerce in trade and business in other food MSMEs has an impact or influence on business, this is based on the results of observations that have been made by researchers by compiling or comparing MSMEs that have implemented e-commerce in terms of production and also trade as well as sales to other food MSMEs in the market.

Figure 4. **Competitiveness Index of Other Food MSMEs in Ogan Ilir Regency**



Source: Primary Data of Other Food MSMEs Ogan Ilir, data processed

Figure 4, it shows that the use of e-commerce in the industry in this case other food MSMEs can increase the competitiveness of the products they produce. This is because the use of e-commerce in its business can expand the market reached so that it can add sales value (Maryama, 2013& Poorangi et al., 2013). Of course, to maintain the market and to compete with other similar products, economic players are actively advertising and also innovating their products, such as adding new flavors and better packaging. This is done to attract new consumers so that the products they market can survive the shock of similar products from other manufacturers. As a result of the innovation and also promotion and advertising, making products produced by other food MSMEs that have used e-commerce will have a better advantage than food MSME products that have not utilized e-commerce in their business and trade. So that MSME products that have implemented e-commerce are more able to compete in the market than other food MSME products that have not

used services or technology in their business and commerce.

The conclusion that the use of e-commerce can increase the competitiveness of the products they produce compared to businesses that have not implemented e-commerce in their business. This is similar to the findings made by (Hussain et al., 2020), in their research findings showing that e-commerce can increase productivity and performance in the industry. This is based on the picture above that the average competitiveness index of other food MSMEs that have implemented e-commerce is 48 percent higher than other food MSMEs that have not implemented this technology, in other words MSMEs that have implemented this technology have an index 2.12 points greater than other food MSMEs that have not implemented it. Of course, other food MSMEs that have not used e-commerce in Ogan Ilir Regency can optimize the competitiveness of their products by innovating in terms of more attractive packaging products and with efficiency in production, so that the products produced can compete with other food MSME products that have implemented the digital economy in this case e-commerce. To make it easy to understand, pay attention to the comparison table or comparison table between MSMEs that have implemented e-commerce in their business and their businesses that have not implemented e-commerce in their business. The results of this study are the same as those studied by (Susilo, 2010).

Table 2 shows that the application of *e-commerce* in other food or dry food MSMEs has a considerable impact. This can be seen from the capital, labor, production and sales that are greater than other dry food MSMEs that have not implemented *e-commerce* in their business. The high use of capital is due to the increased demand for products of the food industry, this is due to the fact that the use of e-commerce in promotional and marketing systems will expand the reach in terms of marketing and attract new customers which will increase the demand for the products produced, due to the expansion of the market due to the use of e-commerce make an increase in the value of sales and the number of products produced. The results of this study are in line with research conducted by Kurniawati (2019) and Kilay et al., (2022), where in his research it was found that the ease of buying and selling online will have an impact on expanding market share. The impact of this increase makes an increase in the number of workers, the quantity of production and also sales.

Table 2. Comparison of Other Food MSMEs After and Not Yet Implementing E-Commerce

Information	Already Implemented E-Commerce	Not Yet E-Commerce Implementation
Total MSMEs	12	51
Average Capital	Rp. 910.000	Rp. 355.100
Average Labor	4 people	2 people
Average Production Yield	476 pcs	193 pcs
Average Sales	450 pcs	185 pcs

Source: Other Food MSME Primary Data OI 2021, data processed

The use of *e-commerce* in the sales and trade system for MSMEs has a tangible effect both for the workforce, government and for business actors. This is based on observations that have been made by researchers, which from the results of data processing through direct observation in the field, it was obtained that the increase in terms of capital and production

as well as the expansion of marketing caused by the application of *e-commerce* made the absorption of labor, sales, and income increase compared to MSMEs that have not used *e-commerce* in his efforts. Based on the table above, it shows that other food MSMEs that have implemented *e-commerce* can use an average capital of 72 percent more than MSMEs that have not implemented *e-commerce*, absorb a workforce of 50 percent, an average production yield of 71 percent more and sales greater than 70 percent compared to other food MSMEs that have not implemented this technology, Of course, this impact is an impact that is highly dreamed of by all parties involved, because it can have a good effect on all parties involved.

Based on this comparison, it shows that the effect of using *e-commerce* business has a very real influence on increasing sales and production. This impact or influence makes *e-commerce* one of the stalls or places of product marketing which is very helpful in increasing production and sales productivity. Of course, to obtain developments in terms of production and trade not only based on the use of *e-commerce* alone, it is necessary to have a product renewal or innovation as well, where this innovation is one of the important factors in business development. Because to maintain sales and consumer value, it is necessary to innovate both from varied products and better product quality, quantity and packaging.

The analysis that has been carried out, food MSMEs that have implemented *e-commerce* have an effect in strengthening business competitiveness. This is evidenced by the increase in the number of sales and revenue, as a result of the increase in sales and revenue, of course, the amount of turnover and also business *profits* will also increase. This study has similiar results with the research conducted by (Ikhsan et al., 2020) and (Kartiwi et al., 2018).

Table 3. Comparison of Sales, Income and Profit 63 Other Food MSME Samples

Information	Already Implemented E-commerce	Not Yet Implemented E-commerce
Total Production Costs	Rp 11,130,000.00	Rp 11,130,000.00
Total Sales	5850 Pcs	9150 Pcs
Turnover/Total Revenue	Rp 27,910,000.00	Rp 64,630,000.00
Labs/ Profit	Rp 16,780,000.00	Rp 53,500,000.00
Average Income	Rp 2,146,923.08	Rp 1,292,600.00
Average Profit	Rp 1,290,769.23	Rp 1,070,000.00

Source: Primary Data of Other Food MSMEs Ogan Ilir 2021, data processed

Table 3 it shows that the use of e-commerce in other food or dry food MSMEs has a considerable impact on profits and income. This is evidenced by the average income of businesses that have implemented e-commerce in one production is greater than 62.4 percent compared to the average amount of income of other food OR dry food MSMEs who have not implemented e-commerce in the trading system or their business. Based on the table, other food MSMEs that have implemented e-commerce in one month will get an income of RP 32,203,846, while MSMEs that have not used e-commerce will get an average income in one month of IDR 19,389,000. So we can conclude that MSMEs that have implemented e-commerce will get greater income compared to MSMEs that have not implemented e-commerce in their business.

Then to compare the profits generated between the same MSMEs, of course, other food

MSMEs that have implemented e-commerce will get greater profits. Because judging from the average income once produced by MSMEs that have implemented e-commerce, they get a higher income than food MSMEs who have not implemented e-commerce in their businesses. The average profit generated by other food MSMEs who have implemented e-commerce in one production is 54.7 percent greater than other food MSMEs that have not implemented this technology, meaning that in one month other food MSMEs who have implemented e-commerce in their business can get an average profit of Rp. 19,361,538. Meanwhile, the average profit of other food MSMEs who have not used e-commerce in their business will only get a profit of Rp. 16,50,000.

Judging from the comparative analysis of other food OR dry food MSMEs that have implemented e-commerce with other food MSMEs that have not implemented this trading service, it can be concluded that the influence in the application of e-commerce on other food MSMEs has a considerable impact on productivity, where the total productivity of other food MSMEs that have implemented e-commerce in its business at 39.88 percent, while other food MSMEs that have not utilized e-commerce are only 17.22 percent. The percentage of productivity in other food MSMEs that have implemented e-commerce certainly has an influence in increasing income, profits and increasing turnover in businesses, because businesses that implement e-commerce will definitely continue to strive to increase the productivity of their business in order to increase the amount of output which is exalted. Higher productivity means increasing the number of their products on the market, which has the aim of increasing the competitiveness of their business products. This competitiveness will make the output produced can survive in the market and maintain the market share that has been obtained, where competitiveness is obtained by continuing to try to improve the quality and quantity of the products they produce, as well as by continuing to aggressively innovate, promote and also advertise their products, so that the products produced will have a higher competitiveness against similar products in the market.

Judging from the analysis above, it shows that the advantages in the use of e-commerce in trade and business can increase considerable profits for producers. This advantage is not spared from marketing strategies and innovation, promotion and advertising carried out by producers so that the products they market become the products of choice for consumers. However, producers who have not implemented e-commerce in their business can still survive the shock of products sold online, this could be due to the fact that there are still many people who choose to buy goods traditionally or conventionally, that's why there are still many producers who have not utilized e-commerce in their trade. This finding in line with the results of research by (Kurdi & Firmansyah, 2020) and (Zhang & Han, 2020).

Conclusion

The description and discussion of the previous analysis, several conclusions were drawn, namely: first seen from the use of trade and business services or e-commerce. The results of observations, it can be concluded that many other food business actors have not used this technology or trading service, because many actors still do not understand the use of this technology and there is still a lack of knowledge about online business opportunities, and business actors still do a lot of conventional trading because there are still many people who use alternatives if they are afraid to try new things, or there are still many people who buy products traditionally.

Second, in terms of the impact of the use of e-commerce for other food MSMEs, it can be concluded as follows; First, other food MSMEs that apply technology based on business and trade services have higher competitiveness and productivity than other food MSMEs that have not implemented this technology. Second, the motives of other food MSMEs using e-commerce in their business are more dominated to make transactions, promotions and advertising. Then judging from the application of trade and business technology, business actors can get a wider market reach and get new consumers. Third, the application of e-commerce businesses can improve performance in the form of production of goods produced will increase so that the increase in sales which results in revenue and profit obtained from these sales will also increase.

The limitation of this study is limited to small and medium enterprises or dry food MSMEs, the results and findings in this study can be used with different business categories, the focus of this research is only on dry food business objects in Ogan Ilir and only focuses on quantitative data from production results and application use in marketing systems and payment transactions. So, the results of this study cannot be generalized other industries.

The findings in this study can be used by academics to deepen studies and knowledge related to online and offline industry competition, and the methods used can be developed both models and variables so that they can provide relatively new concepts in assessing the mechanism of small industry competition in e-business and conventional after the pandemic. The development of this model and concept will later have an effect on market mechanisms so as to develop marketing strategies and efficiency in producing products that can compete nationally and internationally. Thus, knowledge of online business opportunities must build business actors' optimism in order to encourage increased business competitiveness by utilizing a wider network and reach.

ACKNOWLEDGMENT

This research is part of research by lecturers and students in Development Economics at the Faculty of Economics, Sriwijaya University, which is independently funded.

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