



**E-COMMERCE PLATFORM DEVELOPMENT AS A MEANS OF INCREASING
POTENTIAL MSME BUSINESS**

Kadek Riyan Putra Richadinata¹, Ni Made Sri Ayuni², Ni Luh Gede Putu Purnamawati³, Ni Made Widnyani¹

¹Program Studi Bisnis Digital, Fakultas Bisnis Sosial Teknologi dan Humaniora, Universitas Bali Internasional, Gg. Jeruk, Tonja, Denpasar Timur, Denpasar, Bali 80234, Indonesia

²Sekolah Tinggi Ilmu Ekonomi Satya Dharma, Jl. Yudistira No.11, Kendran, Buleleng, Bali 81112, Indonesia

³Fakultas Ekonomi dan Bisnis, Universitas Mahasarwati Denpasar, Jl. Kamboja No.11A, Dangin Puri Kangin, Denpasar Utara, Denpasar, Bali 80233, Indonesia

*riyanputra@iikmpbali.ac.id

ABSTRACT

In today's digital era, the presence of technology and innovation is becoming increasingly important for MSMEs to maintain and increase their competitiveness. In the digital era like today, e-commerce is an alternative to overcome these obstacles. However, there are still many MSMEs that have not utilized e-commerce to market their products due to limited access, limited knowledge, and high costs to create their own e-commerce platform. The aim of this research is to find out e-commerce platform development as a means of increasing potential msme business. The research method used in this study is a qualitative research method with a case study approach. This research will be carried out in the following stages: literature study, data collection, data analysis, platform development, and evaluation. This platform was built using responsive website technology so that it can be opened through various platforms connected to the internet. The e-commerce platform contains features such as product catalogs, product orders, payment mechanisms, and shipping processes. Overall the information system is very good, as many as 31 people answered with very good responses.

Keywords: E-Commerce Platform, MSMEs

INTRODUCTION

MSMEs are very important in a country's economy because they are able to absorb labor, increase people's income, and increase economic growth. MSMEs have an important role in the Indonesian economy with various benefits for the community such as absorbing labor, especially in rural and suburban areas, increasing people's income, and contributing significantly to Indonesia's Gross Domestic Product (GDP) and playing a role in increasing economic growth. In addition, MSMEs are also able to improve people's quality of life by producing needed goods and services such as clothing, food and housing as well as helping to reduce poverty levels and improve people's welfare. MSMEs in Indonesia experience obstacles that can hinder their growth and development, such as limited capital and access to finance, limited access to markets and product distribution, lack of skills and experience in managing a business, lack of access to technology and innovation, intense business competition from companies. large, regulatory uncertainty and complex bureaucracy, and limited access to training and business education.

MSMEs in Indonesia still face obstacles in accessing technology and innovation. These obstacles include a lack of technological knowledge and skills, limited access to adequate technological infrastructure, and high costs for adopting new technologies. In today's digital era, the presence of technology and innovation is becoming increasingly important for MSMEs to maintain and increase their competitiveness. In the digital era like today, e-commerce is an

alternative to overcome these obstacles. However, there are still many MSMEs that have not utilized e-commerce to market their products due to limited access, limited knowledge, and high costs to create their own e-commerce platforms. The e-commerce platform is very important for MSMEs in Indonesia to expand market reach and increase sales. MSMEs in Indonesia often have difficulty accessing a wider market due to limited infrastructure and distribution networks. With an e-commerce platform, MSMEs can promote their products and services online, reach consumers in all regions of Indonesia and even abroad. In addition, the e-commerce platform also helps MSMEs in speeding up transaction and payment processes, thereby facilitating financial management and increasing business efficiency. Therefore, the development of an innovative and affordable e-commerce platform can be a solution for MSMEs to increase their business potential and expand their market. Research on the development of e-commerce platforms as a means of increasing the business potential of MSMEs can make an important contribution in accelerating the growth of MSMEs and the economy as a whole. The aim of this research is to find out e-commerce platform development as a means of increasing potential msme business.

LITERATURE REVIEW

Micro, Small and Medium Enterprises (MSMEs)

Micro, Small and Medium Enterprises (MSMEs) are a type of business that is currently developing in Indonesia. MSMEs have an important role in the nation's economy because they can be a driver of sustainable and sustainable economic growth in Indonesia. As a growing business sector, MSMEs in Indonesia play an important role in creating jobs and increasing the income of people in all regions of Indonesia. It cannot be denied that MSMEs are an integral part of today's Indonesian society. The existence of MSMEs has a very important role in terms of distributing people's income. In addition, MSMEs can also create creativity that is in line with efforts to maintain and develop elements of the traditions and culture of the local community. Besides that, MSMEs are able to absorb labor on a large scale considering Indonesia's large population, so that it can help reduce the unemployment rate. Therefore, MSMEs that use simple and easy-to-understand technology can become a place for people to work (Nuvitasari et al., 2019).

MSMEs are defined as productive businesses owned by individuals and/or individual business entities that meet the criteria for Micro, Small and Medium Enterprises as stipulated in the law. Small Business is a productive economic business that stands alone, carried out by individuals or business entities that are not subsidiaries or not branches of companies that are owned, controlled, or become part directly or indirectly of Medium or Large Businesses that meet the criteria for Small Business as regulated in law. Meanwhile, Medium Business is a productive economic business that stands alone, carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, (Idah & Pinilih, 2020).

MSMEs are experiencing a significant impact due to the ongoing COVID-19 pandemic throughout the world, including Indonesia. Policies to prevent the spread of this virus require people to stay at home, resulting in economic instability and impacting MSMEs. To overcome this, a survival strategy is needed that can help MSMEs maintain their business in the midst of a pandemic. Survival strategies for MSMEs, namely trading through e-commerce, conducting digital marketing, improving product and service quality, and establishing relationships with customers to maximize marketing (Hardilawati, 2020).

The rapid development of information technology has increased the benefits of using the internet for many people, including Micro, Small and Medium Enterprises (MSMEs) who are

increasingly dependent on the internet to run their business. In this digital era, more and more consumers are using the internet to buy products and services, so that MSMEs that are able to adopt information technology become more competitive and effective in marketing their products. Therefore, it is important for MSMEs to keep abreast of technological developments and use them as a strategy to expand markets and increase competitiveness(Hanim et al., 2022).

E-Commerce

Online selling is a sales process that involves the activity of looking for potential buyers, offering products, and making transactions electronically through the internet network. This process is supported by various electronic devices such as computers, laptops, smartphones and tablets that are connected to the internet to facilitate transactions between sellers and buyers. The use of the internet network allows online sales to reach a wider market and expand business opportunities for business people(Susilo, 2018). The phenomenon of using sales applications and product promotions by utilizing internet media is experiencing rapid development in this digital era. In particular, web-based sales applications are one of the technologies most in demand by large companies to small businesses. With a web-based sales application, business owners can promote their products efficiently and affordably to consumers without geographical boundaries. In addition, it is easier and faster for consumers to obtain information regarding products sold by business owners through this sales application. Thus, a web-based sales application is the right solution for business people in facing global competition in the current digital era(Andipradana & Dwi Hartomo, 2021).

E-commerce has become an important part of modern life that continues to grow. In its development, e-commerce has offered many benefits for businesses and consumers. In a more specific definition, e-commerce or electronic commerce is a form of trade that is carried out electronically by using the internet network as the main medium. Through e-commerce, business people can distribute, buy, sell, and market products and services efficiently and effectively. In fact, the transfer of funds and the exchange of data between businesses and consumers can be done automatically. In the business world, e-commerce has become an important tool for expanding markets and increasing sales turnover (Tahalele et al., 2021). Meanwhile, for consumers, E-commerce makes it easy to buy products and services without having to come directly to the point of sale. In addition, automatic data collection and a more effective inventory management system are also benefits for business people. Therefore, e-commerce can be called a modern business solution that can help business people to increase productivity and efficiency in doing business(Nugroho, 2016).

METHOD

The research method used in this study is a qualitative research method with a case study approach. This research will be conducted in the following stages:



Picture 1. Pictures of research stages

- a. Literature Study: A literature study will be conducted to understand the concepts and definitions of e-commerce, e-commerce platforms, as well as the role and potential of e-commerce in improving MSME business. The literature study will also discuss several e-commerce platforms that already exist and are used by MSMEs.
- b. Data Collection: Data collection will be carried out using in-depth interview techniques with several MSME actors who are already using the e-commerce platform in their business. Interviews were conducted to find out the experiences, advantages, challenges, and expectations of MSME actors regarding the use of e-commerce platforms. Apart from interviews, data collection was also carried out by direct observation of the use of e-commerce platforms in several MSMEs.
- c. Data Analysis: Data analysis will be carried out by grouping findings from interviews and observations, then analyzed using qualitative analysis techniques to identify the advantages, challenges, and expectations of MSME actors regarding the use of e-commerce platforms.
- d. E-commerce Platform Development: Based on the results of data analysis and literature studies, the development of an e-commerce platform that suits the needs and characteristics of MSMEs will be carried out. This development will include the design and development of e-commerce platforms, as well as training for MSME actors on the use of e-commerce platforms.
- e. Evaluation: Evaluation is carried out to determine the effectiveness and efficiency of e-commerce platform development for MSMEs. The evaluation includes measuring the increase in business turnover, the number of new customers, and measuring customer satisfaction with the use of e-commerce platforms.

RESULTS AND DISCUSSION

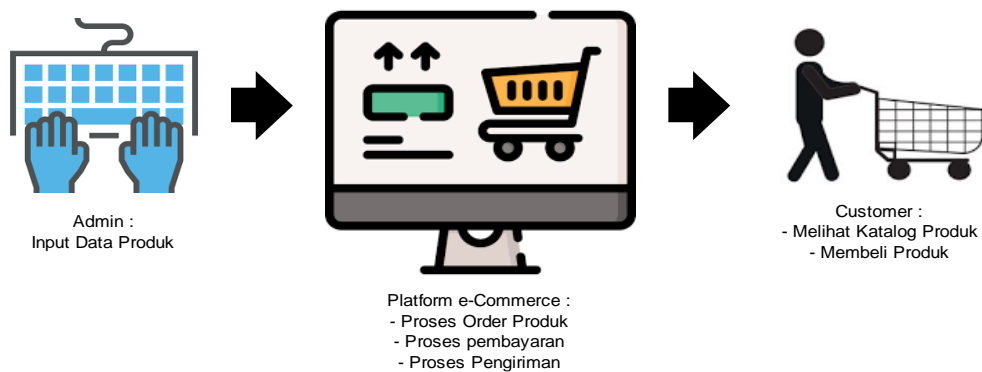
Results of E-Commerce Platform Development for MSMEs

Globalization era is a challenge for MSMEs to survive and have a competitive advantages. Information technology development, specifically social media, offers benefits for MSMEs to increase marketing and sales, to expand market share, and to help business decisions. A couple of business world development today, e-commerce is a necessity to improve and gain business competition and product sales. In the process of using e-commerce, trading and marketing activities are more efficient where the use of e-commerce show the transactions ease reducing costs and speeding up the transaction process (Wahyuni et al., 2020). Potential benefits of trading electronics to “level the playing field” for MSMEs – enabling them to compete better - it is very important for them to understand and sort out (Febriantoro, 2018).

The competition is quite good now that the developing world of information technology is increasingly advanced. Moreover, the rapidly over time has felt the impact by most people from simple to modern and fast paced in all fields, both in education, health, entertainment, information sources, labor, business and communication without place and time restrictions. The need for information that is faster and cheaper certainly requires information providers to have an online media, where the information presented can be easily and quickly obtained by consumers of information. This can be done through the use of the internet (Achmad, 2023).

According to Sudarwati (2017), providing quality e-commerce human resources requires several additions to the training and mentoring system. One way to create human resources in e-commerce is improving the vocational or skills education system. government can also collaborate with other parties to improve training quality of human resources in electronic commerce. The digital age, every consumer will select online sales because it is the thing that people are currently most interested in, as it can be accessible from anywhere and at any time

as long as they have an internet connection. Customers benefit from the convenience of online shopping because they do not have to travel to the business location to pick up their purchases. In reality, the marketing processes of most micro, small, and medium-sized enterprises (MSMEs) continue to rely on manual transaction processing mechanisms for direct purchases and on conventional transaction recording methods (Cakranegara et al., 2022). The e-commerce platform contains features such as product catalogs, shopping carts, online payment mechanisms, and shipping. Meanwhile, from the customer side, they will be able to view product catalogs, then place orders for goods, to process payments and deliveries. The following is an overview of the E-Commerce Platform for MSMEs:

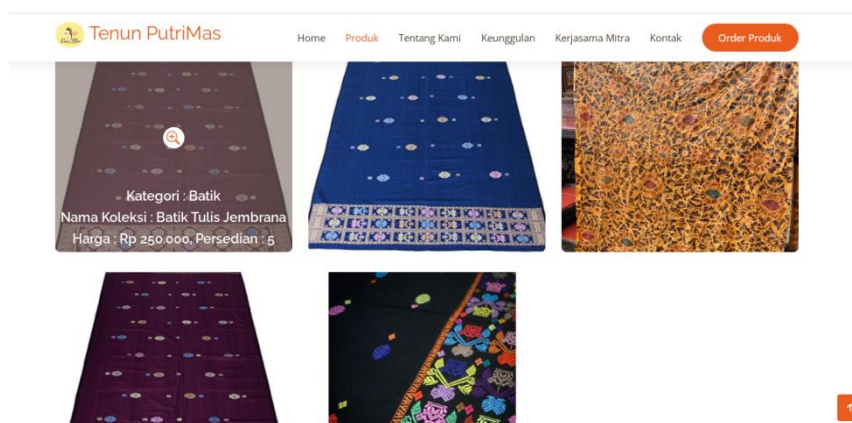


Picture 2. Image of E-Commerce Platform for MSMEs

This platform was built using responsive website technology so that it can be opened through various platforms connected to the internet. The following are the features of the E-Commerce Platform for MSMEs:

Product Catalog

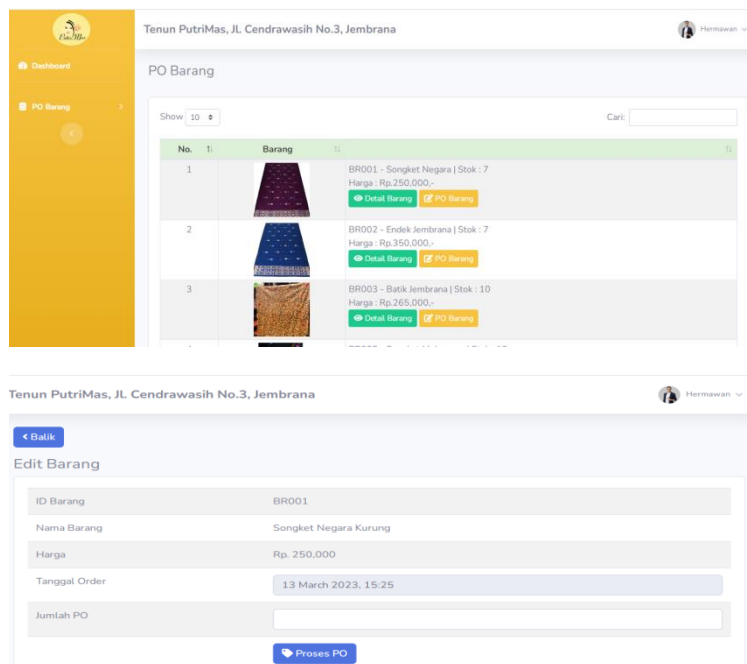
The product catalog contains information about the products or services being sold, starting from the product name, price, stock quantity, and other important information. The following is a display of the product catalog menu:



Picture 3. Product Catalog Images

Product Order Process

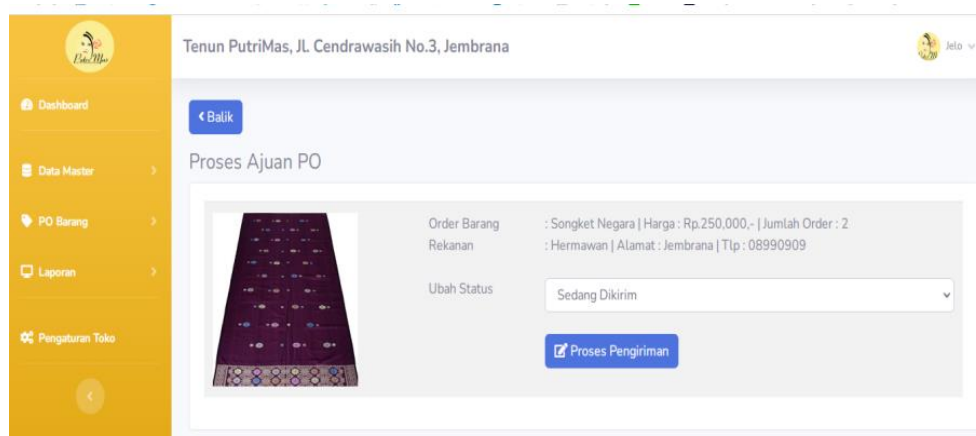
In the process of ordering this product contains a menu for ordering goods. In this process there are several menus including product search, product selection, product orders, to checking product status. The following is a display of the product order menu:



Picture 4. Picture of Product Order Process

Product Delivery Process

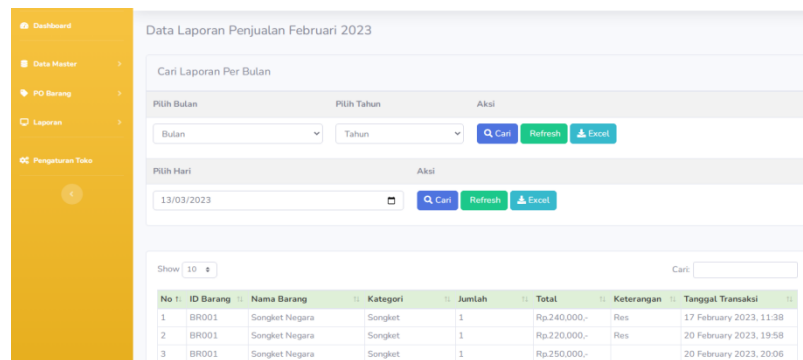
In the process of sending this product contains a menu for the delivery process carried out by the admin so that it can be seen by consumers. The following is a display of the product delivery menu:



Picture 5. Picture of Product Delivery Process

Product Sales Report

This menu displays product sales reports, namely reports that can be selected according to the day or month you want to display. The following is the display of the product sales report menu:



Picture 6. Image of Product Sales Report

Evaluation

At this stage an evaluation process is carried out in the form of a questionnaire to users who will use this system, in this case, owners of small and medium enterprises (SMEs).. In this study, data collection was carried out in the form of a questionnaire to 10 SMEs spread across several districts/cities in Bali. The several categories asked in the questionnaire include: system design or appearance, ease of use of the system, data management processes, and information displayed on this system. The following are the results of the questionnaire:

Table 1.
Table of Questionnaire Evaluation Results

Question	Respondents Answer			
	SB	B	CB	KB
What do you think about the design or appearance of this platform?	7	3	0	0
Do you think this platform is good and easy to use?	8	2	0	0
Do you think this platform is good in assisting in the sales data management process?	8	1	0	0
Do you think the information presented is good on this platform?	8	2	0	0
Whole Question	31	9	0	0

Information:

- SB : Very good
- B : Good
- CB : Pretty good
- KB : Not good

From the results of the questionnaire above, it can be seen that in the design category, 7 respondents from users stated that the appearance of this platform was very good, while 3 respondents stated that the appearance of this platform was good. In the category of ease of using the platform, 8 respondents from users stated that this platform was very well understood or used and 2 people answered well. In the data management process category, 8 user respondents stated that this platform was very good, and 2 people said it was good. In the category of information displayed by this platform, 8 user respondents stated that this platform was very good, the remaining 2 said it was good. The explanation above shows that overall the information system is very good, namely as many as 31 people answered with very good responses. Small and medium-sized enterprises (SMEs) have an important position in global sustainability since they are a prominent contributor to global pollution. It is challenging for SMEs to assess their level of business sustainability and identify actions to diminish environmental impact. Sustainability assessment models have been developed for this purpose, but a process focus is missing (Sohns et al., 2023). Many companies have adopted it to improve their competitiveness, along with the development of digital technology. At present, business people and companies are already using digital technology. In general, they use digital

technology for communication with their stakeholders, such as customers and suppliers. Recently, they also use digital technology for payment system (Kabanda & Brown, 2017).

CONCLUSION

This platform was built using responsive website technology so that it can be opened through various platforms connected to the internet. The e-commerce platform contains features such as product catalogs, product orders, payment mechanisms, and shipping processes. Overall the information system is very good, as many as 31 people answered with very good responses.

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