

EMPOWERING LOMBOK PEARL MSMEs THROUGH CAPACITY BUILDING AND DIGITAL MARKETING

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Abstract

Micro, Small, and Medium Enterprises (MSMEs) play an essential role in preserving local culture while contributing significantly to regional economic development. Dwi Kristy Mutiara Lombok, a pearl handicraft MSME located in Lombok, possesses strong product quality and local cultural value but faces challenges in business management, digital marketing consistency, and branding standardization. This community service program aimed to strengthen the enterprise through capacity building and the implementation of standardized digital marketing practices. The activities included preliminary observation, business needs assessment, entrepreneurship training, digital branding workshops, social media content development, marketplace optimization, and mentoring in digital marketing implementation. The program was conducted using a participatory approach involving direct collaboration with the MSME owner. The results indicate significant improvements in the owner's understanding of digital marketing strategies, branding consistency, customer communication, and social media management. Furthermore, standardized promotional content, visual identity, and digital marketing guidelines were successfully developed to support sustainable business growth. The program demonstrates that integrating capacity building with digital marketing standardization effectively enhances MSME competitiveness while preserving the authenticity of Lombok pearl craftsmanship.

Keywords: MSMEs; Capacity Building; Digital Marketing; Branding; Lombok Pearl

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) constitute one of the primary drivers of Indonesia's economic development by contributing significantly to employment creation, income generation, poverty reduction, and regional economic resilience. According to the Ministry of Cooperatives and SMEs, MSMEs account for more than 99% of all business entities in Indonesia and contribute over 60% of the national Gross Domestic Product (GDP). Beyond their economic contribution, MSMEs also preserve local culture and traditional craftsmanship, making them strategic actors in promoting sustainable regional development (OECD, 2023).

One of Indonesia's unique cultural products is Lombok pearl jewelry, renowned internationally for its high-quality South Sea pearls and traditional craftsmanship. Lombok has become one of the country's leading pearl-producing regions, with numerous MSMEs involved in producing handcrafted jewelry and souvenirs for both domestic and international markets. Among these enterprises is Dwi Kristy Mutiara Lombok, an MSME specializing in pearl-based accessories that combine traditional artistry with modern designs. The enterprise possesses considerable market potential due to its authentic products and cultural value but continues to encounter challenges in expanding its business competitiveness.



Figure 1. Product Collection of Dwi Kristy Mutiara Lombok

Despite offering high-quality products, Dwi Kristy Mutiara Lombok faces several managerial and marketing constraints. Preliminary observations identified limited digital marketing competencies, inconsistent visual branding, irregular social media content management, and the absence of standardized digital marketing procedures. Similar challenges have been widely experienced by Indonesian MSMEs during digital transformation, where limited digital literacy often hinders businesses from fully utilizing online marketing channels and expanding market access (Nuseir, 2020; OECD, 2023).

The rapid advancement of digital technologies has fundamentally transformed consumer purchasing behavior. Customers increasingly rely on digital platforms to search for information, compare products, evaluate reviews, and complete transactions. Consequently, digital marketing has evolved into an essential business strategy rather than merely an optional promotional tool. Digital platforms such as Instagram, Facebook, WhatsApp Business, TikTok, and online marketplaces provide MSMEs with cost-effective opportunities to enhance brand visibility, strengthen customer engagement, and improve business performance (Kotler et al., 2021; Chaffey & Ellis-Chadwick, 2022).

However, successful digital marketing extends beyond simply maintaining social media accounts. Effective implementation requires standardized branding, consistent visual communication, high-quality product presentation, well-planned promotional content, and responsive customer interaction. Digital marketing standardization enables businesses to establish a recognizable brand identity while improving consumer trust and professionalism. Consistent branding has been shown to positively influence customer perception, brand credibility, and purchase intention (Aaker, 1996; Keller, 2013). To address these challenges, capacity-building initiatives become increasingly important. Capacity building refers to systematic efforts aimed at improving the knowledge, managerial capabilities, technical competencies, and entrepreneurial skills of business actors. Previous studies have demonstrated that training combined with mentoring provides more sustainable improvements than one-time educational programs because participants receive continuous guidance during the implementation process (United Nations Development Programme [UNDP], 2019).

Based on these conditions, this community service program was designed to strengthen the managerial capacity and digital competitiveness of Dwi Kristy Mutiara Lombok through an integrated approach consisting of entrepreneurship training, digital marketing standardization, branding development, social media optimization, and continuous mentoring. Unlike many previous community service activities that mainly focus on basic digital marketing training, this program emphasizes the establishment of standardized digital marketing practices to ensure consistency and sustainability in future promotional activities.

The expected outcomes of this program include enhanced digital marketing competencies, improved branding consistency, standardized promotional content, strengthened customer engagement, and increased competitiveness of Lombok pearl MSMEs in the digital marketplace. Furthermore, this initiative contributes to supporting Sustainable Development Goals (SDGs), particularly Goal 8 (Decent Work and Economic Growth) and Goal 9 (Industry, Innovation, and Infrastructure), by empowering local entrepreneurs through digital transformation and innovation.

LITERATURE REVIEW AND HYPOTHESIS FORMULATION

Capacity Building for MSMEs

Capacity building is defined as a continuous process of enhancing individuals' knowledge, organizational capabilities, managerial competencies, and institutional performance to achieve sustainable development objectives (UNDP, 2019). Within the context of MSMEs, capacity building encompasses entrepreneurship education, managerial training, technical assistance, mentoring, and organizational development aimed at improving business productivity and competitiveness. Effective capacity-building programs enable MSMEs to strengthen decision-making capabilities, improve innovation capacity, adopt new technologies, and respond more effectively to dynamic market environments. According to OECD (2023), continuous learning and mentoring significantly contribute to improving MSME resilience, particularly during periods of rapid technological change and digital transformation. Previous community engagement studies have consistently reported that participatory training methods combined with practical mentoring produce more sustainable impacts than conventional classroom-based training because participants directly apply newly acquired knowledge to real business situations (Afandi et al., 2023).

Digital Marketing for MSMEs

Digital marketing refers to the strategic use of digital technologies and online platforms to create value, communicate with customers, and facilitate business transactions (Chaffey & Ellis-Chadwick, 2022). Compared with conventional marketing approaches, digital marketing enables businesses to reach broader markets while requiring relatively lower promotional costs. For MSMEs, digital marketing activities generally include social media marketing, search engine optimization (SEO), online advertising, content marketing, email marketing, influencer collaboration, and marketplace optimization. These activities improve brand awareness, increase customer engagement, and support long-term customer relationships (Kotler et al., 2021). Research conducted by Nuseir (2020) found that digital marketing adoption significantly influences business performance by increasing customer acquisition, sales growth, and competitive advantage. Consequently, strengthening digital marketing competencies has become one of the primary priorities for MSME development programs worldwide.

Digital Marketing Standardization

Digital marketing standardization refers to establishing consistent guidelines governing digital promotional activities, visual identity, communication style, product presentation, customer interaction, and content publication across various digital platforms. Standardization aims to maintain brand consistency while improving business professionalism and customer trust. According to Keller (2013), consistent branding contributes significantly to stronger brand equity because customers develop clearer perceptions regarding product quality, reliability, and organizational credibility. Likewise, Aaker (1996) emphasizes that standardized branding elements—including logos, colors, typography, and messaging—strengthen brand recognition and customer loyalty. For MSMEs, standardized digital marketing practices facilitate systematic content creation, improve promotional efficiency, and reduce inconsistencies frequently found in manually managed social media accounts. Therefore, digital marketing standardization becomes an important strategy for strengthening long-term competitiveness.

Community Empowerment through Participatory Approaches

Community empowerment emphasizes increasing the capacity of community members to independently manage resources, solve problems, and improve economic welfare through active participation. Participatory approaches encourage beneficiaries to become active partners throughout planning, implementation, evaluation, and sustainability stages rather than merely serving as training recipients (Chambers, 2017). In community service activities involving MSMEs, participatory mentoring enables business owners to identify actual business constraints while jointly developing practical and context-specific solutions. Continuous mentoring also encourages greater adoption of digital innovations because participants receive direct assistance during implementation.

RESEARCH METHODS

This community service employed a participatory action approach conducted at Dwi Kristy Mutiara Lombok. The implementation consisted of four stages:

1. Preliminary observation and business diagnosis.
2. Capacity building through entrepreneurship and digital marketing training.
3. Development of standardized digital marketing content and branding guidelines.
4. Monitoring and evaluation through mentoring sessions.

Data were collected through direct observation, interviews, documentation, and participant discussions. Evaluation was conducted by comparing participants' knowledge before and after training, observing changes in digital marketing implementation, and assessing the consistency of branding practices.



Figure 2. Research Methods

RESULTS AND DISCUSSION

To measure the effectiveness of the community service program, participants completed a pre-test before the training and a post-test after all mentoring activities were completed. The evaluation focused on six competency indicators related to digital marketing and branding implementation.

Table 1. Pre-test and Post-test Evaluation Results

No	Competency Indicator	Pre-test (%)	Post-test (%)	Improvement (%)
1	Understanding of Digital Marketing Concepts	58	90	+32
2	Social Media Content Planning	52	88	+36
3	Product Photography Skills	60	89	+29
4	Branding and Visual Identity	55	91	+36
5	Marketplace Optimization	50	86	+36
6	Customer Communication through Digital Platforms	62	93	+31
Average		56.2	89.5	+33.3

Source: Processed by the authors (2026).

Discussion

The evaluation results demonstrate a substantial improvement in participants' competencies following the implementation of the capacity-building program. The average competency score increased from 56.2% during the pre-test to 89.5% in the post-test, representing an overall improvement of 33.3 percentage points. This finding indicates that the training and mentoring activities successfully enhanced the participant's knowledge and practical skills in applying digital marketing strategies for MSME development. The largest improvements were observed in branding and visual identity, social media content planning, and marketplace optimization, each increasing by 36 percentage points.



Figure 3. Mentoring Session with Dwi Kristy Mutiara Lombok MSME

Prior to the intervention, Dwi Kristy Mutiara Lombok primarily relied on conventional marketing practices, with inconsistent visual branding across digital platforms and limited promotional content. Through practical workshops and direct mentoring, the business owner acquired the skills to develop a consistent visual identity, create engaging promotional content using Canva, optimize Instagram Business and WhatsApp Business, and improve product presentation through standardized photography. These improvements are consistent with previous community engagement studies demonstrating that participatory digital marketing training significantly strengthens MSME digital capabilities and marketing performance.

The increase in customer communication competency from 62% to 93% also indicates that participants became more capable of interacting with customers through digital channels. Effective digital communication contributes to stronger customer relationships and enhances customer trust, which are essential factors in sustaining long-term business performance. According to Kotler, Kartajaya, and Setiawan (2021), successful digital marketing emphasizes meaningful customer engagement through personalized and consistent interactions supported by digital technologies. Furthermore, the improvement in marketplace optimization reflects participants' increased understanding of product categorization, search keywords, pricing presentation, and digital catalog development. Previous studies have shown that strengthening digital literacy and marketplace utilization enables MSMEs to expand market access and improve competitiveness in increasingly digital business environments.

Another notable outcome of this program was the establishment of Digital Marketing Standard Operating Procedures (SOPs) for Dwi Kristy Mutiara Lombok. These guidelines include standardized logo usage, color palettes, typography, product photography angles, caption formats, posting schedules, hashtag recommendations, and customer response templates. The availability of these standards is expected to maintain branding consistency across digital platforms while improving the professionalism and credibility of the business. Overall, the findings indicate that integrating capacity building, digital branding, and digital marketing standardization effectively improves the digital readiness of craft-based MSMEs. Beyond increasing participants' competencies, the program also produced practical outputs that can be continuously implemented to strengthen business sustainability. Similar findings have been reported in community service programs in Lombok, where continuous mentoring combined with digital marketing training

significantly increased MSMEs' capability to adopt digital technologies and broaden their market reach.

CONCLUSION



Figure 4. Team Photo with the Owners and Participants of Dwi Kristy Mutiara Lombok

The community service program successfully enhanced the managerial and digital marketing capacities of Dwi Kristy Mutiara Lombok. Through participatory training and continuous mentoring, the enterprise adopted standardized digital marketing practices, strengthened its branding consistency, and improved its online promotional capabilities. The developed branding guidelines, standardized promotional content, and marketplace optimization provide a sustainable foundation for future business growth. Future community service programs should focus on integrating digital advertising, customer analytics, search engine optimization, and international digital marketplace expansion to further increase the competitiveness of Lombok pearl MSMEs.

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