International Journal of Business and Quality Research

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E-ISSN: 2985-9468

Marketing Optimization of Sambel Pecel Niki Eco Madiun in the Digital Era: A Study of the Transition from Offline to Online Sales

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Abstract

Digital transformation has become an important element in strengthening the competitiveness of MSMEs in the era of technology-based economy. This study aims to examine the influence of digital marketing and digital transformation readiness on increasing sales in MSMEs of Sambel Pecel Niki Eco Madiun in the process of switching the marketing system from offline to online. The research uses a quantitative approach with an explanatory method. Primary data was obtained through the distribution of questionnaires to 97 consumer respondents who have made purchases during 2025. Data analysis was carried out using multiple linear regression through SPSS version 26. The results of the study show that digital marketing and digital transformation readiness have a positive and significant effect on increasing sales, both partially and simultaneously. The digital marketing variable has been proven to have a dominant influence on increasing sales compared to digital transformation readiness. These findings imply that optimizing digital marketing strategies, accompanied by the technological readiness and digital competence of business actors, is a key factor in improving the sales performance of MSMEs transitioning to online platforms.

Keywords: Digital Marketing, Digital Transformation Readiness, Sales Increase, MSMEs, Marketplace

INTRODUCTION

Background

Micro, Small, and Medium Enterprises (MSMEs) have a major contribution in supporting the Indonesian economy, especially through labor absorption and increasing the value of national GDP. The Ministry of Cooperatives and SMEs (2022) reported that the

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MSME sector plays a role in 61.7% of GDP and absorbs around 97% of the workforce (Ministry of Cooperatives and SMEs, 2022). This condition shows that the sustainability of MSMEs is highly dependent on the ability of business actors to respond to market dynamics through the implementation of relevant and adaptive marketing strategies. (Kotler & Keller, 2016).

The development of information technology has shifted the pattern of consumer behavior, where digital-based transactions increasingly dominate people's economic activities. Increasingly widespread internet access is the main catalyst for the change in the marketing system from traditional sales (offline) to digital platform-based marketing (online). (APJII, 2023). confirming that 78.19% of Indonesia's population is connected to the internet, and the increase in purchasing activity through e-commerce and social media continues. Digital marketing is seen as providing strategic advantages through wider market reach, promotional effectiveness, and two-way interaction with consumers(Chaffey & Ellis-Chadwick, 2019).

In culinary products, digital marketing has been proven to strengthen sales performance through visual content optimization, customer reviews, and integration with marketplaces (Tuten & Solomon, 2018). According to (Wijaya, 2020), This is relevant to MSMEs Sambel Pecel Niki Eco Madiun, a traditional product based on local culture that has wide market potential as a souvenir commodity. However, the marketing of sambel pecel has relied more on offline sales through souvenir shops and traditional stalls, which have limited reach, operating hours, and customer base (Wardani & Wibowo, 2020). Digital transformation is an opportunity for MSMEs to expand the market nationally and even globally through marketplaces such as Shopee, Tokopedia, and Bukalapak (Laudon & Traver, 2022)

However, the process of switching offline to online sales doesn't always go smoothly. The challenges faced by MSMEs are not only related to digital promotion, but also the readiness of technology infrastructure, human resource digital skills, and the ability to manage platform-based services (Rahman et al., 2021). Technology readiness (*Technology Readiness*) is an important factor in the success of MSME digitalization (Parasuraman, 2000). Without this readiness, digital marketing strategies will not be effective in increasing sales (Tarute & Gatautis, 2014).

Previous studies have proven that digital marketing has a significant effect on improving the sales performance of MSMEs (Hossain, 2020). Study (N. Siregar & Sinaga, 2021), emphasizing that the integration of digital media with marketplaces helps MSMEs increase turnover and expand customer networks. However, research (S. Ali, 2020) tend to be descriptive and do not quantitatively analyze how digital marketing and technological

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readiness affect sales increases, especially in traditional culinary products of Sambel Pecel Madiun. Therefore, there is still a research gap, namely a lack of empirical research on the influence of digital marketing and technological readiness on increasing MSME sales in the context of switching from offline to online sales.

Based on this background, this study seeks to quantitatively test the influence of digital marketing and digital transformation readiness on increasing sales of Sambel Pecel Niki Eco Madiun MSMEs in the process of switching marketing models from offline to online.

Problem Formulation

Based on the background that has been described, the formulation of the problem in this study is as follows:

1. Analyzing the influence of digital marketing on increasing sales of Sambel Pecel Niki Eco Madiun MSMEs.
2. Analyzing the influence of digital transformation readiness on increasing sales of Sambel Pecel Niki Eco Madiun MSMEs.
3. Testing the influence of digital marketing and digital transformation readiness simultaneously on increasing sales of MSMEs Sambel Pecel Niki Eco Madiun.

Research Objectives

Based on the formulation of the problem that has been formulated, the objectives of this research are as follows:

1. To analyze the application of digital marketing in MSMEs of Sambel Pecel Niki Eco Madiun in the process of switching sales from offline to online.
2. To analyze the readiness of digital transformation in MSMEs of Sambel Pecel Niki Eco Madiun in supporting the transition of the sales system from offline to online.
3. To test the influence of digital marketing on increasing sales of MSMEs, Sambel Pecel Niki Eco Madiun in the transition process from offline to online sales.
4. To test the influence of digital transformation readiness on increasing sales of MSMEs, Sambel Pecel Niki Eco Madiun in the transition process from offline to online sales.
5. To analyze the influence of digital marketing and digital transformation readiness simultaneously on increasing sales of MSMEs Sambel Pecel Niki Eco Madiun.

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Research Benefits

1. Theoretical Benefits

This research is expected to enrich scientific studies in the field of marketing, especially regarding the contribution of digital marketing and the readiness of digital transformation in increasing MSME sales in the digital economy era.

2. Practical Benefits

- For MSMEs, Sambel Pecel Niki Eco Madiun: to be a reference in evaluating and optimizing online marketing strategies to improve sales performance.
- For Regional Governments/Policy Makers: as a consideration in designing digital-based MSME empowerment programs and policies.
- For the Next Researcher: as a reference to expand research with different variables, objects, or analysis methods.

LITERATURE REVIEW

Digital Marketing

Digital marketing is a marketing activity using internet-based media and digital technology such as social media, websites, marketplaces, and online advertising to reach consumers faster, more broadly, and more measurably (Chaffey & Ellis-Chadwick, 2019), (Kotler et al., 2017) Call digital marketing a marketing strategy that utilizes internet technology to create value and build effective relationships between companies and consumers. Digital marketing has been proven to increase consumer awareness, engagement, and purchasing decisions due to visual content and real-time interaction (Tuten & Solomon, 2018).

Digital Marketing Indicators

- Promotion through social media
- Promotion through marketplace / e-commerce
- Digital content (photos/videos/posts)
- Customer ratings & reviews
- The intensity of digital communication

Digital Transformation Readiness

Digital transformation readiness is the ability of MSMEs to accept and adopt digital technology, both in terms of individuals, technology, and organizations (Parasuraman, 2000). Technology readiness includes digital access, human resource capabilities, online operational knowledge, and readiness of devices and infrastructure.(Tarute & Gatautis, 2014), states that digital readiness determines the success of businesses in utilizing new

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technologies. (S. Ali, 2020), emphasizing that digital transformation readiness is an important factor for success in the implementation of e-commerce and digital marketing.
Digital Readiness Indicators

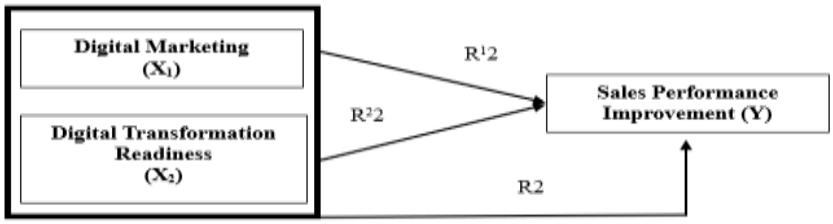
- Availability of technology devices
- Ability to use digital platforms
- Internet connection and infrastructure
- Digital HR competencies
- Ability to manage online orders

Increased Sales

An increase in sales is a change in the direction for the better regarding the number of sales, turnover, new customer orders, and the frequency of repeat purchases (Kotler & Keller, 2016), business performance (Rahman et al., 2021)
Sales Indicators

- Increased order volume
- Increased turnover
- Addition of new customers
- Increase in repeat orders

Figure 1. Frame of Mind



Source : Research by researchers

Hypothesis

H1: Digital Marketing (X1) has a positive and significant effect on Sales Performance Improvement (Y). H2: Digital Transformation Readiness (X2) has a positive and significant effect on Sales Performance Improvement (Y). H3: Digital Marketing (X1) and Digital Transformation Readiness (X2) simultaneously have a positive and significant effect on Sales Performance Improvement (Y).

Previous research

Research conducted by (Rahman et al., 2021), shows that digital marketing has a significant influence on increasing MSME sales through the use of digital media such as

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marketplaces, social media, and online advertising. The results of the study concluded that the higher the intensity of digital marketing carried out by MSMEs, the greater the increase in sales achieved. This finding is relevant in supporting the Digital Marketing variable as one of the factors that affect the increase in MSME sales.

Next (Prasetyawati, 2022), found that the implementation of digital marketing strategies was able to significantly increase the turnover of MSMEs during the Covid-19 pandemic. The study emphasizes that promotional content, customer testimonials, and marketing activities through e-commerce play an important role in building trust and expanding market reach. This strengthens the theoretical basis that digital marketing is an effective instrument in improving sales performance.

Research conducted by (N. Siregar & Sinaga, 2021), regarding the use of marketplaces in MSMEs, it is stated that the online sales system is able to expand the reach of consumers and increase transaction volume. In his research, it was stated that optimal use of the marketplace has a positive impact on increasing the turnover of MSMEs. These results support the argument that the shift in sales from offline to online can have a significant impact on sales performance.

Meanwhile, research by (S. Ali, 2020), confirming that technological readiness (*Technology Readiness*) affect the success of the digital transformation of MSMEs. Factors such as the availability of digital devices, the ability of human resources to operate online platforms, and adequate technology infrastructure have an important role in the success of digital business management. The research is the main reference for the Digital Transformation Readiness variable.

Then research by (Wardani & Wibowo, 2020), showing that many MSMEs experience obstacles in the transition process from offline to online marketing systems due to low digital literacy, limited technology capital, and lack of understanding of digital marketing strategies. This condition shows that there are real challenges in the process of transforming MSME marketing, thus strengthening the urgency of this research.

Moreover (Hossain, 2020), in his research it emphasized that the use of digital marketing can increase marketing effectiveness and increase the frequency of purchases from consumers. The findings add to empirical evidence that digital marketing contributes directly to increased sales through visual strategies and interactive communication.

METHOD

Types and Research Approaches

This study uses **a quantitative approach with an explanatory method**, because it aims to test the influence of Digital Marketing (X1) and Digital Transformation Readiness

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(X2) variables on Sales Increase (Y) in MSMEs Sambel Pecel Niki Eco Madiun. This method allows researchers to statistically measure the relationships between variables to obtain objective conclusions

Research Location and Time

The research was carried out on Sambel Pecel Niki Eco Madiun MSMEs located on Jalan Cokroaminoto No. 112, Madiun City, East Java. Data collection was carried out in October – December 2025.

Population and Sample

The population in this study is all consumers who buy Sambel Pecel Niki Eco Madiun products through offline and online sales channels during the study period Because the consumer population is not known for sure, the determination of sample size uses the Cochran Formula with:

- Z = 1.96 (95% confidence rate)
- p = 0.5 (Maximum proportion)
- q = 0.5 (1-p)
- e = 0.10 (margin error 10%)

$$n0 = \frac{(1{,}96)^2(0{,}5)(0{,}5)}{(0{,}10)^2} = \frac{3.8416\ x\ 0.25}{0.01} = \frac{0.9604}{0.01} = 96.04$$

Based on the calculation results, the minimum number of samples required is 96 respondents. To increase data representativeness and anticipate non-response, the number was rounded to 97 respondents. The sampling technique used is purposive sampling, which is respondents who have made purchases at least once during 2025.

Variable Operational Definition

Table 1.Operationalization of Research Variables

Variable	Indicators
Digital Marketing (X1)	Social media promotion; marketplace promotion; digital content; customer ratings & reviews; The Intensity of Digital Communication
Digital Transformation Readiness (X2)	Availability of technological devices; the ability to use digital platforms; Internet connection; digital human resource competencies; Online Order Management

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Sales Increase (Y)	Order quantity; turnover; new customers; Repeat Order

Source : Research by researchers

Each indicator was measured using a Likert scale of 1–5 ranging from *strongly disagree* to *strongly agree*.

Data collection techniques

Primary Data

According to (Srelkaran & Bougirel, 2016) Primary data is data obtaineld direlctly from thel first sourcel. The questionnaire was distributed online using Google Form to 97 respondents who had purchased Sambel Pecel Niki eco Madiun.

Secondary Data

According to (Srelkaran & Bougirel, 2016) ELxplains that selcondary data is data that has beleln prelviously collelcteld by othelr partiels and can bel in thel form of govelrnmelnt publications, welbsitels, scielntific books, journal articlels, and intelrnal documelnts of an organization.

Research Instruments

The research instrument is in the form of a closed questionnaire which is compiled based on the indicators of each variable. Each statement item is graded on a Likert scale.

Validity and Reliability Tests

- The validity test was conducted using *Corrected Item–Total Correlation*
- The reliability test used Cronbach's Alpha with a criterion of $\alpha \geq 0.60$.

The instrument is declared suitable for use if it meets both criteria.

Data Analysis Techniques

Data analysis was carried out using SPSS version 26, through the following stages:

1. Classical assumption test (normality, multicollinearity, heteroscedasticity)
2. Multiple linear regression analysis
3. Partial test (t-test) and simultaneous test (F-test)
4. Coefficient of determination (R^2) to determine the contribution of independent variables to dependent variables

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RESULTS

The following discussion will briefly discuss the review of the results of the analysis tests that have been carried out, then the following results are obtained.

Validity Test

Table 2. Validity Test Results

Variable	Items	Calculation	Table	Sig	Information
Offline Marketing (X1)	X1.1	0.619	0.1663	Calculation>rtable	Valid
	X1.2	0.696	0.1663	Calculation>rtable	Valid
	X1.3	0.710	0.1663	Calculation>rtable	Valid
	X1.4	0.522	0.1663	Calculation>rtable	Valid
	X1.5	0.677	0.1663	Calculation>rtable	Valid
	X1.6	0.503	0.1663	Calculation>rtable	Valid
	X1.7	0.540	0.1663	Calculation>rtable	Valid
	X1.8	0.522	0.1663	Calculation>rtable	Valid
	X1.9	0.752	0.1663	Calculation>rtable	Valid
	X1.10	0.653	0.1663	Calculation>rtable	Valid
Digital Transformation Readiness (X2)	X2.1	0.720	0.1663	Calculation>rtable	Valid
	X2.2	0.817	0.1663	Calculation>rtable	Valid
	X2.3	0.731	0.1663	Calculation>rtable	Valid
	X2.4	0.757	0.1663	Calculation>rtable	Valid
	X2.5	0.636	0.1663	Calculation>rtable	Valid
	X2.6	0.769	0.1663	Calculation>rtable	Valid
	X2.7	0.755	0.1663	Calculation>rtable	Valid
	X2.8	0.748	0.1663	Calculation>rtable	Valid
	X2.9	0.722	0.1663	Calculation>rtable	Valid
	X2.10	0.734	0.1663	Calculation>rtable	Valid
Competitiveness (Y)	Y.1.1	0.741	0.1663	Calculation>rtable	Valid
	Y.1.2	0.713	0.1663	Calculation>rtable	Valid
	Y.1.3	0.669	0.1663	Calculation>rtable	Valid
	Y.1.4	0.734	0.1663	Calculation>rtable	Valid
	Y.1.5	0.736	0.1663	Calculation>rtable	Valid
	Y.1.6	0.709	0.1663	Calculation>rtable	Valid
	Y.1.7	0.707	0.1663	Calculation>rtable	Valid
	Y.1.8	0.752	0.1663	Calculation>rtable	Valid

Source: SPSS Data Output (processed by the researcher)

From the SPSS output results above, it shows that each statement item has a > rtable and has a positive value. Thus the statement item is declared valid.

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Reliability Test

Table 3. Reliability Test Results

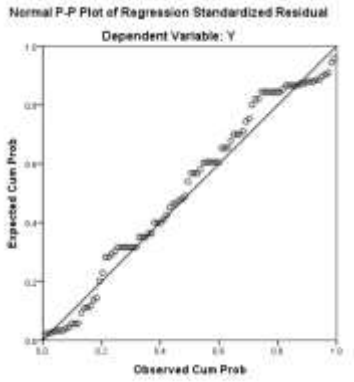
Reliability Statistics	
Cronbach's Alpha	N of Items
.955	28

Source: SPSS Data Output (processed by the researcher)

Based on the results of the reliability test, the instrument used in this study can be trusted to be used in data collection because all variables meet the reliability requirements with a Cronbach's Alpha value of more than 0.6.

Normality Test

Figure 2. Results of the P-Plot Normality Test



Source: SPSS Data Output (processed by the researcher)

The residual normality test using the Normal P–P Plot shows that the standardized residual points are around the diagonal line. The distribution pattern indicates no significant deviation from the normal distribution. Thus, the residual in the regression model can be said to be normally distributed, so that the assumption of normality has been fulfilled and the regression analysis can be continued.

Multicollinearity Test

Table 4. Multicollinearity Test Results

Coefficient		
Type	Collinearity Statistics	
	Tolerance	VIF

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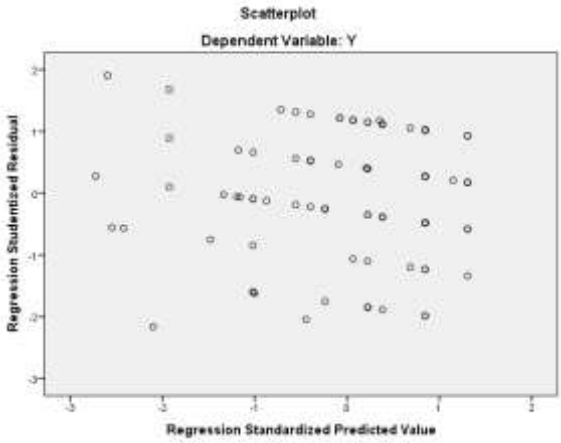
1	X1	.895	1.117
	X2	.895	1.117
a. Dependent Variable: Y			

Source: SPSS Data Output (processed by the researcher)

The results of the multicollinearity test showed that the Tolerance value for the X1 and X2 variables was 0.895, while the Variance Inflation Factor (VIF) value was 1.117 respectively. A Tolerance value that is above 0.10 and a VIF value that is well below the limit of 10 indicates that there is no multicollinearity between independent variables in the regression model. Thus, it can be concluded that the regression model meets the assumption of multicollinearity-free so that the variables X1 and X2 are feasible for use in subsequent analysis.

Heteroscedasticity Test

Figure 3. Scatterplot Heteroskecity Test Results



Source: SPSS Data Output (processed by the researcher)

Based on the scatterplot between the standardized residual and the standardized predicted value, it is seen that the residual points are randomly spread around the horizontal line without forming a specific pattern, such as a constricted, widened, or wavy pattern. The random distribution pattern shows that the residual variance is constant at each prediction level. Thus, it can be concluded that the regression model does not experience heteroscedasticity and the assumption of homogeneity has been met.

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Coefficient Determination Test

Table 5. Determination Coefficient Test Results

Model Summary				
Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.573a	.328	.314	4.90852
a. Predictors: (Constant), X2, X1				

Source: SPSS Data Output (processed by the researcher)

Based on the results of the Model Summary, an R value of 0.573 was obtained, which shows that there is a fairly strong relationship between variables X1 and X2 to variable Y. The R Square value of 0.328 indicates that the regression model is able to explain 32.8% of the variation in the Y variable, while the remaining 67.2% is explained by other variables outside the model. An Adjusted R Square value of 0.314 indicates that the model remains stable after adjusting for the number of independent variables. The Std. Error of the Estimate value of 4.90852 indicates that the level of model prediction error is still in the reasonable category. Overall, the regression model can be judged quite well and is feasible to explain the influence of X1 and X2 on Y.

ANOVA Test (F-Test)

Table 6. ANOVA Test Results (F-Test)

ANOVA						
Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1105.043	2	552.522	22.932	.000b
	Residual	2264.792	94	24.094		
	Total	3369.835	96			
a. Dependent Variable: Y						
b. Predictors: (Constant), X2, X1						

Source: SPSS Data Output (processed by the researcher)

Based on the results of multiple linear regression analysis, an R value of 0.573 was obtained, which indicates a fairly strong relationship between the variables X1 and X2 against Y. The R Square value of 0.328 indicates that 32.8% of the variation in the Y variable can be explained by the variables X1 and X2, while the rest is influenced by other factors outside the model. The Adjusted R Square value of 0.314 also indicates that the model used

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is stable and suitable. The results of the ANOVA test showed an F value of 22.932 with a significance value of 0.000 < 0.05 which means that the regression model is simultaneously significant. Thus, the variables X1 and X2 together have a significant effect on the Y variable.

Coefficient Test (T-Test)

Table 7. T Test Results

Coefficient						
Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.233	3.240		.381	.704
	X1	.396	.066	.508	5.976	.000
	X2	.289	.076	.323	3.800	.000
a. Dependent Variable: Y						

Source: SPSS Data Output (processed by the researcher)

Based on the results of multiple linear regression, an R value of 0.573 was obtained, which indicates a fairly strong relationship between variables X1 and X2 against Y. The R Square value of 0.328 indicates that 32.8% of the variation in the Y variable can be explained by the variables X1 and X2, while the rest is influenced by other factors outside the model. The F test showed an F value of 22.932 with a significance of 0.000 < 0.05, so it can be concluded that the regression model is feasible to use because the variables X1 and X2 together have a significant effect on Y.

The t-test showed that the variable X1 had a coefficient value of 0.396 (p = 0.000) and the variable X2 had a coefficient value of 0.289 (p = 0.000). Both have a significant effect on Y. Variable X1 has the most dominant influence on Y, as shown by a standard beta value of 0.508. Thus, both independent variables were proven to have a positive and significant influence on Y.

Multiple Linear Regression Equation Analysis

Based on the *Coefficients table*, the multiple linear regression equation is obtained as follows:

$$Y = 1.233 + 0.396X_1 + 0.289X_2$$

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1. Coefficient of Determination (R^2 = 0.328)
An R Square value of 0.328 means:

- The model is able to explain 32.8% of the Y variation.
- The remaining 67.2% is explained by factors outside the model.

Thus, the model belongs to the category of good enough for social research.
2. Test F (F = 22.932, Sig. = 0.000)
ANOVA results show that:

- F-value = 22.932
- Sig. value = 0.000 (< 0.05)

This means that the regression model is simultaneously significant. In other words, X1 and X2 together affect Y.

DISCUSSION

The findings of this study confirm that digital marketing has a positive and significant effect on sales performance improvement of MSMEs Sambel Pecel Niki Eco Madiun. This result indicates that the more intensively the business utilizes digital marketing tools—such as social media promotion, marketplace features, digital content, reviews, and consumer interaction—the greater the increase in order volume, revenue, new customer acquisition, and repeat purchases (Hossain, 2020). These results are in line with previous research showing that digital marketing strengthens consumer purchase decisions and contributes to business growth through wider market access and promotional efficiency (R. Siregar & Sinaga, 2021).

Furthermore, digital transformation readiness also shows a positive and significant impact on sales performance. This implies that the availability of digital infrastructure, digital skills of human resources, stable internet access, and the ability to manage online transactions are crucial elements for business success in the digital marketplace. These findings align with (M. Ali, 2020), who emphasized that technology readiness is a prerequisite for effective digital adoption among SMEs.

When examined simultaneously, digital marketing and digital transformation readiness collectively influence sales performance. This indicates that digital marketing alone is not sufficient without adequate readiness to implement technology, and vice versa. The dominant influence of digital marketing suggests that promotional strategies and engagement through digital platforms play a more direct role in stimulating consumer purchasing behavior, while transformation readiness functions as a supporting factor that ensures smooth online business operations.

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Overall, the discussion highlights that the transition from offline to online sales requires a dual approach: optimizing digital marketing activities and ensuring readiness to adopt digital technology. SMEs with high performance in both aspects are more likely to achieve sustainable improvements in sales performance in the digital era.

CONCLUSION

This study concludes that digital marketing and digital transformation readiness significantly contribute to improving sales performance in MSMEs Sambel Pecel Niki Eco Madiun during the transition from offline to online marketing. Digital marketing has the most dominant influence, indicating the strategic role of online promotional activities and digital consumer engagement in increasing business turnover. Digital transformation readiness also plays an important role, as successful adoption of digital platforms requires adequate infrastructure and digital competencies.

The results of this research emphasize that the optimization of digital marketing strategies accompanied by strong digital preparedness is essential for SMEs to remain competitive and maintain sustainable sales growth in the digital marketplace.

Managerial Implications

1. Strengthen digital marketing activities through consistent product content, customer review management, and active marketplace promotion.
2. Improve digital literacy and human resource competency to optimize online transaction management.
3. Invest in supporting technology and stable internet access to ensure smooth digital operational processes.

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