

## EMPOWERING MSMEs THROUGH SOCIAL MEDIA MARKETING: A PATHWAY TO ACHIEVE SDG 8 AND SDG 9 IN DEVELOPING ECONOMIES

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### Abstract

*Micro, Small, and Medium Enterprises (MSMEs) are recognized as critical drivers of economic development, innovation, and employment in developing countries. However, many MSMEs face significant barriers to growth and competitiveness, particularly in adapting to digital transformation. In this context, social media marketing (SMM) emerges as a powerful, low-cost strategy that can enhance MSME visibility, customer engagement, and market expansion. This study explores the role of SMM in empowering MSMEs and its potential contribution to achieving Sustainable Development Goals (SDGs), specifically SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation, and Infrastructure). Using a literature review method complemented by a simple qualitative case analysis of selected Indonesian MSMEs, this paper identifies key patterns, enablers, and constraints in the adoption of social media marketing. Findings suggest that SMM not only supports business recovery and resilience, especially post-pandemic, but also fosters innovation through greater consumer feedback and co-creation. Moreover, access to digital platforms promotes inclusivity by enabling marginalized entrepreneurs, including women and rural business owners, to participate in broader markets. The paper concludes that empowering MSMEs through strategic and inclusive use of SMM can be an effective pathway toward inclusive economic growth and innovation ecosystems aligned with SDGs. Policy implications include the need for digital literacy programs, infrastructure support, and public-private collaboration to scale the impact of SMM. This study contributes to the growing discourse on digital inclusion, sustainable entrepreneurship, and development-oriented marketing strategies in emerging economies.*

**Keywords:** social media marketing, msme, sustainable development goals, digital empowerment

### INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are widely recognized as essential contributors to economic development, employment generation, innovation, and poverty reduction worldwide. According to the World Bank (2021), MSMEs represent over 90% of businesses globally and account for more than 70% of total employment in many developing economies. In countries like Indonesia, MSMEs play a particularly vital role in ensuring inclusive economic participation, contributing over 60% to national GDP while employing a substantial portion of the labor force (Ministry of Cooperatives and SMEs, 2021). These enterprises are not only instrumental in economic productivity but also serve as vehicles for social empowerment, especially in rural and underdeveloped areas.

However, MSMEs often face significant constraints that hinder their growth and sustainability. Challenges such as limited access to finance, poor market connectivity, outdated technologies, and inadequate human capital remain prevalent. These structural barriers have been exacerbated by global disruptions such as the COVID-19 pandemic, which exposed the vulnerabilities of traditional business models and accelerated the shift towards digital economies. In this context, digital transformation has emerged as both a necessity and an opportunity for MSMEs seeking to remain resilient and competitive.

Social media platforms have become a cornerstone of digital marketing strategies among MSMEs due to their accessibility, cost-effectiveness, and potential to reach vast and diverse audiences. Platforms such as Facebook, Instagram, WhatsApp, TikTok, and Twitter offer innovative ways for small enterprises to engage with customers, build brand identity, and access new markets without the need for extensive infrastructure or large advertising budgets (Appel et al., 2020). The ubiquity of mobile internet and smartphones, particularly in Southeast Asia, has further enhanced the relevance of social media as a transformative tool for business growth.

Numerous studies have affirmed the positive relationship between social media usage and MSME performance. Ahmad et al. (2019) observed that social media use among Malaysian SMEs significantly improved customer engagement, brand awareness, and sales conversions. Similarly, Alalwan et al. (2017)

found that social media-based interactions fostered stronger customer trust and loyalty, ultimately translating into improved firm performance. These outcomes demonstrate that social media is not merely a marketing channel but a strategic asset that can enhance entrepreneurial agility, market intelligence, and consumer insight.

Despite its potential, the adoption of social media marketing (SMM) is not without limitations. MSMEs in rural or resource-scarce regions often struggle with low digital literacy, inadequate internet infrastructure, and limited exposure to digital tools. Additionally, overreliance on single platforms, content saturation, and shifting algorithms can create volatility and uncertainty in online visibility. Kapoor et al. (2022) emphasized that effective utilization of SMM requires strategic planning, content management, and continuous adaptation—competencies that many small business owners have yet to fully acquire.

Nonetheless, the strategic use of SMM can generate significant developmental benefits beyond firm-level performance. The empowerment of MSMEs through digital tools aligns closely with the United Nations Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation, and Infrastructure). By facilitating market access, enhancing productivity, and fostering inclusive innovation, SMM contributes to economic resilience and social inclusion. Moreover, digital empowerment of women- and youth-led enterprises through social media can promote gender equity and intergenerational participation in economic development.

The COVID-19 pandemic has accelerated the urgency of digital transformation across all sectors. MSMEs that had already adopted social media platforms demonstrated greater adaptability in the face of lockdowns and social distancing mandates. Case studies from Indonesia, India, and the Philippines illustrate how local entrepreneurs leveraged platforms like WhatsApp Business, Instagram Live, and Facebook Marketplace to maintain customer engagement and sustain revenue streams during the crisis (UNESCAP, 2021). These experiences underscore the critical role of digital marketing in ensuring business continuity and community resilience.

In light of these developments, understanding the interplay between MSME digitalization, social media usage, and sustainable development is crucial. This paper aims to explore how social media marketing can serve as a catalyst for MSME growth while supporting broader development objectives. Employing a structured literature review and illustrative case examples, the study examines the enablers and barriers of SMM adoption among MSMEs and evaluates its contribution to achieving the SDGs.

This introductory section has outlined the economic significance of MSMEs, the transformative role of social media, and the strategic alignment of digital marketing with sustainable development imperatives. The following sections will delve deeper into the conceptual foundations, methodological approach, empirical insights, and policy implications of integrating social media marketing into MSME development strategies in the Global South.

## METHODS

This study employs a qualitative research methodology grounded in a structured literature review (SLR) approach, combined with illustrative case analysis from MSME practices in Indonesia and Southeast Asia. The SLR method enables a comprehensive and systematic exploration of existing scholarly work, policy documents, and institutional reports on the use of social media marketing (SMM) by MSMEs and its relevance to achieving Sustainable Development Goals (SDGs).

Following the guidance of Tranfield et al. (2003) and Kitchenham (2004), the structured review process included three main stages: planning the review, conducting the review, and reporting the findings. In the planning phase, a clear research objective was defined: to identify how social media marketing facilitates the growth and sustainability of MSMEs while supporting SDG-oriented outcomes. This was followed by keyword identification using Boolean operators: ("social media marketing" OR "SMM") AND ("MSMEs" OR "SMEs") AND ("SDGs" OR "sustainable development").

A search was conducted across five major databases—Scopus, Web of Science, ScienceDirect, Emerald Insight, and Google Scholar—for publications from 2015 to 2024. Inclusion criteria were: (1) peer-reviewed journal articles or conference proceedings, (2) written in English, (3) relevance to social media use in MSME contexts, and (4) explicit or implicit linkage to SDGs. Articles that focused solely on large firms or lacked practical or policy relevance were excluded.

A total of 51 publications were initially identified. After screening abstracts and applying the inclusion/exclusion criteria, 28 articles were selected for full review. Data were then synthesized using a thematic analysis approach, identifying recurring patterns and critical insights related to SMM adoption, MSME performance, barriers, and development impact. The findings were categorized into four thematic dimensions: (1) benefits and drivers of SMM for MSMEs, (2) challenges and constraints, (3) policy and institutional support, and (4) alignment with SDG targets.

To complement the literature review, illustrative case examples of MSMEs in Indonesia and other ASEAN countries were used to contextualize findings. These case examples were drawn from secondary reports,

including publications from UNESCAP (2021), the Ministry of Cooperatives and SMEs (2021), and World Bank regional MSME diagnostics. The triangulation of peer-reviewed academic sources and practical examples enhances the validity and relevance of the analysis. This qualitative and exploratory methodology allows the study to bridge theoretical knowledge with grounded experiences, offering insights not only for academic discourse but also for practitioners and policymakers aiming to foster inclusive digital transformation through social media marketing.

## RESULT AND DISCUSSIONS

This section synthesizes key findings from the literature and illustrates their practical implications for MSMEs in emerging economies. It is structured into four primary themes: (1) benefits and drivers of SMM adoption by MSMEs, (2) barriers and challenges faced in digital engagement, (3) social media's contributions to achieving the SDGs, and (4) empirical insights from case examples in Southeast Asia.

### 1. Benefits and Drivers of Social Media Marketing (SMM) for MSMEs

The literature strongly supports the idea that SMM adoption yields multiple business and social benefits for MSMEs. These include enhanced market visibility, improved customer engagement, better communication of brand identity, and higher sales performance. Tiago and Veríssimo (2014) argued that social media provides MSMEs with access to an interactive and cost-effective communication platform, allowing them to respond swiftly to consumer trends and feedback.

For example, social media enables MSMEs to personalize content and target niche segments effectively, which is especially valuable in competitive environments where differentiation is key (Felix, Rauschnabel, & Hinsch, 2017). Unlike traditional advertising, platforms like Instagram and TikTok empower small firms to create visual storytelling that resonates with local cultural contexts. Such strategies have proven effective in building customer loyalty (Alalwan et al., 2017).

Furthermore, Ahmad et al. (2019) found a positive correlation between SMM usage and increased entrepreneurial self-efficacy among Malaysian MSME owners. The sense of digital competence, coupled with real-time analytics and direct consumer interactions, reinforces confidence in decision-making and promotes adaptive marketing behaviors. In turn, this contributes to long-term sustainability and scalability of operations.

### 2. Challenges and Constraints in Adopting SMM

Despite these benefits, several limitations persist. Digital infrastructure disparities remain a significant challenge, especially in rural and underdeveloped regions. MSMEs in such areas face inconsistent internet access and limited digital literacy, which hinder their ability to utilize online platforms effectively (Dwivedi et al., 2021).

The knowledge gap in managing digital tools is also well documented. Kaplan and Haenlein (2010) highlighted that many small business owners underestimate the strategic planning required for successful social media engagement. Unlike larger firms with dedicated digital marketing teams, MSMEs often lack human resources and time to monitor social media analytics or develop coherent content strategies.

Moreover, algorithmic changes on platforms can unpredictably reduce visibility for businesses, leading to marketing inefficiencies. These risks are compounded by cyber threats, misinformation, and platform fatigue among users. As noted by Kapoor et al. (2022), the dynamic nature of social media requires businesses to adopt continuous learning and content agility—capacities that many MSMEs are still developing.

### 3. Contributions to Sustainable Development Goals (SDGs)

The integration of SMM with MSME development aligns closely with several SDGs. Primarily, SMM facilitates economic inclusion and opportunity (SDG 8), supports innovation (SDG 9), reduces inequalities (SDG 10), and empowers women and youth entrepreneurs (SDG 5).

The United Nations (2020) emphasized that digital transformation is a critical enabler for achieving inclusive and sustainable growth. Through SMM, MSMEs can overcome traditional geographic and economic barriers, accessing broader markets while reducing overhead costs.

In Indonesia, for instance, the empowerment of women-led MSMEs via Instagram and WhatsApp Business has improved household incomes and promoted community entrepreneurship (UNESCAP, 2021). Such digital tools not only increase business visibility but also allow for flexible work arrangements, supporting gender equality and family welfare.

Another key contribution lies in environmental sustainability. Social media campaigns promoting eco-friendly products or practices can amplify consumer awareness and green behavior. MSMEs are using these platforms to advocate for sustainable consumption and production patterns, contributing to SDG 12. Studies by Ghosh (2020) and Lim (2021) have shown that environmentally conscious MSMEs often attract loyal consumer bases, especially among digitally active millennials and Gen Z.

### 4. Illustrative Case Examples from Southeast Asia

Case studies provide compelling evidence of SMM's practical impact. In Indonesia, the Ministry of Cooperatives and SMEs launched programs such as "Gerakan Bangsa Buatan Indonesia," which encouraged

local entrepreneurs to market their goods online during the COVID-19 pandemic. MSMEs participating in the campaign reported significant increases in sales and brand recognition (Kementerian KUKM, 2021).

In the Philippines, a youth-led MSME using TikTok as its main channel for selling handmade crafts experienced a 200% increase in customer reach within six months. The platform's algorithm-driven exposure and community-building features allowed the business to connect with both local and international buyers (UNDP Philippines, 2021).

A similar trend was observed in Vietnam, where rural farmers adopted Facebook Live to sell fresh produce directly to urban consumers. This eliminated intermediaries and increased farmer incomes while ensuring food traceability and consumer trust (Pham & Nguyen, 2023).

These examples underscore the transformative capacity of social media to democratize market access and foster digital entrepreneurship. The adaptability of MSMEs in leveraging informal platforms has been essential to navigating economic shocks and advancing localized SDG goals.

#### 5. Synthesis and Strategic Implications

The review and empirical insights reveal a clear pattern: social media marketing, when effectively adopted, enhances the adaptive capacity, innovation potential, and sustainability of MSMEs. However, for SMM to contribute meaningfully to SDG realization, several preconditions must be met. These include investments in digital literacy, tailored training programs, affordable broadband access, and regulatory support for digital ecosystems.

Multilateral cooperation and public-private partnerships are needed to scale successful models. Governments must recognize the dual role of MSMEs as economic drivers and agents of sustainable development. Donor agencies, NGOs, and academic institutions can play key roles in bridging capacity gaps through mentorship, knowledge exchange, and localized innovation hubs.

Finally, a robust policy framework that supports data privacy, e-commerce integration, and fair platform governance will be crucial. As MSMEs increasingly rely on digital infrastructure, issues of algorithmic fairness, platform monopolies, and cyber resilience must be addressed to protect the long-term viability and inclusivity of digital marketing ecosystems.

#### Conclusion and Recommendation

This study explored the strategic role of social media marketing (SMM) in enhancing the performance and sustainability of Micro, Small, and Medium Enterprises (MSMEs), with a particular focus on its contribution to achieving the United Nations Sustainable Development Goals (SDGs). Through a structured literature review and illustrative case analysis from Southeast Asia, especially Indonesia, it is evident that SMM has become a powerful enabler for digital inclusion, market access, customer engagement, and entrepreneurial innovation.

The findings confirm that social media platforms—when strategically employed—offer MSMEs cost-effective avenues to build brand presence, foster consumer relationships, and expand into new markets. Such digital practices significantly contribute to SDG 8 (Decent Work and Economic Growth) by enhancing productivity and employment opportunities, and SDG 9 (Industry, Innovation, and Infrastructure) by promoting technological adoption and entrepreneurial resilience.

However, the impact of SMM is not uniformly experienced across all MSMEs. Key barriers such as digital illiteracy, infrastructure deficits, limited content management capacity, and volatile platform algorithms persist, particularly among rural and women-led enterprises. Furthermore, the absence of integrated policy frameworks and ecosystem support often limits the scalability of digital marketing practices in MSMEs.

Nonetheless, the pandemic has demonstrated that digital marketing, particularly via social media, can serve as a critical lifeline for business continuity and adaptation. MSMEs that were digitally proactive exhibited greater resilience, agility, and capacity to innovate under crisis conditions. Therefore, aligning MSME development policies with digital transformation imperatives becomes essential for sustainable and inclusive economic recovery.

To maximize the developmental impact of social media marketing among MSMEs and accelerate the attainment of SDG targets, several recommendations are proposed for various stakeholders:

1. For Policymakers:
  - Develop integrated national strategies that promote digital literacy and SMM capacity-building among MSMEs, with special attention to marginalized and underserved entrepreneurs (e.g., women, youth, rural communities).
  - Invest in expanding internet infrastructure and ensuring affordable, high-speed connectivity across rural and semi-urban regions.
  - Support regulatory frameworks that safeguard MSMEs from platform dependency risks, cyber threats, and digital fraud.
2. For MSME Practitioners:



- Adopt a data-driven approach to social media marketing by leveraging analytics tools, customer insights, and content performance metrics.
  - Diversify digital marketing channels to reduce dependency on a single platform and improve cross-platform visibility.
  - Engage in continuous upskilling through online training, peer learning, and community-based digital innovation hubs.
3. For Development Organizations and Academia:
    - Facilitate multi-stakeholder collaboration between government, private sector, and MSMEs to co-create SMM toolkits and digital inclusion programs aligned with local needs.
    - Promote research and innovation that explore localized models of social media utilization in MSME contexts, particularly within low-income and informal sectors.
    - Integrate SMM and SDG-aligned entrepreneurship modules into business and vocational education curricula.
  4. For Social Media Platforms:
    - Design user-friendly features and support systems tailored to the needs of MSMEs, including educational content, ad credits, and algorithm transparency.
    - Partner with local governments and business associations to deliver targeted training programs and platform onboarding assistance.

In conclusion, social media marketing is not a panacea but a strategic tool that, when integrated with inclusive policies, capacity-building, and digital infrastructure, can propel MSMEs toward sustained growth and development. By harnessing the power of social platforms, MSMEs can transcend traditional market barriers, build resilient business models, and contribute meaningfully to a more equitable and sustainable economic future.

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