

The Role of Social Media in Supporting MSME Economic Activities in Tondano, Minahasa Regency

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ABSTRACT

The rapid advancement of digital technology has transformed economic activities, including the marketing strategies adopted by micro, small, and medium-sized enterprises (MSMEs). Social media has emerged as an important platform for product promotion, customer communication, and market expansion. This study examines the role of social media in supporting MSME economic activities in Tondano, Minahasa Regency. A descriptive qualitative approach was employed. Data were collected through interviews with six MSME owners selected using purposive sampling, complemented by documentation and a literature review. The data were analyzed through data reduction, data display, and conclusion drawing. The findings indicate that Facebook plays an important role in

promoting products, expanding market reach, facilitating communication with customers, strengthening business branding, and disseminating product information efficiently. Social media use also helps reduce promotional costs and strengthen relationships between business owners and consumers. However, MSME owners continue to face challenges related to limited digital literacy and inconsistent management of marketing content. Strengthening digital capabilities through targeted training and ongoing mentoring is therefore essential to maximize the use of social media and support the sustainable development of MSMEs.

INTRODUCTION

The rapid advancement of information and communication technologies has transformed various aspects of social and economic life. The growing use of the internet and social media is a defining feature of this digital transformation, reshaping how producers and consumers interact. Social media has evolved beyond its conventional role as a communication channel into an increasingly important marketing tool that enables businesses to reach wider markets, enhance promotional effectiveness, and strengthen interactions with customers (Kaplan & Haenlein, 2010; Kietzmann et al., 2011). This development creates significant opportunities for micro, small, and medium-sized enterprises (MSMEs) to enhance their competitiveness through the adoption of digital technologies (Taiminen & Karjaluo, 2015).

MSMEs play an important role in local economic development by generating employment, supporting regional economic activity, and contributing to household incomes (Tambunan, 2019). In Tondano, Minahasa Regency, MSMEs operate across a range of sectors, including retail, bakery businesses, handicrafts, and food services. As digital technologies become increasingly accessible, local MSME owners have begun to incorporate social media into their marketing strategies to reach a broader audience and strengthen their market presence. Local initiatives in Tondano have likewise begun to address digital entrepreneurship and MSME literacy through education and training programs (Roring et al., 2024; Wuisang, 2026).

Facebook is among the social media platforms frequently used by MSME owners in Tondano. Its various features enable businesses to promote products, provide information on prices and availability, receive orders, and communicate directly with customers. Compared with conventional promotional channels, social media offers relatively low-cost marketing

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opportunities while allowing businesses to expand their networks beyond geographical boundaries (Chatterjee & Kar, 2020; Dahnil et al., 2014). These features make social media particularly relevant for MSMEs with limited financial and marketing resources (Syaifullah et al., 2021; Tatik & Setiawan, 2025).

However, the adoption of social media does not automatically translate into effective digital marketing. MSME owners differ in their ability to use digital technologies, while limited digital literacy, inadequate skills in developing engaging marketing content, and increasing competition in online markets may constrain the effectiveness of social media use (Dahnil et al., 2014; Eshet-Alkalai, 2004; Kumar et al., 2022). These challenges highlight the need to understand not only whether MSMEs use social media, but also how they incorporate these platforms into their day-to-day economic and marketing activities.

Against this background, this study examines the role of social media in supporting MSME economic activities in Tondano, Minahasa Regency. Particular attention is given to the use of Facebook for product promotion, customer communication, business branding, and the dissemination of product information. By examining how local MSMEs use social media in their business activities, this study contributes to the discussion of MSME digitalization at the local level and provides practical insights for strengthening the capacity of MSMEs to use social media as a sustainable business development strategy.

METHOD

Research Design and Setting

This study employed a descriptive qualitative research design (Sandelowski, 2000) to explore the role of social media in supporting the economic activities of micro, small, and medium-sized enterprises (MSMEs) in Tondano, Minahasa Regency, North Sulawesi, Indonesia. A qualitative approach was considered appropriate because the study sought to understand MSME owners' experiences, perceptions, and practices in using social media as part of their business activities (Creswell & Poth, 2018). The study was conducted in Tondano from December 2025 to April 2026.

Participants and Data Sources

The primary data were obtained through in-depth interviews with six MSME owners selected using purposive sampling (Palinkas et al., 2015). Participants were selected based on their active involvement in managing their businesses and their experience using Facebook for business communication and promotion. The study also drew on secondary data from relevant documents, business records, publications, and academic literature to provide contextual and supporting information (Bowen, 2009).

Data Collection

Data were collected through semi-structured interviews (Kallio et al., 2016) and documentation (Bowen, 2009). The interviews explored participants' experiences in using Facebook for product promotion, customer communication, business branding, dissemination of product information, and other business-related activities. Documentation was used to complement the interview data through relevant photographs, business materials, records, and other supporting documents.

Data Analysis and Trustworthiness

The data were analyzed using the interactive model of Miles, Huberman, and Saldaña (2014), consisting of data condensation, data display, and conclusion drawing. Interview and documentary data were first condensed by selecting and organizing information relevant to the research objectives. The condensed data were then displayed thematically to identify recurring patterns and relationships across participants' experiences. Conclusions were subsequently developed by interpreting the emerging patterns and themes in relation to the research objectives.

The trustworthiness of the findings was strengthened through data triangulation (Carter et al., 2014). Information obtained from interviews was compared with observations and documentary evidence to assess consistency and confirm the interpretation of participants' accounts. This process helped ensure that the findings were grounded in multiple sources of evidence rather than relying solely on participants' statements.

RESULT

Six MSME owners operating in the bakery and food-service sectors in Tondano, Minahasa Regency, participated in the study. Participants were purposively selected based on their experience and active use of Facebook in managing and promoting their businesses. The participating businesses varied in type and had been operating for between two and seven years. All participants reported using Facebook for business promotion, customer communication, information sharing, and business development. The findings are organized into six themes that capture the main ways Facebook is integrated into the economic activities of local MSMEs.

Facebook as a Platform for Product Promotion

The findings indicate that Facebook serves as a primary promotional platform for the participating MSMEs. Compared with conventional marketing practices, Facebook enables business owners to present their products to a broader audience through visual posts, videos, and regular product updates. These features allow MSMEs to communicate product information beyond their immediate customer base without requiring substantial promotional expenditure.

Rivo explained that Facebook makes it easier for people to discover available products and place orders directly through the messaging feature. His experience illustrates how social media can reduce the distance between producers and consumers by combining product promotion with direct communication and ordering. Rather than functioning solely as an advertising channel, Facebook provides an interactive space in which promotional information can immediately lead to customer inquiries and potential transactions.

For MSMEs with limited marketing resources, this broader reach and relatively low promotional cost represent an important advantage. Facebook therefore provides a practical means of increasing product visibility and accessing potential customers beyond the businesses' immediate geographical market.

Facebook as a Means of Building Consumer Trust

Beyond product promotion, participants also used Facebook to strengthen consumer trust. Amelia, for example, highlighted the importance of customer testimonials and endorsements in convincing potential buyers of the quality of the products offered. Testimonials provide prospective customers with information based on the experiences of other consumers and can therefore function as a form of indirect promotion.

The presence of customer experiences on social media also contributes to the public visibility of business reputation. Positive feedback can provide social validation for prospective buyers, particularly when they have limited prior knowledge of the business or its products. In this sense, Facebook serves not only as a channel for disseminating information but also as a space where business credibility can be constructed through customer experiences.

The finding suggests that the value of social media for MSMEs extends beyond exposure. Customer-generated information can become part of the business's digital reputation, making trust an important component of social-media-based marketing.

Visual Content and Consumer Interest

The quality of visual content emerged as another important element of Facebook-based marketing. Cici explained that attractive product photographs can capture customers' attention and encourage them to seek further information about the products being promoted. For

businesses operating in the food and bakery sectors, where product appearance is closely associated with consumer appeal, visual presentation becomes particularly relevant.

Product images provide consumers with an initial impression before they decide whether to inquire or make a purchase. Well-presented visual content can therefore strengthen product appeal and contribute to a more favorable perception of the business. However, the findings also suggest that simply having a social media presence is insufficient. The ability to produce informative, attractive, and consistent content is equally important in converting digital visibility into meaningful customer engagement.

This highlights a broader dimension of digital capability among MSMEs: effective social media marketing depends not only on access to digital platforms but also on the capacity to use their features strategically.

Facebook as a Channel for Customer Communication

Facebook also facilitates direct and ongoing communication between MSME owners and their customers. Participants used private messaging and comment sections to provide information about prices, product availability, and ordering procedures. These features enable businesses to respond to customer inquiries without requiring customers to visit the business premises in advance.

Frilia emphasized that Facebook-based communication was particularly useful for interacting with younger customers who are active on social media. The immediacy of this communication allows customers to obtain relevant information directly from the business, while enabling business owners to respond to individual inquiries more efficiently.

The interaction also extends the function of Facebook beyond one-way promotion. Repeated communication creates opportunities for businesses to maintain relationships with existing customers and respond to their needs. Thus, social media can serve as a relationship-building channel in which customer engagement becomes part of the broader marketing process.

Strengthening Business Branding through Facebook

The findings further indicate that Facebook contributes to the development of business identity and visibility. Treisye reported that public awareness of her products increased through consistent promotional activities on Facebook. Regular exposure allows businesses to maintain a visible presence in consumers' digital environments and gradually establish recognition of their products.

For MSMEs, this visibility is particularly important because they often compete with businesses that have greater financial and promotional resources. Consistent social media activity provides a relatively accessible means of communicating a recognizable business identity. Repeated exposure to product information can strengthen brand familiarity and create opportunities for future customer engagement.

However, branding through social media is not simply a matter of posting frequently. It requires consistency in the presentation of products, business identity, and communication with customers. The findings therefore position Facebook as a practical branding tool while also highlighting the importance of sustained content management.

Facebook as a Channel for Product Information

Facebook was also used extensively to disseminate up-to-date product information. Meilany explained that she regularly shared information about product varieties, prices, and stock availability. This practice allows customers to obtain current information before visiting the business location and reduces uncertainty regarding product availability.

The speed and accessibility of information represent an important advantage of social media compared with conventional promotional channels. Information can be updated whenever product conditions change and can be accessed by customers without requiring direct physical contact with the business. This creates a more responsive communication process between MSMEs and their customers.

The findings show that Facebook has become more than a promotional medium for the participating MSMEs. It functions simultaneously as a marketing channel, a space for building consumer trust, a medium for visual presentation, a customer-service channel, a branding tool, and a source of real-time product information. Nevertheless, the benefits of Facebook depend substantially on the ability of business owners to manage content and interactions consistently. The findings therefore reinforce the view that MSME digitalization is not merely a matter of adopting digital platforms but also of developing the capabilities required to use those platforms effectively in everyday business activities.

DISCUSSION

The findings demonstrate that Facebook has become more than a promotional channel for MSMEs in Tondano. Its strategic value lies in its ability to integrate several business functions within a single digital environment, including product promotion, customer communication, reputation building, branding, and the dissemination of product information. This multifunctionality is particularly relevant for MSMEs, which generally operate with more limited financial and human resources than larger businesses (Chatterjee & Kar, 2020). Rather than requiring separate resources for advertising, customer service, and information dissemination, Facebook enables these activities to be managed through an accessible and relatively low-cost platform.

The findings also indicate that the economic value of social media is closely associated with market accessibility (Syaifullah et al., 2021; Tatik & Setiawan, 2025). By displaying products through images, videos, and regular updates, MSME owners can reach potential customers beyond their immediate physical surroundings. This changes the traditional relationship between location and market access. For locally oriented businesses in Tondano, digital platforms provide an opportunity to make products visible to consumers who may not otherwise encounter them. The role of Facebook is therefore not simply to increase the frequency of promotion but to expand the space in which local businesses can interact with potential markets.

Another important finding concerns the relational dimension of social media use. The interactions reported by participants suggest that Facebook supports a shift from one-way promotional communication toward more interactive customer relationships (Hajli, 2014; Kietzmann et al., 2011). Customers can ask questions, request information, provide feedback, and place orders through the same platform used for promotion. Customer testimonials further strengthen this process by providing social evidence of product quality (Hennig-Thurau et al., 2004). Trust is consequently constructed not only through the claims made by business owners but also through visible interactions and experiences shared by other customers. For MSMEs that have limited brand recognition, this form of social validation can be particularly valuable in reducing uncertainty among potential buyers.

The findings further suggest that digital visibility alone is insufficient to generate meaningful business benefits. The ability to produce attractive and informative content (Li & Xie, 2020), respond to customers, update product information, and maintain a consistent online presence represents an important dimension of digital capability. This explains why differences in digital literacy may produce differences in the benefits obtained from the same platform (Eshet-Alkalai, 2004). Access to Facebook is relatively easy, but using it strategically requires skills in communication, content creation, customer engagement, and basic digital marketing. Digitalization should therefore be understood not merely as the adoption of technology but as a process of developing organizational capabilities around that technology (Teece et al., 1997).

At the same time, the challenges identified in this study indicate that the digital environment introduces new forms of competition. As more MSMEs use social media, simply having a Facebook account or posting products is unlikely to provide a sustainable competitive advantage. Businesses increasingly need to differentiate their products, maintain content quality, respond consistently to customers, and develop a recognizable brand identity (Keller, 1993). This

suggests that the competitive value of social media depends less on platform adoption itself and more on the quality and consistency of its use.

These findings have practical implications for MSME development in Tondano. Digitalization programs should move beyond basic training on how to create social media accounts or upload product information. Capacity-building initiatives need to address practical competencies such as visual content production, digital branding, customer engagement, online promotion, and the management of business information. Continuous mentoring may be particularly important for MSME owners who have limited prior experience with digital marketing. Such support can help transform social media from an occasional promotional tool into an integrated component of everyday business management.

Overall, the study shows that Facebook provides MSMEs in Tondano with a relatively accessible mechanism for connecting local businesses with wider markets while simultaneously strengthening communication and customer relationships. Its contribution to MSME development, however, depends on the capabilities of business owners to use the platform consistently and strategically. The findings therefore point to a broader understanding of MSME digitalization: the central issue is not simply whether small businesses adopt social media, but whether they possess the digital capabilities needed to convert technological access into meaningful business opportunities and longer-term market engagement.

CONCLUSION

This study examined how social media supports the business activities of micro, small, and medium-sized enterprises (MSMEs) in Tondano, Minahasa Regency. The findings indicate that social media, particularly Facebook, plays an important role in supporting the economic activities of local MSMEs. Beyond serving as a product promotion channel, Facebook facilitates customer communication, enables the rapid dissemination of product information, and helps build consumer trust through testimonials and customer interactions. It also contributes to strengthening business visibility and identity in the digital marketplace.

Facebook provides MSMEs with an accessible and relatively low-cost means of expanding their market reach. Active interaction with customers and the use of appealing visual content enable business owners to increase product visibility and maintain engagement with potential and existing customers. The rapid dissemination of information on prices, product availability, and ordering procedures further supports more responsive communication and promotional activities.

However, the findings also reveal challenges associated with social media use, particularly limited digital capabilities among some MSME owners, inconsistent management of promotional content, and increasing competition in digital markets. These challenges suggest that access to social media alone is insufficient to maximize its potential business value. Strengthening digital literacy, providing practical digital marketing training, and establishing ongoing mentoring and capacity-building programs are therefore important for enabling MSMEs to use social media more effectively and strategically. Overall, the study highlights that the contribution of social media to MSME development depends not only on platform adoption but also on the capacity of business owners to integrate digital tools into their ongoing marketing and customer-engagement practices.

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