Implementation Of Video And Influencer Marketing Strategies To Improve The Competitiveness Of Msmes: A Case Study Of Msmes In Manado City

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Abstract

This study analyzes the application of video marketing and influencer marketing strategies in enhancing the competitiveness of Micro, Small, and Medium Enterprises (MSMEs) in Manado City. The increasing importance of digital technology in expanding market reach and strengthening brand awareness makes these strategies promising alternatives for MSMEs to compete in the global market. This research aims to examine the influence of video and influencer marketing on brand awareness, sales, and competitiveness of MSMEs, as well as to identify challenges encountered in their implementation. The study employs a quantitative research approach with data collected through surveys distributed to MSME owners and managers in Manado City. The findings reveal that both video marketing and influencer marketing have a positive and significant impact on MSME competitiveness, primarily through improved visibility, customer engagement, and brand recognition. However, limitations in digital literacy and marketing budget remain challenges in optimizing these strategies. The study concludes that effective utilization of digital marketing tools, particularly video content and influencer collaborations, can substantially strengthen the market position of MSMEs in the digital era.

Keywords: *MSME,Video Marketing,Influencer Marketing,Competitiveness,Manado City.*

1. Introduction

Micro, Small, and Medium Enterprises (MSMEs) play a vital role in Indonesia's economy, contributing more than 60% to the national Gross Domestic Product (GDP) and absorbing nearly 97% of the workforce, making them the backbone of national economic resilience. As of 2024, the Indonesian MSME sector has shown remarkable growth, with more than 65 million registered business units

according to the Ministry of Cooperatives and SMEs (Supriyanto, 2024). By July 2024, approximately 25.5 million MSMEs had transitioned into the digital ecosystem (Shofi, 2024). The rapid development of digitalization has transformed various aspects of human life, particularly in the business sector, where digital technology now serves as a fundamental driver of competitiveness and market sustainability (Purnomo, et.al., 2023).

In Manado City, the MSME sector has also experienced significant expansion, particularly in culinary, creative, and service industries. Despite this progress, many MSMEs still face obstacles in adopting digital technology and marketing strategies. Although there have been efforts to adapt to digital transformation, the widespread use of digital marketing in Manado remains limited, with most MSMEs still relying heavily on traditional promotional methods (Widodo & Siahaan, 2022). This situation reflects a pressing academic concern regarding how MSMEs can effectively harness digital tools to strengthen competitiveness in the evolving business environment.

Among the variety of digital marketing approaches, video marketing and influencer marketing have emerged as promising strategies for enhancing brand visibility and customer engagement. Video marketing can capture consumer attention through compelling visual storytelling (Balakrishnan & Ravi, 2023), while influencer marketing leverages the credibility and reach of social media figures to influence consumer purchasing decisions (Gao & Zhao, 2023).MSMEs continue to face multiple barriers in implementing these strategies, including limited financial resources, insufficient digital literacy, and difficulties in creating attractive and relevant content (Sundararajan, 2022).

Consequently, digital transformation becomes essential to ensure MSME sustainability and competitiveness. The use of digital technology not only improves operational efficiency but also enables MSMEs to compete more effectively in both local and global markets (Saerang & Rogi, 2024). Digital marketing—particularly through video and influencer-based strategies—has been proven to increase brand awareness, expand market reach, and foster stronger relationships with customers (Chaffey, 2021). Video marketing relies on visual strength to deliver immersive messages, while influencer marketing uses trusted individuals in social media to connect brands with targeted audiences (Daya, 2024). Without these strategies, MSMEs risk losing opportunities to produce authentic, engaging, and credible content that could enhance their brand reputation and sales performance (Purnomo, et.al, 2023).

Nevertheless, despite the proven benefits of these strategies in broader business contexts, there remains a research gap in understanding how MSMEs in Manado City implement video and influencer marketing to enhance competitiveness. Few empirical studies have examined this issue specifically within Manado's socio-economic environment, where digital readiness among MSMEs is still in an early stage. Therefore, this study seeks to fill this gap by exploring how video and influencer marketing strategies influence brand awareness, sales performance, and competitiveness of MSMEs in Manado.

The main objectives of this study are as follows: (1) to analyze the influence of video marketing on brand awareness and sales improvement among MSMEs in Manado City; (2) to examine the role of influencer marketing in expanding market reach and increasing customer engagement; (3) to identify challenges faced by MSMEs in implementing these digital strategies; and (4) to evaluate the overall impact of video and influencer marketing on MSME competitiveness in the digital era.

This research is significant for providing practical insights and empirical evidence on how MSMEs can effectively apply digital marketing strategies to strengthen their market position. The study also contributes to academic discourse in entrepreneurship, cooperatives, and MSME development, aligning with Indonesia's national priorities to create quality employment, foster entrepreneurship, develop creative industries, and continue infrastructure advancement. Ultimately, this study aims to serve as a foundation for future research and as a reference for policymakers, educators, and practitioners seeking to accelerate the digital transformation of MSMEs in Indonesia.

2. Literature Review
Video Marketing

According to Maidasari et al. (2021), video marketing is a marketing strategy that utilizes video as the primary medium on online platforms. Video marketing is used across platforms such as YouTube, Facebook, and Instagram. All businesses hope their promotional campaigns will spread widely across the internet and gain significant public attention.

Influencer Marketing

Influencer marketing is a marketing strategy that involves the use of influencers, namely individuals who have influence over their followers, by utilizing social media as a promotional platform (Agustin & Amron, 2022).

Competitiveness of MSMEs

MSME competitiveness is the factors or resources possessed by a business that differentiate it from its competitors (Halim, Grace et al.,2021). For MSMEs, having competitiveness can be the key to success in winning competition and increasing market share (Halim, Sherly, et al., 2021)

3. Research Methods

This study used a quantitative approach. The study population consisted of MSMEs located in Sunbae, Megamas Area, Manado City. A total of 60 respondents were selected using purposive sampling. Data collection techniques included questionnaires, interviews, and field observations. Data analysis was performed using SPSS using several steps: validity testing, correlation, classical assumption testing, and multiple linear regression analysis. The regression equation is as follows:

$$Y = \alpha + \beta1X1 + \beta2X2 + \varepsilon$$

4. Result and Discussion

The results of the Pearson correlation analysis show that the Video Marketing variable has a significant relationship with MSME Competitiveness (r = 0.803; sig. 0.000). The same result is shown by Influencer Marketing, which also has a significant relationship with competitiveness (r = 0.897; sig. 0.000). In addition, the relationship between Video Marketing and Influencer Marketing is also significant (r = 0.745; sig. 0.000). This positive relationship indicates that the more intensive the video-based marketing strategy and the higher the influencer engagement, the stronger the MSME's competitiveness in the market. In the context of Sunbae Megamas, the use of promotional videos on social media platforms (such as Instagram Reels and TikTok) strengthens brand image and enhances business visibility. Meanwhile, collaborations with local influencers increase brand recognition, encouraging more consumers to visit. Both strategies are highly relevant considering that the Megamas area is a popular hangout spot for young people in Manado, where the level of competition in the culinary business is relatively high. The multiple linear regression test supports these findings. The R value of 0.919 indicates a very strong correlation between Video Marketing and Influencer Marketing with MSME Competitiveness. The R Square value of 0.845 shows that 84.5% of the variation in competitiveness can be explained by these two variables, while the remaining 15.5% is influenced by external factors such as business location, product quality, service, and pricing strategy. The simultaneous test (ANOVA) reveals that the regression model used is feasible, with an F value = 155.207 and significance = 0.000 < 0.05. This means that Video Marketing and Influencer Marketing together have a significant effect on MSME competitiveness. The partial test results further reinforce this finding: Video Marketing has a t value = 3.877; sig. 0.000, indicating a significant effect on competitiveness. This implies that attractive visual content can increase awareness, strengthen a positive image, and encourage consumer visits. Meanwhile, Influencer Marketing has a greater effect, with a t value = 8.576; sig. 0.000. The involvement of influencers with large follower bases has been proven to enhance consumer trust and expand marketing reach. The resulting regression equation is as follows: $Y = 1.351 + 0.264X_1 + 0.681X_2 + e$ This indicates that even without implementing Video Marketing and Influencer Marketing strategies, MSMEs still have a basic competitiveness level of 1.351. Each one-unit increase in Video Marketing contributes to a 0.264 increase in competitiveness, while each one-unit increase in Influencer Marketing contributes to a 0.681 increase. Therefore, Influencer Marketing has a more dominant contribution than Video Marketing in enhancing MSME competitiveness.

5. Conclusion

The results of this study emphasize the importance of digital transformation for MSMEs, particularly in the city of Manado. Business competition in the Megamas area requires MSME players not only to rely on conventional factors such as location and pricing but also to maximize the potential of digital marketing. Video Marketing serves as a means to enhance brand awareness and attract new consumers, while Influencer Marketing plays a role in strengthening trust and building customer loyalty. The combination of these two strategies creates a synergistic effect that drives MSME competitiveness, enabling businesses to survive and even grow amid increasingly intense competition. Therefore, it can be concluded that the utilization of social media through creative video content and support from local influencers is not merely a trend but has become a strategic necessity in enhancing the competitiveness of MSMEs in Manado.

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