



The Influence of Facebook Advertising on Increasing Sales of Micro, Small, and Medium Enterprise Products in Bandung

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Abstract. Increasing social media involvement in MSME business sales is now growing, starting with the number of sales made through social media networks or the internet. Behind the development of sales from social media, there is a platform that provides offers to advertise or promote products on the platform. Facebook Advertising (Facebook Ads) evolved to help sellers or online business sellers promote sales. The purpose of this study was to determine how the influence of Facebook advertising on the increase in sales of Micro, Small and Medium Enterprises (MSME) in the city of Bandung. In this study, we use quantitative research methods with descriptive studies to several respondents, especially those in the city of Bandung in order to strengthen the data that will be needed. The results of this study indicate that using Facebook Ads to increase sales of a product is sufficient to influence product sales, then it is comparable to the aims and objectives of the study. However, with the increasing number of competitors using Facebook Ads as a promotional medium, of course, some improvements are needed in the manufacture of advertising products so that the audience can be interested when they see the products to be marketed. Of course, in this case it proves that the influence of Facebook Ads as a promotional medium can affect sales increases so that it can make it easier for other businessmen to promote their products.

Keywords: Facebook Ads, Promotion, Sales

1. Introduction

In the current technological era, there are many activities that occur through social media and can provide many moral and material benefits for its users. Throughout 2021, the State of Indonesia is included in the country with the most Internet users in Asia. This is why Indonesia obtained 212.3 million Internet users in June 2021 and 176.5 million for Facebook users in June 2021 [1].

This very rapid progress has resulted in many buying and selling activities on social media being more popular with the public. Therefore, the increasing number of people carrying out activities through social media is certainly a great opportunity for business people to market their products in order to reach a lot of consumer interest through the internet or social media. Facebook is a site whose main service is a social networking service. Social networking is a social structure consisting of individual or organizational elements. The network shows how they relate because of social similarities, from the everyday to the family. [2].

One of the social media that can attract audiences is Facebook Advertising (Ads), this service provides users with advertising and of course can increase product sales and increase audiences so that they can be interested in seeing the products being marketed. Facebook Advertising (Ads) It has the following advantages: The internet boom, including Facebook which is the most visited website, Facebook provides information, Facebook provides columns to fill in various user information, easy access, focus on market segmentation, easy communication, no time feedback, low budget, always connected, also high impact, and the new wave market [3]. Therefore, technological advances like this need to be widely known by business actors, especially Micro, Small and Medium Enterprises in order to increase sales of their products.

This research aims to find out how the influence of Facebook Advertising on the increase in sales of micro, small and medium enterprise products in the city of Bandung. In this study using quantitative research methods with descriptive studies.

2. Method

The method used in this research is to use a quantitative research method approach with a descriptive study to obtain the required data. The data collection technique used in this study is by distributing questionnaires to 100 respondents. This research was conducted by describing the independent variable (X) namely Facebook Advertising and the dependent variable (Y) namely increasing sales of SME products and carried out by hypothesis testing techniques.

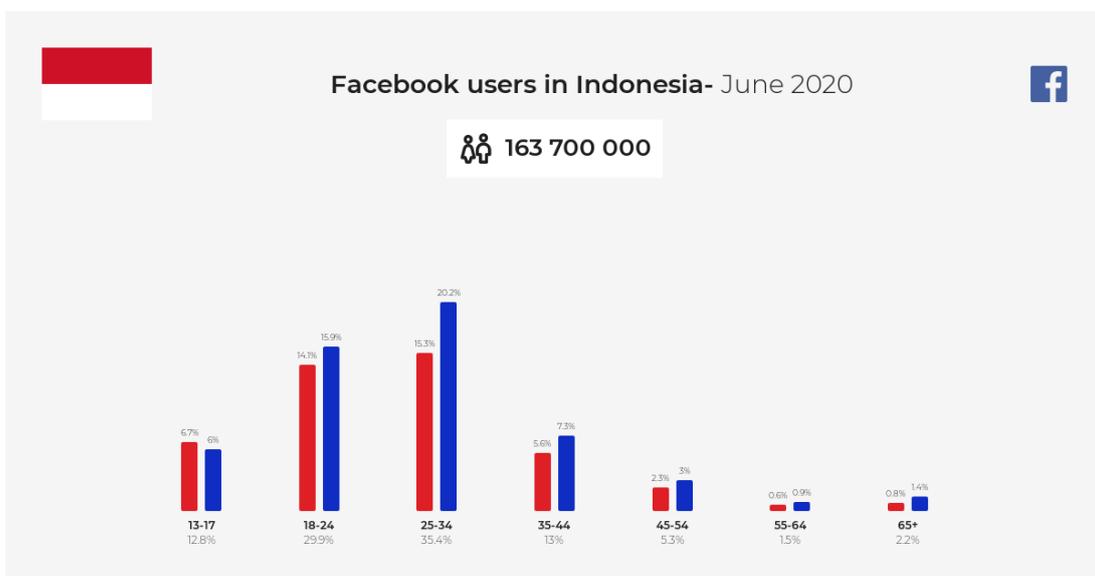


Figure 1. Facebook users in Indonesia June 2020

According to Hadining, Dianti, Haryanti, Wahyudin (2019) Marketing through social media including the use of Facebook Ads on the Internet is one of the alternatives for Small and Medium Enterprises (SMEs) to reach a broad market in promoting products and promoting their businesses with a more limited budget [1]. Researchers collected data obtained within a period of two months through questionnaires distributed to respondents, especially those who had used social media Facebook.

3. Results and Discussion

Facebook is one of the social media networks on the internet, built by Mark Zuckerberg in 2004, Mark is an alumnus of Harvard University. At first Facebook was only available to Harvard students who visited as a means of communication and exchanging information. The longer this Facebook site the more people are known. Mark took the name "Facebook" starting from a school publication consisting of images of former and active students, his goal being to make all students feel familiar with each other better and effectively. To date, there are more than one billion Facebook users. To access this network, users must first create a profile to create an account on the site. Accounts that users have created require resetting their status profiles so that they can be viewed by everyone who visits the page.

In recent years, social media has become a major factor in influencing various perspectives of consumer behaviour including awareness, acquisition of information, opinions, attitudes, buying behaviour, and communication, post-purchase evaluation (Mangold and Faulds, 2009). According to Mangold and Faulds: 2009, social media consists of: various online forums, word of mouth, consumer email, websites and consumer services, internet discussion forums, moblogs (sites) containing to digital (audio, images, movies, or photos), and social networking sites (e.g., Facebook, Twitter, LinkedIn).

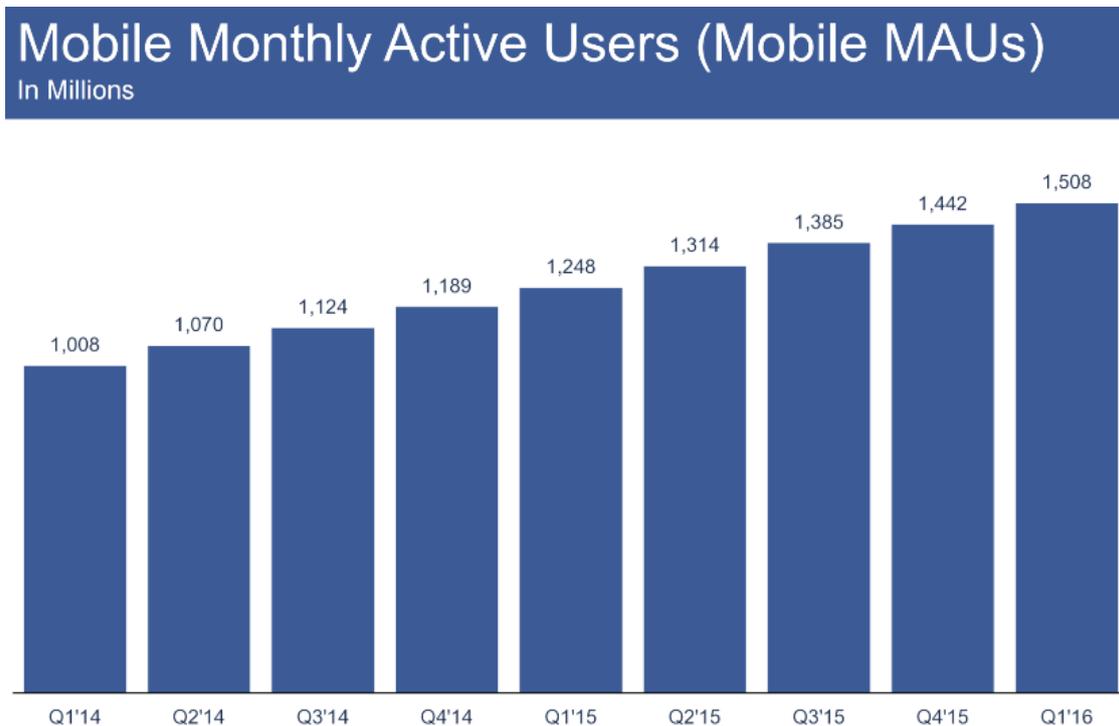


Figure 2. Mobile Monthly Active Users (Mobile MAUs)

Facebook is the same as YouTube which are the top two websites and attract the roblyer[]most visitors worldwide, then Facebook is responsible for 40% of all of them and even surpasses Google. Faculty can adopt technology if they see it as a way to facilitate communication with students [4]. As a social networking site, Facebook has many features and its main function is as a communication tool.

Facebook has featured whose main function is as a communication tool. Facebook is the leading application in social media [5]. In 2016 first-period revenue announced that they had 1.65 billion monthly active users and 1.51 billion mobile users. Facebook currently has 1.09 billion daily active users and 989 million active users. mobile daily active users [6].

Social Networking Sites as a Marketing Tool

The results of research conducted by Cheung, Chiu and Lee (2011) show that Attendance had the strongest impact on students' intention to use Facebook. The results of a study conducted by Cheung, Chiu and Lee (2011) showed that Attendance has the strongest impact on students' intentions to use Facebook[7]. With a statement like that it can be concluded that it is actually Facebook is the most influential social media and the most popular many people. This tendency makes Facebook an option for many business owners to promote their business through marketing sites that have been provided by Facebook.

3.1 Market Research

Target market research is very important in the process of building a marketing strategy that is very useful in advertising success on social media. Business owners need to collect their data that has the characteristics of business owners, needs, and their activities of targeted consumer social groups on social networks and create programs that will attract audience interest, to make market segmentation easier. Business owners also need an introduction to what kind of social media their target audience should use as their target customers, and also, find a target based on a database that was previously researched and then start using the service to find their friends on social media and in such a way it will make target market research easier

3.2 Creating a communication as a message.

Messages are a basis for humans to exchange information, messages containing signs, symbols, series of words, images and sounds sent by the sender of the message or if the message is in business, then the message must adjust, because the message made must be conveyed with full awareness, as well as strengthening attitudes towards a product or service available. When creating a message, the business owner must know in advance what he wants to convey, the message must also be decided what the concept is, what the business owner targets by conveying the message. The message here can also include a distinctive colour that can be used as the value of the business, the logo created can also be a positive message delivery, the logo is a business identity that can be a differentiator against other businesses.

Basically, communication must have text containing messages, graphic elements and schedules. Messages containing such text must be credible, understandable, unique and special. That way the delivery of the message will be easier to understand and most importantly the message is liked by many audiences. The content of messages that attract the audience can make it easier for businesses to become much better known by the public.

In the visual context of business owners must also pay attention to small things, for example product photos, in a product photo, the message conveyed will be more quickly received by the audience. Visual characteristics include in terms that can be quickly accepted by many

people, if the photo is made attractive, customers will quickly believe that your product will match what they see in the photo. However, business owners must also pay attention to the original photo with the original product, in order to maintain the image of the business, and make the business can be even better.

3.3 The choice of social networking

A businessman must first choose what social media platform will be used to achieve goals in business. For example, Facebook ads, in Facebook ads we already know that Facebook has a very broad market segmentation, so a business owner must target what kind of market conditions are in accordance with the business target market. The use of social media does not require a fee, but in using social media we must be smart in building business relationships at a cost. Therefore, the use of business promotion through social media really needs to be careful, we need to choose what is good for the business and choose a profitable target market as well as use social media as a means of information and branding to the fullest.

3.4 Propaganda management on social media

Company owners and employees should always play an important role in managing propaganda, comprehensively seeking audiences, for example. But if not in a good way, the propaganda strategy will not work. Identification and analysis are the first strategy for the audience. propaganda management must also know how each employee is performing in order to be able to manage propaganda management from managing social media, promotions and others, making it easier to see statistics on the achievements of a company.

3.5 Costs for Marketing Through social media

In an effort to develop a marketing plan, business owners must be able to estimate the costs needed whether they should or not, as is the case with marketing in social media. if free we need to involve human resources, it is same having a cost, but on the other hand we need to outsource for the implementation of the marketing strategy because the implementation of the marketing strategy is not successful if not without social networking goals.

4. Result

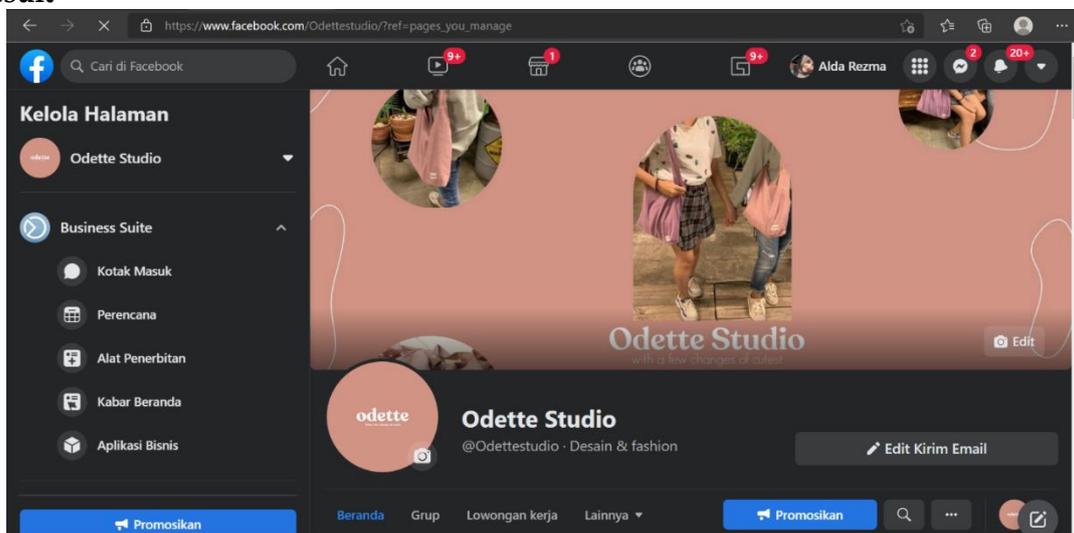


Figure 3. Odette Studio Facebook

4.1 Product Education

In the early stages of advertising, we use objective Brand Awareness containing videos to educate the target market about the advantages & benefits of my product. Why always use video? Because the level of attention is higher than the image.

With a budget of 50,000-75,000 per day this ad we run with split test some Adset. The target is not sales. The purpose of advertising is simply to make the audience aware about the superiority of Odette Studio products and what the benefits are for them.

4.2 Retargeting Step 1

On day 4 or 5 we run Traffic ads to drive the audience to the Landing Page. The audience I targeted was the Custom Audience of video viewers resulting from the first stage of Brand Awareness ads, which were divide into 3 Adset, namely 50%, 75% and 95% viewers.

At this stage the ad is soft selling or storytelling to people who have seen my product information, but have not made a purchase / logged on to the web. They should be easier to get into the landing page because it is aware.

4.3 Retargeting Step 2

The first stage of advertising continues to run and generates a Custom Audience in the form of a video audience. The second stage of advertising also continues to run to retarget the video audience to enter the website. This means that the view Content Custom Audience database also continues to grow like a snowball.

In the third stage we ran a new ad using objective Traffic, containing 2 Adset with a budget of 25,000-50,000 per day. The first Adset targets the view Content Custom Audience excludes Add to Cart, and the second Adset targets the Add to Cart exclude Purchase Custom Audience.

At this stage we "haunt" people who have entered the landing page but do not buy, as well as people who have contacted WhatsApp, have ordered, but have not paid.

4.3.1 Traffic - Conversion - Reach

This third technique is probably the most common one, even are using it right now. We use it too, because it's still so powerful. The flow is simple, involving only 3 campaigns and utilizing Facebook pixel events.

4.3.2 Bring Traffic

From day one we ran ads using objective Traffic with split test target broad audience divided into several Adset. For budget allocation around 50,000-150,000 per day using the Campaign budget optimization feature.

The purpose of this ad is to find the best audience composition performance, and direct them into the product landing page. If the sales copy landing page is super cool, usually there can be direct sales. In addition, the purpose of this ad is to build a View Content database aka landing page visitors Odette Studio product.

4.3.3 Story Telling/ Soft Selling

On day 4 or 5 we run Conversion ads with 3-5 Adset. The budget ranged from 50,000-150,000 per day with a target audience of LLA 1% to 5% of Custom Audience View Content.

Campaign Traffic in the early stages continues to lead the audience to the landing page and continues to generate View Content data. Automatic Custom Audience View Content is

maturing, which affects the quality of LLA the better. In the second phase there should be more sales.

4.3.4 Retargeting

The first and second stages of advertising both lead people to the website, with different target audiences. Automatic Custom Audience View Content and Add to Cart also continue to grow.

So, in this third phase we run the Reach campaign to retarget all incoming pixels (View Content & Add to Cart) that have not been transferred (Purchase).

4. Conclusion

This research yielded several conclusions that Facebook social media has an influence in increasing sales of Micro, Small, and Medium Enterprises in the city of Bandung. Facebook social media can be used to do all kinds of product / service promotions at a cost that tends to be cheap. The development of Facebook internet media users resulted in information can spread quickly and the time needed is also very fast.

Business owners also need an introduction to what kind of social media their target audience should use as their target audience, and also, find a target based on a database that was previously researched and then start using the service to find their friends on social media and in such a way it will make target market research easier. For example, Facebook ads, in Facebook ads we already know that Facebook has a very broad market segmentation, so a business owner must target what kind of market conditions are in accordance with the business target market.

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