

ABSTRACT

The expansion of internet usage has catalyzed a substantial transformation across various sectors, including the business world. Specifically, the Small and Medium Enterprises (SMEs) sector in Indonesia, particularly in the culinary field, has witnessed significant growth through the utilization of social media as a primary marketing tool. This study aims to analyze the impact of digital marketing on the growth of SMEs in Cilacap Regency, focusing on the case of Naturicha Juice, a culinary SME that has innovated through healthy food products. Employing both qualitative and quantitative approaches, this research reveals that digital marketing strategies, especially the use of Electronic Word of Mouth (E-WOM) through social media platforms like Instagram and WhatsApp, positively contribute to brand awareness enhancement, customer satisfaction, and ultimately, business growth of SMEs. These findings underscore the importance of adaptive and innovative marketing strategies in the digital era, providing insights for other SMEs to optimize social media in improving their business performance. The study also identifies several challenges, such as the need for creative and authentic marketing content, and effective customer feedback management to maximize the positive impact of E-WOM. These results are anticipated to provide valuable insights for shaping future marketing strategies for small and medium-sized enterprises (SMEs), especially within the highly competitive culinary industry. This knowledge is expected to guide SMEs in effectively positioning themselves in the marketplace. The regression analysis results indicate that the variables Price (HT), Quality (KT), and e-Word of Mouth (WT) significantly influence the Purchase Decision (KEPT). This is evidenced by the t-significant values for each independent variable (HT, KT, WT) all being below the threshold value of 0.05, specifically 0.001 for Price (HT) and e-Word of Mouth (WT), and 0.000 for Quality (KT). Furthermore, the F-test conducted on all three independent variables collectively against the Purchase Decision (KEPT) yielded an F value of 160.771 with a significance level of 0.000, affirming that these variables significantly influence the Purchase Decision collectively. This conclusion highlights the critical role of Price, Product Quality, and e-Word of Mouth in shaping consumer purchase decisions, offering insights for business practitioners to optimize marketing strategies that involve these aspects to enhance consumer purchasing decisions.

Keywords: SMEs, Digital Marketing, Social Media, E-WOM, Naturicha Juice, Cilacap Regency