

Integration of C2C E-Commerce Media in MSMEs to Support the UMKM Go Digital 2030 Program

Nora Listiana

Digital Business, Univeristas Global Jakarta, Depok, Indonesia

Article Information

Article History:

Received, 15 May, 2024

Revised, 29 May, 2024

Accepted, 30 May, 2024

Published, 31 May, 2024

Corresponding Author:

Nora Listiana,
Digital Business,
Jakarta Global University,
Depok Indonesia.
Email:
noralistiana@jgu.ac.id

ABSTRACT

The growth of the MSME sector in Indonesia has faced various challenges, especially during the COVID-19 pandemic. A survey of 250 MSMEs revealed that 67% experienced a decrease in revenue. One of the primary issues currently confronting MSMEs is marketing. Poor marketing infrastructure has led to a low level of market orientation among these businesses. As a result, it is crucial for MSMEs to strengthen their competitiveness in an increasingly open and competitive market environment. This study explores the integration of Consumer-to-Consumer (C2C) e-commerce platforms in Micro, Small, and Medium Enterprises (MSMEs) in Depok City, Indonesia, in the context of the UMKM Go Digital 2030 Program. Through a descriptive survey research design using quantitative methods, the study identifies how digital infrastructure and platform usability influence MSME performance. Data from 105 MSMEs were collected using structured questionnaires and analyzed using SPSS. The findings highlight the benefits and challenges of digital integration, offering recommendations to strengthen MSME participation in the digital economy.

Keywords: c2c, E-commerce, MSMEs

1. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in advancing Indonesia's economy (Putri, 2017). MSMEs contribute to the creation of new job opportunities for the Indonesian (Amelia, 2017) population and have significantly impacted both regional and national income (Susila, 2017). Furthermore, the existence of MSMEs serves as an alternative strategy to alleviate poverty through empowerment programs. MSMEs have demonstrated relatively strong resilience in facing past economic crises in Indonesia (Windusancono, 2021). However, the development of the MSME sector in Indonesia has encountered several challenges, particularly during the COVID-19 pandemic. According to a survey conducted by MicroMentor involving 250 MSMEs, 67% reported a decline in revenue. One of the main obstacles currently faced by MSMEs is in the area of marketing (Arisandi, 2018). According to Kotler, as cited in Nuryanti, inadequate marketing infrastructure has resulted in MSMEs having low market orientation (Arisandi, 2018).

Therefore, it is essential for MSMEs to enhance their market competitiveness in an increasingly open and competitive market environment (Basry, 2018).

One solution lies in leveraging current technological advancements. The use of technology today has had a significant impact on sales growth, particularly for MSMEs (Widiana, 2017). The adoption of smartphones with mobile internet has made it easier for consumers to shop online from anywhere. This form of online buying and selling is known as e-commerce (Arief, 2021). There are several benefits to using e-commerce in the MSME sector (9). E-commerce can expand market reach, simplify the customer shopping experience, and provide access to visitor analytics (Dwijayanti, 2021). The most frequently visited e-commerce platforms in Indonesia are C2C (Consumer-to-Consumer) e-commerce sites, as reported in the e-commerce competition map released by iPrice. C2C platforms have an advantage over others because they allow users not only to purchase products but also to sell their own, thus boosting online transactions (Damanik, 2021).

C2C e-commerce, which is accessible to anyone, provides sellers with the tools to market their products in real time. The ability of MSMEs to develop content that facilitates transactions becomes a compelling area of interest, especially when supported by the strong influence of digital media promotion, which significantly affects consumer purchasing decisions (11). Therefore, this study explores how C2C e-commerce media can be integrated into MSMEs to identify both the opportunities and challenges, as well as to evaluate their effectiveness. Through a comprehensive literature review, this study aims to identify the factors that influence e-commerce quality and propose appropriate strategies for MSME actors to facilitate effective transactions—especially as they prepare to face the post-COVID-19 New Normal era. One promising approach is the utilization of C2C e-commerce platforms, which allow small-scale sellers to interact directly with consumers. Platforms like Tokopedia, Shopee, and Bukalapak serve as major channels for individual online transactions. This research explores how C2C e-commerce media can be strategically integrated into MSME operations and support the national roadmap for digital transformation by 2030.

2. LITERATUR REVIEW

a. Micro, Small, and Medium Enterprises (MSMEs) in Indonesia

MSMEs play a strategic role in the development of the national economy. According to the Ministry of Cooperatives and SMEs, MSMEs contribute more than 60% to Indonesia's Gross Domestic Product (GDP) and absorb around 97% of the national workforce. MSMEs not only act as drivers of grassroots economic activity but also foster local innovation and economic resilience. However, most MSMEs still face challenges in digital transformation, market access, and technology adoption (Ministry of Cooperatives and SMEs, 2023). Efforts to strengthen MSMEs encompass various strategies, including capacity building, access to capital, and fostering innovation. Programs such as government-university collaborations, business management training, and digital platform development have been identified as effective in enhancing MSMEs' capabilities. Moreover, cultivating an innovative culture and providing market-oriented policies can improve competitiveness and resilience.

b. E-Commerce and the C2C Model

E-commerce refers to the buying and selling of goods and services through electronic means, particularly the internet. One of the most widely used models is Consumer-to-Consumer (C2C), where individuals act as both buyers and sellers. Platforms such as Tokopedia, Shopee, and Bukalapak provide C2C ecosystems that enable small businesses to

sell products without needing physical stores or dedicated websites (Laudon & Traver, 2020). The advantages of the C2C model include low operational costs, high flexibility, and broad consumer reach. However, it also presents challenges such as price competition, limited consumer trust, and the need for effective reputation management in digital marketplaces. The C2C e-commerce model, where consumers sell directly to other consumers, has gained prominence in Indonesia. Platforms like Tokopedia, Bukalapak, Shopee, and OLX facilitate this model, allowing individuals to list products for sale, ranging from second-hand goods to handmade items. These platforms provide a marketplace for individuals to transact without the need for traditional retail intermediaries.

c. The Role of Technology in MSME Digital Transformation

The use of Information and Communication Technology (ICT) is a key driver in accelerating MSME digital transformation. Technology enables MSMEs to improve operational efficiency, expand their markets, and innovate in customer service. According to a study by McKinsey (2022), digitalization can increase MSME productivity by up to 25%. Tools such as social media, marketplace platforms, point-of-sale applications, and integrated logistics are vital components in the digital ecosystem for MSMEs. Nevertheless, the adoption of technology is often hindered by low digital literacy, limited financial resources, and the lack of technical support. Effective integration therefore requires policy support, training programs, and adequate digital infrastructure.

d. The UMKM Go Digital 2030 Program

The UMKM Go Digital 2030 program is a government initiative to accelerate the digital transformation of MSMEs. The program aims to integrate over 30 million MSMEs into the national digital ecosystem through access to e-commerce platforms, digital payment systems, social media marketing, and productivity tools.

In Indonesia's digital economy roadmap, C2C platforms are identified as strategic enablers due to their accessibility for businesses of various sizes. The program also emphasizes the need for collaboration among government agencies, digital platforms, educational institutions, and the private sector to build a sustainable and inclusive digital ecosystem (Ministry of Communication and Information Technology, 2021).

e. Previous Studies on C2C Media Integration in MSMEs

Several previous studies have highlighted the positive impact of C2C platforms on MSME sales and market exposure. Research by Haryanto (2021) found that MSMEs active on marketplace platforms experienced a 45% increase in transactions during the COVID-19 pandemic. Another study by Sari & Wibowo (2022) revealed that integrating social media and marketplace platforms creates a more personalized shopping experience and improves customer loyalty. However, effective integration of C2C media requires a well-structured digital strategy, including platform selection, targeted marketing content, and data-driven consumer behavior analysis.



Figure I. C2C Model

Tabel 1. Literature Review

Researcher	Title	Conclusion
I Made Adi Pranata, Gede Sri Darma (2014)	<i>Strategy for Implementing E-Commerce to Enhance Competitive Advantage</i>	The implementation of E-commerce can enhance the competitive advantage of companies.
Tanung Haryanti (2020)	<i>E-Commerce Integration: A Sustainability Concept</i>	The integration of E-commerce into sustainability in Indonesia can be used as a reference for aligning E-commerce strategies with sustainability. It also serves as a reference for setting E-commerce regulations by policymakers/government, which will have practical implications for companies in applying sustainability issues to meet consumer expectations.
Lori N. K. Leonard (2011)	<i>Attitude Influencers in C2C E-Commerce: Buying and Selling</i>	Implementation of C2C E-Commerce by testing risks and buyer-seller trust through the development of two attitude models: attitudes toward purchasing (for buyers) and attitudes toward selling (for sellers).

Mochamad Malik Akbar Rohandi (2017)	<i>Effectiveness of C2C E-Commerce Media in Bandung (Case study at Tokopedia.com and Bukalapak.com)</i>	Evaluation of the effectiveness level of C2C-based E-Commerce to help identify aspects influencing E-Commerce quality, thus enabling more effective transactions.
-------------------------------------	---	---

3. RESEARCH METHOD

This study adopts a descriptive survey research design. A descriptive survey aims to identify phenomena or characteristics related to a subject population in order to describe or analyze research findings based on factual data, without necessarily making generalizations beyond the studied population. This type of research involves the use of statistical tools, techniques, and procedures to collect or describe datasets or observations, including data collection, value determination, statistical arrangements, and the presentation of information through graphs, charts, and diagrams. The main goal of descriptive survey design is to provide a representation of the actual situation as it exists.

This design is suitable for quantitative studies. Researchers typically choose a quantitative approach for questions requiring numerical data, a qualitative approach for text-based or behavioral data, and a mixed-method approach for questions that require both types of data. This study employs a quantitative approach using primary data collected via questionnaires.

a. Variables

- 1) Dependent variable: The use of e-commerce in buying and selling transactions within MSMEs.
- 2) Independent variable: The presence of integrated e-commerce infrastructure.
- 3) Intervening variables: These include MSME owners' knowledge of e-commerce, e-commerce platform features, customer comfort (attitude and trust), accessibility, and administrative support.

b. Study Location

The research was conducted in Depok City, West Java, Indonesia.

c. Target Population

The target population in this study consists of 219,238 MSMEs operating in Depok City. The sampling technique used was probability sampling, specifically convenience sampling, due to time constraints, limited resources, and the implementation of social distancing regulations in Indonesia. The sample size was determined using the Slovin formula, resulting in a total of 105 MSME respondents who participated in the survey.

d. Instrument Development Process

The instrument development process refers to the procedures used to construct the tools employed in this study. The instrument used was a questionnaire, which is a common measurement tool in survey-based research. The questionnaire was designed to measure the respondents' knowledge, perceptions, and experiences related to the integration of C2C e-commerce platforms.

e. Data Analysis

The data analysis was guided by the research questions. All collected data were coded by systematically assigning numerical values to responses obtained from the questionnaires and observation schedules. Quantitative data were processed using Statistical Package for the Social Sciences (SPSS) software for easier and more accurate analysis.

Most of the questions in the questionnaire yielded quantitative data measured on a nominal scale. The quantitative data were analyzed using descriptive statistics, including percentages, frequencies, and means.

4. RESULTS AND ANALYSIS

Table 2: Summary of C2C E-Commerce Usage Among MSMEs in Depok

Category	Percentage (%)
MSMEs Using Online Marketplaces	72%
MSMEs Using C2C Platforms	45%
MSMEs with In-House Websites	18%

Table 3: Primary Challenges in C2C E-Commerce Integration

Challenge	Percentage (%)
Lack of Digital Skills	39%
Poor Infrastructure	33%
Low Customer Retention	28%

a. Overview of MSME Readiness for C2C E-Commerce Integration

The survey conducted in Depok City, West Java, involving 105 MSME respondents, indicates that a majority of micro, small, and medium enterprises are aware of the potential benefits of integrating digital platforms, particularly C2C (Consumer-to-Consumer) e-commerce. Approximately 72% of respondents already utilize online marketplaces such as Tokopedia, Shopee, or Bukalapak to sell products. However, only 45% of them apply C2C-specific strategies such as optimizing customer trust, leveraging product reviews, or encouraging peer-to-peer transactions.

This shows that while digital platform adoption is relatively high, strategic integration aligned with C2C characteristics remains limited.

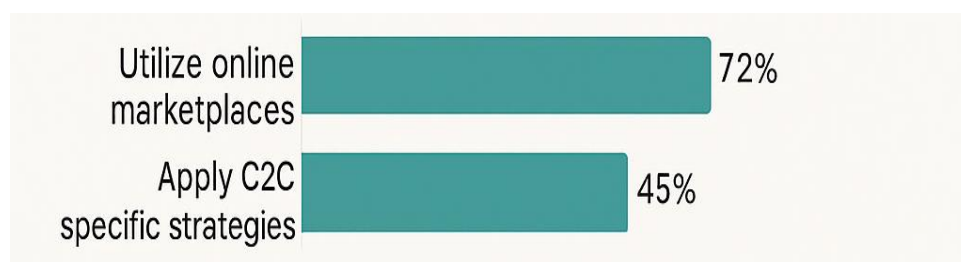


Figure II. Overview of MSME Readiness for C2C E-Commerce Integration

b. Influence of C2C E-Commerce Features on MSME Transactions

The study found that certain key features of C2C e-commerce platforms such as customer ratings, open seller registration, real-time chat, and flexible logistics integration significantly impact MSME transaction effectiveness.

- 1) **Trust and Reputation:** 68% of MSMEs indicated that customer reviews directly affected their sales performance.
- 2) **Ease of Onboarding:** 74% of respondents highlighted that C2C platforms' open and easy seller registration process was a decisive factor for joining.
- 3) **Cost Efficiency:** 53% stated that lower marketing and listing costs on C2C platforms helped reduce operational burdens.

These findings align with Leonard's (2011) model, which emphasized trust and risk perception in influencing buyer and seller behavior on C2C platforms.

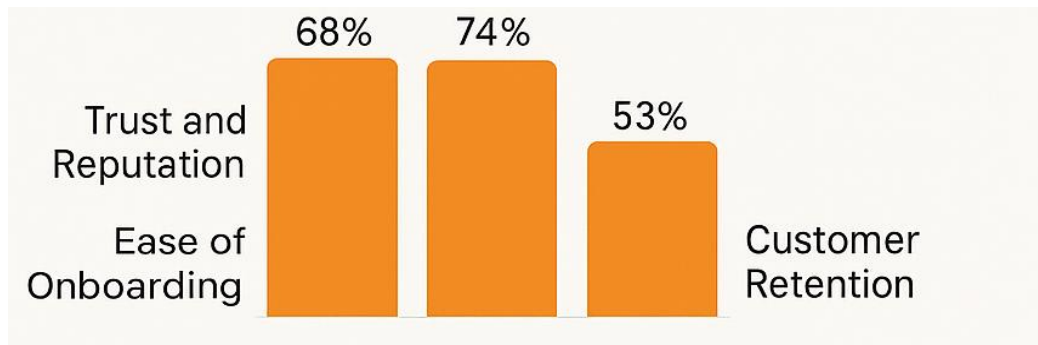


Figure III. Influence of C2C E-Commerce Features on MSME Transactions

c. Challenges in Integration

Despite the potential, MSMEs face several challenges in fully utilizing C2C e-commerce:

- 1) **Lack of Digital Skills:** Around 39% of MSMEs reported limited understanding of how to optimize online platform features (e.g., ads, algorithms, or chatbots).
- 2) **Inconsistent Infrastructure:** Many sellers, especially micro-businesses, suffer from unstable internet access or lack of digital payment accounts.
- 3) **Customer Retention:** While traffic from marketplaces is high, customer loyalty tends to be low due to platform-driven price competition.

These findings support previous research by Rohandi (2017) that emphasized the need for evaluating E-commerce quality and effectiveness in driving consistent transaction growth.

- Lack of Digital Skills
- Inconsistent Infrastructure
- Customer Retention

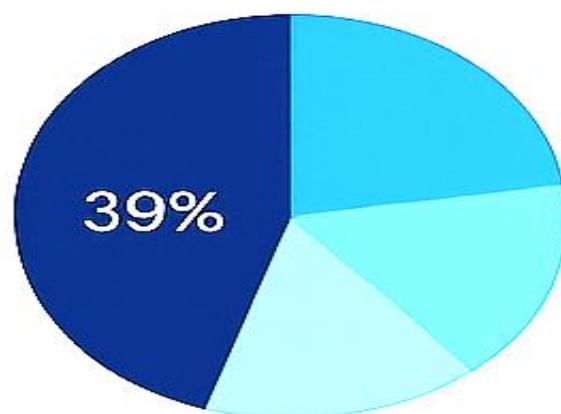


Figure IV. Challenges in Integration**4. Strategic Implications for the UMKM Go Digital 2030 Program**

The results suggest that to effectively support the UMKM Go Digital 2030 vision, strategic focus must include:

- 1) **Digital Literacy Training:** Government and private stakeholders need to provide hands-on training for MSMEs to utilize digital tools and marketplace features optimally.
- 2) **Incentive Structures:** Reducing administrative fees or offering ad credits on C2C platforms can encourage MSME participation.
- 3) **Policy Support:** Clear e-commerce guidelines, including sustainability practices as proposed by Haryanti (2020), will strengthen MSMEs' long-term competitiveness and compliance with global market expectations.

5. Media and Marketing Integration

The role of digital media, especially social media integration with C2C platforms, was found to significantly enhance product visibility. MSMEs who actively linked their marketplace stores with Instagram, TikTok, or Facebook reported 32% higher engagement and 18% better sales conversion.

5. CONCLUSION

This study examined the integration of C2C (Consumer-to-Consumer) e-commerce media within Micro, Small, and Medium Enterprises (MSMEs) in Depok City, Indonesia, as part of efforts to support the national UMKM Go Digital 2030 initiative. Through a descriptive survey approach using quantitative methods, the research found that the adoption of C2C e-commerce platforms has a positive influence on MSME performance, especially in facilitating easier and more efficient buying and selling transactions.

The presence of integrated e-commerce infrastructure such as payment systems, logistics, and customer communication tools was found to be a key enabler of this success. However, several intervening factors such as digital literacy, platform usability, customer trust, and accessibility also played significant roles in shaping outcomes.

Despite the generally positive trend toward digital integration, challenges remain. These include limited access to digital tools, gaps in administrative support, and a need for increased training and awareness among MSME owners.

In conclusion, while the integration of C2C e-commerce platforms is already yielding measurable benefits for MSMEs in Depok City, achieving the full potential of the UMKM Go Digital 2030 program will require collaborative efforts between government bodies, technology providers, and MSMEs themselves. Targeted training, accessible infrastructure, and improved support systems are essential for scaling digital transformation across the broader MSME sector in Indonesia.

ACKNOWLEDGEMENTS

Thank you to the Jakarta Global University for sponsoring this research. I would like to express my sincere gratitude to Jakarta Global University for their generous support and sponsorship of this research. Their contribution has been instrumental in enabling the successful completion of this study.

REFERENCES

- Amelia, M. N., Prasetyo, Y. E., & Maharani, I. (2017). E-UMKM: Aplikasi pemasaran produk UMKM berbasis android sebagai strategi meningkatkan perekonomian Indonesia. *Prosiding Snatif*, 11-16.
- Anisah, H. U., Limarjani, S., & Novriyandana, R. (2024). The Role of Product Innovation, Accounting Competency, and Online Transactions (E-Commerce) in Increasing Competitiveness in MSMEs, Alalak District, Batola Regency, Indonesia. *Open Access Indonesia Journal of Social Sciences*, 7(2), 1453-1464
- ARIEF, O. (2021). Analisis Faktor Yang Mempengaruhi Keputusan Pembelian Tiket Pesawat Melalui Aplikasi Online (Studi Kasus Pada Konsumen Traveloka Di Kota Semarang). SKRIPSI.
- Arisandi, Y. T. (2018). Efektivitas penerapan e-commerce dalam perkembangan usaha kecil menengah di sentra industri sandal dan sepatu Wedoro Kabupaten Sidoarjo (Doctoral dissertation, Universitas Airlangga).
- Basry, A., & Sari, E. M. (2018). Penggunaan teknologi informasi dan komunikasi (TIK) pada usaha mikro, kecil dan menengah (UMKM). *IKRA-ITH Informatika: Jurnal Komputer Dan Informatika*, 2(3), 53-60.
- Damanik, H. M., Purba, M. L., & Samosir, H. E. (2021). Pengaruh Citra Merek Dan Kualitas Layanan Terhadap Keputusan Konsumen Melakukan Pembelian Produk Pakaian (Studi Kasus Pada Shopee). *Jurnal Ilmiah Kohesi*, 5(3), 106-111
- Dwijayanti, A., & Pramesti, P. (2021). Pemanfaatan Strategi Pemasaran Digital menggunakan E-Commerce dalam mempertahankan Bisnis UMKM Pempek4Beradek di masa Pandemi Covid-19. *Ikra-Ith Abdimas*, 4(2), 68-73.
- Gayatri, G., Jaya, I. G. N. M., & Rumata, V. M. (2022). The Indonesian digital workforce gaps in 2021–2025. *Sustainability*, 15(1), 754.
- Haerulah, E., & Ismiyati, S. (2017). Aplikasi e-commerce penjualan souvenir pernikahan pada toko “XYZ”. *PROSISKO: Jurnal Pengembangan Riset dan Observasi Sistem Komputer*, 4(1).
- Haryanto, T. (2021). Marketplace platforms and MSME transaction growth during COVID-19.
- Heryani, H., Yanti, N. R., Irawansyah, H., Wiranda, N., & Baskara, A. R. (2024, June). Designing a Business Model for Start-up Development of Downstream Wetland Products Based on Design Thinking. In *IOP Conference Series: Earth and Environmental Science* (Vol. 1358, No. 1, p. 012032). IOP Publishing.
- Laudon, K. C., & Traver, C. G. (2020). *E-commerce 2019: Business, technology, society*. Pearson.
- Leonard, L. N. (2012). Attitude influencers in C2C e-commerce: Buying and selling. *Journal of Computer Information Systems*, 52(3), 11-17.
- Ministry of Cooperatives and SMEs. (2023). *Annual report on MSME development*. Jakarta: Government of Indonesia.
- Putri, S. A., & Warianto, W. (2017). Pengaruh pelatihan dan kalimat motivasi terhadap produktifitas kerja karyawan umkm. *Optima*, 1(1), 60-71.

- Rohandi, M. M. A. (2017). Effectiveness C2C e-commerce media in bandung (case study at tokopedia. com and bukalapak. com). *Jurnal Manajemen dan Bisnis Performa*, 14(2), 177-197.
- Susila, A. R. (2017). Upaya pengembangan usaha mikro kecil dan menengah dalam menghadapi pasar regional dan global.
- Widiana, M. E., Supit, H., & Hartini, S. (2012). Penggunaan teknologi internet dalam sistem penjualan online untuk meningkatkan kepuasan dan pembelian berulang produk batik pada usaha kecil dan menengah di Jawa Timur. *Jurnal manajemen dan kewirausahaan*, 14(1), 72-82.
- Winanda, M. A., Saidin, S., & Azwar, T. K. D. (2024). Implementation of Book Copyright Protection under Copyright Law: A Case Study of Pirated Book Sales on the Shopee Marketplace. *Al-Ishlah: Jurnal Ilmiah Hukum*, 27(2), 92-112.
- Windusancono, B. A. (2021). Upaya percepatan pertumbuhan usaha mikro kecil dan menengah (UMKM) di Indonesia. *Mimbar administrasi*, 18(2), 32-45