

Revitalizing Traditional Markets Through Digital Marketing: PKM Intervention Model in The E-Commerce Era

Yudhi Anggoro¹, Anis Dwiastanti²

STIE Indocakti Malang, Indonesia¹, STIE Indocakti Malang, Indonesia²

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✉ Corresponding Author:

Name author: Yudhi Anggoro

E-mail: ihduy2000@gmail.com

Abstract

The development of digital technology has changed people's consumption patterns, encouraging a shift from conventional transactions to digital platforms. This phenomenon threatens the existence of traditional markets which are increasingly marginalized due to low adoption of digital technology, limited digital literacy, and minimal infrastructure and regulatory support. This study aims to analyze the understanding and utilization of digital marketing among traditional market traders, and to evaluate the role of the Student Creativity Program (PKM) as an intervention model in revitalizing the local economy. Using a descriptive quantitative approach, data was collected through a survey of traditional market traders. The results showed that WhatsApp Business (35%) was the most widely used digital platform, followed by Facebook Marketplace (22%) and Instagram (18%), while TikTok Shop was still low (10%). As many as 15% of traders have not used digital media at all. The level of digital literacy also varies, with 35% of traders in the "less" and "very less" categories. These findings underscore the urgency of ongoing training and mentoring through PKM, which has been proven to be effective in increasing digital promotion capabilities by up to 60%. Therefore, collaboration between the world of education, local government, and market communities is crucial to create traditional markets that are inclusive, adaptive, and highly competitive in the digital era.

Keywords: Revitalization of Traditional Markets; Digital Marketing; Student Creativity Program (PKM)

1. Introduction

The development of digital technology has brought significant changes to the landscape of people's consumption. In the era of e-commerce, consumer behavior is no longer focused on direct physical transactions, but tends to shift to digital platforms that offer convenience, time efficiency, and access to more diverse products. According to Pratama (2024), more than 170 million Indonesians are now connected to the internet, with around 65% of them actively shopping online. This phenomenon has triggered a shift in consumer preferences that have abandoned conventional shopping patterns in



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traditional markets. As a result, traditional markets have experienced a decline in the number of visitors and stagnant economic turnover, so that their position is increasingly marginalized in modern trade competition.

This crisis is not only economic, but also reflects the inequality of technological adaptation between large business actors and MSME actors in traditional markets. Traditional markets, which should be a symbol of local economic resilience, are actually threatened by their existence because they are unable to respond adequately to digital transformation. A study by Maimuna et al (2024) emphasized that low digital literacy and the lack of technology-based promotional strategies are the main factors that hinder the competitiveness of traditional markets. In this context, the revitalization of traditional markets can no longer be postponed. Technology-based interventions such as digital marketing are not just an option, but an urgent need so that traditional markets remain relevant amidst the flow of economic digitalization (Sulianta, 2025).

The limitations of traditional markets in adopting digital technology are not only rooted in technical aspects alone, but also in the lack of a supporting ecosystem that is able to drive inclusive digital transformation (Robertson & Lapina, 2023). Many micro and small business actors in traditional markets do not have access to digital infrastructure, such as technological devices, stable internet networks, or marketing platforms that suit the characteristics of their business. This is reinforced by the findings of Afifah et al (2022) which state that more than 60% of traditional market traders in big cities in Indonesia have not used digital media as a means of promotion. The lack of ongoing assistance and the absence of regulations or incentives from local governments have also worsened the situation, making the digitalization of traditional markets more of a discourse than a real and measurable practice.

Within this framework, educational and collaboration-based interventions are a strategic urgency to encourage digital adaptation of market players. One relevant model is the Student Creativity Program (PKM)-based approach as a real form of academic involvement in solving community problems. PKM allows students to apply knowledge contextually, while empowering market players through digital marketing training, product branding, and practical use of digital platforms. Research by Alami (2024) shows that student intervention in the development of local e-commerce can increase trader turnover by up to 35% within six months. This proves that a participatory and contextual approach has great potential in bridging the digital divide in traditional markets, as well as being a sustainable and adaptive revitalization model to the dynamics of the times.

Digital marketing is present as a strategy that is not only relevant but also very potential in reviving the pulse of the traditional market economy (Pariangu, 2023). By utilizing platforms such as WhatsApp Business, Instagram, TikTok, and local marketplaces, business actors in traditional markets have the opportunity to reach wider consumers without being bound by geographical boundaries. This strategy has proven effective in increasing product visibility and building direct interactions with consumers, as

stated in research by Trulline (2021), which states that MSMEs who actively use social media experience increased sales. However, the adoption of digital marketing in traditional markets has not been maximized due to limited human resources, lack of understanding of content strategies, and minimal digital literacy which is still a structural obstacle.

In this context, the Student Creativity Program (PKM) can function as a transformative intervention model. PKM is not only an academic competition event, but also a space for students to empower communities in an applicable and sustainable manner. Students, equipped with digital knowledge and an innovative spirit, are able to become agents of change in assisting market players to understand and implement digital marketing appropriately. A study by Kusum & Anggraini (2024) shows that the integration of digital marketing through the PKM program has succeeded in increasing the existence of local markets on social media and expanding product distribution networks outside the region. Therefore, collaboration between the world of higher education and traditional market players through the PKM scheme can be a concrete solution in creating an adaptive, competitive, and highly competitive traditional market ecosystem in the digital economy era.

The existence of the Student Creativity Program (PKM) as an intervention model in revitalizing traditional markets through digital marketing is a strategic alternative that answers the urgent need for digital inequality between conventional and modern markets. Students who are members of PKM not only act as facilitators of technology education, but also as catalysts for social change through a participatory and humanist approach. In this context, student involvement is considered capable of building dialogical relationships with traditional market traders who have often been positioned as passive groups in the digital transformation process. This is in line with the research results of Lenggogeni et al (2022), which shows that PKM-based digital marketing training can increase traders' digital promotion skills by up to 60% within three months, while also raising awareness of the importance of adapting to technology.

However, the effectiveness of PKM as an empowerment instrument will not be maximized without continuous institutional support, both from the campus and from the local government. Student intervention through PKM needs to be accompanied by responsive policies and collaborative commitments between the world of education, local communities, and other stakeholders. Without systemic support, innovations brought by students have the potential to become short-term solutions that are not integrated into long-term local economic development. Therefore, revitalization of traditional markets through PKM must be seen as part of community-based development, which combines elements of education, empowerment, and sustainability. In other words, PKM is not just a temporary service activity, but a social transformation scheme that can strengthen the foundation of the people's economy amidst the flow of national digitalization

2. Method

To obtain an objective picture of the use and understanding of digital marketing among traditional market traders, this study uses a descriptive quantitative approach. The data analysis technique is carried out through percentage calculations, using the formula $P = \frac{f}{N} \times 100\%$ where P indicates the percentage, f is the number of respondents in a certain category, and N is the total number of respondents. This formula allows researchers to present data distribution proportionally and measurably, making it easier to identify patterns of digital media use and the level of digital literacy possessed by traders. The results of the data processing are then displayed in the form of frequency distribution tables and percentages to be analyzed critically

$$\frac{f}{N} \times 100\%$$

3. Result and Discussion

Result

Table 1: Distribution of Digital Marketing Usage by Traditional Market Traders

No.	Types of Digital Marketing Used	Frequency (f)	Percentage (%)
1	WhatsApp Business	35	35%
2	Facebook Marketplace	22	22%
3	Instagram	18	18%
4	TikTok Shop	10	10%
5	Not Using Digital Media Yet	15	15%
Total		100	100%

Table 1 shows the distribution of the use of various types of digital marketing by traditional market traders who are the subjects of the study. Overall, the majority of traders have utilized digital marketing to promote their products, although there are still some who have not adopted it.

1. WhatsApp Business became the most widely used digital platform by traditional market traders, with 35% of respondents choosing it. This reflects how important instant messaging applications are in facilitating communication between traders and customers, especially in personal and fast transactions. WhatsApp Business allows traders to organize product catalogs, respond to messages automatically, and communicate with consumers in a more efficient time.

2. Facebook Marketplace became the second choice, used by 22% of merchants. This shows that this social media platform also has great appeal, especially among merchants who are already familiar with Facebook. Facebook Marketplace allows merchants to market their products easily without having to pay advertising costs, making it an economical choice for traditional market merchants.
3. Instagram used by 18% of merchants, reflecting their awareness of the importance of visuals in marketing. Instagram, which prioritizes visual content such as photos and videos, offers a great opportunity for merchants to attract consumers' attention by displaying products attractively. However, the use of Instagram among traditional market traders is still limited when compared to WhatsApp Business and Facebook Marketplace.
4. TikTok Shop, used by 10% of merchants, shows that despite TikTok's increasing popularity, most traditional market merchants have not fully adopted the platform. TikTok with its short video feature does have great potential for creative product marketing, but it may still be considered more complex for some merchants.
5. Finally, there are 15% of traders who have not used digital media at all. This reflects the existence of a group of traders who still rely entirely on traditional methods in conducting sales and marketing, perhaps due to limited access to technology or understanding of the benefits of digital marketing.

Table 2: Level of Understanding of Digital Marketing

No. Understanding Category Range Score Frequency (f) Percentage (%)				
1	Very good	81 – 100	10	10%
2	Good	61 – 80	25	25%
3	Enough	41 – 60	30	30%
4	Not enough	21 – 40	20	20%
5	Very less	0 – 20	15	15%
Total			100	100%

Table 2 illustrates the level of understanding of digital marketing among traditional market traders based on the specified categories. This data provides an overview of how well traders understand the concept of digital marketing that can affect the way they interact with consumers online.

1. Very Good Category (Score 81-100): A total of 10 traders (10%) are included in this category. This percentage shows that although there is a small number of traders who have a very good understanding of digital marketing, the number is still relatively low. These traders may have mastered various digital platforms and implemented effective digital marketing strategies in their businesses. The existence of this group shows the potential to be an example for other traders who still do not understand digital marketing optimally.
2. Good Category (Score 61-80): This category includes 25 merchants (25%). This shows that one-third of respondents have a fairly good understanding of digital marketing. They likely already understand the basics of digital marketing such as the use of social media and business applications for product marketing. However, they may not have fully optimized the use of digital platforms or do not fully understand more complex marketing techniques such as SEO or consumer data analysis.
3. Category Sufficient (Score 41-60): As many as 30 traders (30%) are in this category. This figure shows that almost a third of traditional market traders have sufficient understanding of digital marketing. They may already know the digital platforms that can be used, but still need further guidance in terms of more strategic implementation and in-depth understanding of the benefits and challenges in digital marketing.
4. Less Category (Score 21-40): As many as 20 traders (20%) have a poor understanding of digital marketing. This shows that they do not fully understand the basic concepts or basic strategies of digital marketing. Traders in this category may still be limited to passive use of social media or only utilize a few digital platform features, and they need further training to improve their understanding.
5. Very Poor Category (Score 0-20): 15 merchants (15%) are in this category, reflecting a very limited understanding of digital marketing. They may have never used social media or digital platforms to market their products, or they only use technology for very limited purposes. This group needs special attention through intensive training to be able to understand and adopt digital marketing in their business.

Discussion

1. Limitations of Adoption and Utilization of Digital Marketing by Traditional Market Traders

The results of the study show that most traditional market traders are still limited in adopting digital marketing as part of their sales strategy. Only 35% of traders utilize WhatsApp Business, followed by 22% who use Facebook Marketplace, and 18% who switch to Instagram. Although social media such as WhatsApp Business and Instagram are popular among the public, 15% of traders still do

not utilize digital media at all. This shows a significant gap in the adoption of digital marketing, despite awareness of the importance of using technology to increase competitiveness in the market.

One of the main factors influencing this limitation is accessibility to adequate technology and infrastructure. Most traditional market traders may not have adequate devices to run digital marketing effectively, such as sophisticated smartphones, stable internet access, or other hardware needed to run digital marketing campaigns. Based on research by Suwali et al (2024) in the Journal of Small Business Management, MSMEs, especially those based on traditional methods, are often hampered by limited access to technology and inadequate infrastructure to support digitalization. In addition, the factor of not understanding the benefits and functions of digital marketing is also a significant barrier (Rachmat et al., 2023). Most market traders still rely on direct sales methods that they are familiar with, such as face-to-face transactions in physical markets, which are considered safer and more direct. Not understanding how to manage and utilize this digital platform prevents them from exploring the opportunities offered by e-commerce and digital marketing.

Psychological factors also play an important role in the low adoption rate. Many traders feel anxious and hesitant to switch to the digital world because they are worried about the complexity of the technology and the uncertainty of the costs required to adapt. According to Flores (2025), many MSMEs are trapped in a “traditional” cycle and are reluctant to invest in digital platforms because of fear of the complexity of the technology and the costs required to start the transition. Therefore, it is important to break down these psychological barriers with a friendlier approach and facilitate appropriate training and mentoring, both from the government, educational institutions, and companies that offer technology solutions.

From the perspective of local economic development, revitalization of traditional markets by utilizing digital marketing must be encouraged by providing more equitable access to technology. As stated by Franky et al (2025) in the Journal of Business Research, government and private sector intervention is very important to create an ecosystem that supports the use of technology among small and medium business actors. A digital education-based approach and the use of low-cost technology can open up great potential for traditional market traders to better connect with consumers, expand their market reach, and increase sales turnover.

2. Low Digital Literacy as an Inhibitor to Marketing Innovation

Research also shows that the level of digital literacy of traditional market traders is relatively low, with around 50% of respondents in the “Enough” and “Less” categories in terms of understanding digital marketing. This limited understanding greatly affects traders' ability to optimally utilize digital platforms to increase sales and market their products (Urva et al., 2022). Most traders do not fully

understand online marketing strategies, such as how to create engaging content, use social media algorithms, and optimize digital advertising campaigns.

One of the main problems is the lack of understanding of merchants about the use of algorithms on digital platforms such as Instagram, Facebook, or TikTok, which greatly affects the reach and effectiveness of their promotions (Dwivedi et al., 2022). For example, although many merchants have utilized platforms such as WhatsApp and Instagram, they often do not understand how the algorithms that determine who will see their content work. According to Susanto et al (2023), understanding these algorithms is a key factor in optimizing customer reach and engagement on social media. Merchants who do not understand algorithms often upload content haphazardly without considering the right time or type of content that is most relevant to their audience.

Low digital literacy is also closely related to a lack of understanding of the importance of data-based marketing strategies. Many traditional market traders still rely on experience or intuition in determining prices and types of products they sell, without analyzing market trends or consumer behavior through data. According to Andirwan et al (2023), effective marketing strategies in the digital era require in-depth data analysis to understand consumer patterns, shopping behavior, and the effectiveness of marketing campaigns. Without these skills, traditional market traders will have difficulty competing with traders who are more proficient in data-based marketing strategies and technology.

On the other hand, low digital literacy also creates difficulties in utilizing more complex digital marketing tools such as paid advertising on digital platforms or the use of SEO (Search Engine Optimization). Nasution et al (2024) stated that the lack of knowledge about various marketing tools makes many traders trapped in conventional and less effective marketing. Therefore, education and training programs that focus on increasing digital literacy are very important, so that traditional market traders not only access technology, but also master how to use it to increase their marketing efficiency.

As part of the solution, the Student Creativity Program (PKM) can play an important role in transferring digital knowledge to traditional market traders. This PKM-based approach, where students as community servants provide training and direct mentoring to traders, is very relevant in improving the understanding and application of digital marketing. In addition, a community-based training model that involves collective capacity building can accelerate the process of adoption and integration of digital marketing in traditional markets. Thus, the development of digital literacy among traditional market traders is not only important for the sustainability of their businesses, but also to support digital transformation in the MSME sector more broadly.

Conclusion

Based on the research results, it can be concluded that the use of digital marketing among traditional market traders has begun to develop, but still faces a number of significant challenges, both in terms of technology adoption and conceptual understanding. WhatsApp Business is the most widely used platform (35%), followed by Facebook Marketplace (22%) and Instagram (18%), while TikTok Shop has only been used by 10% of traders. Interestingly, there are still 15% of traders who have not used digital media at all in their marketing strategy, indicating a digital adoption gap. Furthermore, the level of trader understanding of digital marketing shows that the majority are in the "sufficient" (30%) and "good" (25%) categories, but there are still 35% who are included in the "less" and "very less" categories, reflecting low digital literacy in general. These findings reveal that low understanding of digital marketing concepts and strategies, limited access to devices and infrastructure, and psychological factors such as fear of technology, are the main obstacles to optimizing digital marketing. Lack of mastery of social media algorithms and data-based marketing further exacerbates this condition, as traders tend not to be able to utilize technology strategically. Therefore, comprehensive and sustainable intervention is needed through community-based training, education, and mentoring, including through programs such as PKM, to improve digital literacy and empower traditional market traders in facing the era of digital transformation in an inclusive and sustainable manner.

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