

OPTIMIZATION OF MARKETING CHANNELS TO INCREASE MARKET REACH IN MICRO, SMALL, AND MEDIUM ENTERPRISES (MSMEs) CHOCOBAR

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Abstract: *This study aims to examine the role of optimizing marketing channels in increasing market reach for Micro, Small, and Medium Enterprises (MSMEs), specifically Chocobar in Medan. The research employs a qualitative approach using interview and observation techniques for data collection. The findings indicate that digital channels—such as social media, online marketplaces, and content marketing are effective in enhancing consumer engagement and interest, while offline channels, including direct sales and local partnerships, contribute to building consumer trust. The integration of both digital and offline channels has proven to be more effective in expanding market reach and supporting business sustainability. Therefore, the optimization of marketing channels is a crucial strategy for Chocobar MSMEs in building competitive advantage and improving business performance.*

Keywords: *Channels, MSMEs, Market*

Introduction

The phenomenon of global corruption continues to be one of the most complex challenges in social, economic, and political governance worldwide. Various international reports indicate that corruption is not merely an issue of individual morality, but rather a systemic problem embedded within power structures that affects market dynamics, economic stability, and public trust. In many developing countries, corruption causes distortions in resource allocation, unequal growth, and weakens the competitiveness of small and medium industries. Even in developed countries, practices such as state capture, oligarchic lobbying, and the misuse of strategic information hinder transparency and reduce opportunities for micro-enterprises to grow.

These conditions demonstrate that corruption has multilayered impacts, ranging from declining public policy quality to the obstruction of business innovation that should otherwise support economic sustainability. Therefore, global corruption cannot be viewed as an isolated issue separate from the entrepreneurial ecosystem, as modern business landscapes are shaped by interactions between markets, regulations, and institutional integrity.

In Indonesia, studies on corrupt political networks reveal that corruption is structured, systemic, and often involves relationships between political elites, bureaucracies, and the private sector. Previous research shows how certain power networks influence public budget allocation, business licensing processes, and access to government economic facilities. Several studies have identified rent-seeking practices in procurement sectors, which not only cause financial losses to

the state but also create barriers for MSMEs due to uncompetitive market access. Such dynamics place MSMEs in a vulnerable position, particularly when they operate without strong and independent marketing channel systems.

Despite extensive studies on corruption and power networks, several research gaps remain. First, most previous studies focus on the impact of corruption on macro policies or public procurement processes, while limited attention is given to how corruption indirectly affects MSME marketing strategies. Second, existing research has not sufficiently integrated digital marketing approaches—particularly the concept of channels—as potential mechanisms to reduce MSMEs' dependence on market structures distorted by corrupt political networks. Third, research focusing on food-based local products, such as Chocobar, remains limited despite facing intense competition, changing consumer preferences, and innovation pressures.

This study offers novelty by positioning both digital and conventional channels as strategic instruments for MSMEs to expand market reach while reducing vulnerability to the structural impacts of corrupt political networks. Unlike previous studies, this research integrates governance and market strategy within a single analytical framework. Another novelty lies in the research object: Chocobar MSMEs, representing local creative food-based enterprises with high market expansion potential through effective channel utilization. This approach contributes theoretically to political economy studies of MSMEs and practically to entrepreneurs seeking independent, transparent, and sustainable market expansion.

Literature Review

Marketing is a key factor in the success of Micro, Small, and Medium Enterprises (MSMEs). **According to Kotler and Keller (2016)**, marketing channels are sets of interdependent organizations involved in making products or services available for use or consumption by consumers. In the MSME context, selecting appropriate marketing channels significantly determines market reach and product competitiveness.

Technological advancements have encouraged MSMEs to utilize digital marketing such as social media, marketplaces, and websites for promotion and sales. **Tjiptono (2017)** states that digital marketing enables businesses to build two-way communication with consumers more effectively and efficiently. Offline marketing, including direct sales, exhibitions, and retail partnerships, also plays an important role, particularly in building consumer trust.

Optimizing marketing channels involves integrating various channels to deliver maximum value to both consumers and businesses. MSMEs that manage integrated channels tend to have stronger competitiveness. Previous studies show that digital marketing positively affects MSME sales, with social media enhancing brand awareness and purchase intention. **According to Swastha (2018)**, effective distribution facilitates the flow of goods from producers to consumers, supporting business objectives.

Method

This study employs an exploratory qualitative approach with a case study design focusing on Chocobar MSMEs. This approach is selected because it enables an in-depth exploration of phenomena and facilitates an understanding of how channel strategies operate within complex socio-economic contexts.

The research adopts an instrumental case study design, in which Chocobar MSMEs serve as a representative case to examine the dynamics of channel implementation in addressing market barriers influenced by corrupt political networks. This study not only describes marketing

practices but also interprets the relationship between distribution strategies and structural market conditions.

The research location is determined within the operational area of Chocobar MSMEs. The research subjects include the owner or manager of Chocobar MSMEs, marketing and distribution staff, consumers, comparable MSME actors as benchmarks, and expert informants (academics or digital marketing practitioners).

Data were collected using several techniques:

- a. In-depth interviews, involving MSME owners, marketing practitioners, consumers, and digital marketing experts to understand:
 - the use of various channels,
 - market barriers,
 - adaptation strategies, and
 - the dynamics of dependency on regulations or licensing.
- b. Direct observation, covering production, marketing, and distribution processes, as well as the utilization of both digital and conventional channels.
- c. Documentation, including MSME internal records, social media posts, sales data, marketing content, and relevant regulatory documents.
- d. Literature review, drawing on international and national scholarly sources related to:
 - corruption and political networks,
 - MSMEs and market access, and
 - digital marketing strategies and channel concepts.

Data were analyzed using thematic analysis, which consisted of the following stages:

Data familiarization (reading and comprehensively understanding the data), Coding (assigning codes to the data), Identification of key themes related to market barriers, channel strategies, and the influence of corruption networks, Pattern development and contextual interpretation of findings, and Drawing conclusions linked to the theoretical framework and research objectives.

To ensure validity and credibility, the study employed source triangulation (comparing data from multiple informants), method triangulation (comparing interviews, observations, and documentation), member checking to confirm that the researcher's interpretations aligned with participants' perspectives, and an audit trail to systematically document the research process.

Results and Discussion

Based on the literature review, it can be concluded that the optimization of marketing channels has a significant influence on improving the competitiveness of MSMEs. MSMEs that utilize digital marketing through social media and marketplaces tend to experience increased product visibility and broader market reach.

Furthermore, research findings indicate that the combination of digital and offline marketing strengthens customer relationships. Offline channels play a crucial role in building trust, while digital channels function to expand market reach and enhance promotional efficiency. Therefore, Chocobar MSMEs need to manage both channels in an integrated manner in order to compete sustainably.

Based on entrepreneurship research conducted on the Chocobar product, the findings indicate that this product has relatively high appeal among consumers, particularly students. Questionnaire results show that the majority of respondents favor Chocobar due to its sweet

chocolate flavor, soft texture, and affordable price. In addition, Chocobar's packaging is considered attractive and practical, making it easy to consume at any time.

From an entrepreneurial perspective, Chocobar has strong business potential because its raw materials are easily obtainable, the production process is relatively simple, and the required capital is not excessive. Observational results also indicate that chocobar is easy to market within school environments and residential areas. The high level of consumer purchase interest serves as an indicator that this product has strong potential to be further developed as a small-scale business.



Figure 1. Chocobar Product

The research findings indicate that Chocobar fulfills several key elements of entrepreneurship, namely creativity, innovation, and market opportunity. Creativity is reflected in the processing of chocolate into a practical product that is favored by various consumer groups. Innovation can be pursued through variations in flavor, shape, and packaging to enhance product competitiveness.

From a marketing perspective, Chocobar demonstrates a competitive advantage due to its clearly defined target market, namely children and adolescents. An affordable pricing strategy further supports increased consumer purchase interest. This aligns with entrepreneurial concepts that emphasize the ability to identify opportunities and meet market needs.

Therefore, Chocobar can be regarded as a product worthy of development within entrepreneurial activities. Chocobar entrepreneurs need to continuously improve product quality and promotional strategies to ensure business growth and sustainability.

Conclusion

Based on the results and discussion of the study, it can be concluded that the Chocobar product has strong potential to be developed as an entrepreneurial venture. Chocobar is favored by consumers due to its appealing taste, affordable price, and practical as well as attractive packaging. These factors constitute the main advantages that support consumer purchase interest. From an entrepreneurial perspective, Chocobar meets the elements of creativity and innovation and features a relatively simple production process with modest capital requirements. In addition, its clearly defined target market—particularly students and adolescents—makes the product easy to market. Therefore, Chocobar is suitable to be developed as a small-scale

business with growth potential, provided that it is managed effectively and supported by appropriate marketing strategies.

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