



# The Impact of TikTok Social Media Utilization as a Promotional Tool on Revenue Growth of Micro, Small, and Medium Enterprises (MSMEs)

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## ABSTRACT

The rapid expansion of digital marketing has transformed how Micro, Small, and Medium Enterprises (MSMEs) promote products, particularly through short-video platforms such as TikTok. Despite widespread adoption, empirical evidence on how platform utilization contributes to income growth among local MSMEs remains limited. This study aimed to examine the effect of short-video social media utilization as a promotional strategy on MSME revenue growth in the Manakarra Beach area of Mamuju City, Indonesia. The research employed a quantitative correlational design using a cross-sectional approach. The population consisted of 50 MSME actors, and total sampling was applied. Primary data were collected through structured questionnaires measuring promotional intensity and income changes, and the data were analyzed using simple linear regression. The results showed that digital promotion through short-video content had a positive and statistically significant effect on MSME income ( $t = 2.688$ ;  $p = 0.010 < 0.05$ ). The regression coefficient indicated that increased promotional utilization contributed positively to revenue improvement, although the coefficient of determination ( $R^2 = 0.131$ ) revealed that only 13.1% of income variation was explained by the model, with the remainder influenced by other business factors. These findings indicate that short-video social media functions as an effective complementary marketing instrument rather than a single determinant of business performance. This study contributes to digital marketing and MSME development literature by providing empirical evidence on the economic relevance of interactive promotional media and suggests that integrated marketing strategies and content optimization are essential for maximizing MSME revenue growth.

## 1. Introduction

The rapid transformation of digital technology has significantly reshaped business ecosystems worldwide, particularly in the area of marketing communication. The expansion of internet access and mobile-based applications has encouraged businesses to shift from conventional promotional strategies toward

digital platforms that provide broader reach, real-time interaction, and cost efficiency. Globally, digital marketing has become a dominant strategy for Micro, Small, and Medium Enterprises (MSMEs) to remain competitive in dynamic markets ([Dwivedi et al., 2021](#); [Chatterjee et al., 2022](#)). Social media platforms, especially short-video applications

such as TikTok, have emerged as powerful tools for product promotion because of their algorithm-driven visibility and interactive features ([Kapoor et al., 2022](#); [Li & Fang, 2023](#)). Recent studies indicate that digital content engagement plays a critical role in influencing consumer purchasing behavior and brand awareness, particularly among small-scale businesses operating with limited promotional budgets ([Wang et al., 2024](#); [Yadav et al., 2023](#)).

In the context of Indonesia, MSMEs represent a crucial pillar of economic development, contributing significantly to employment generation and regional economic resilience. Government and academic reports consistently emphasize that MSMEs account for the majority of business units and play a central role in supporting inclusive economic growth ([Kraus et al., 2022](#); [OECD, 2023](#)). The rapid adoption of digital platforms among MSMEs has been accelerated by technological accessibility and changing consumer behavior toward online purchasing ([Alalwan et al., 2022](#)). However, despite this growth, many MSMEs still face structural challenges such as limited digital literacy, lack of integrated marketing strategies, and inconsistent promotional content management ([Chatterjee et al., 2022](#); [Troise et al., 2022](#)). These constraints often reduce the effectiveness of digital platforms in generating measurable financial outcomes, particularly revenue growth.

At the local level, MSME development in coastal tourism areas such as Mamuju has shown increasing momentum, especially in sectors such as culinary, handicrafts, and small retail businesses. Regional MSME clusters commonly depend on tourism circulation and local consumption patterns, which encourage business actors to adopt digital promotion to expand their market beyond physical visitors ([Kraus et al., 2022](#); [Nguyen et al., 2023](#)). Short-video marketing platforms are increasingly utilized because they allow businesses to present products visually through creative storytelling at relatively low cost ([Zhang & Lu, 2022](#); [Wang et al., 2024](#)). Nevertheless, the

actual economic impact of short-video platform utilization on MSME income remains unclear, as many businesses use digital platforms without structured promotional planning or performance evaluation ([Yadav et al., 2023](#)). This condition creates an important empirical context to examine whether digital promotional activities directly influence business income growth.

Previous studies have explored the relationship between digital marketing and MSME performance, emphasizing variables such as social media engagement, online branding, and electronic commerce integration ([Dwivedi et al., 2021](#); [Kapoor et al., 2022](#)). Several studies report that social media usage positively affects sales performance ([Chatterjee et al., 2022](#); [Troise et al., 2022](#)); however, most of these studies focus on general social media platforms without specifically analyzing short-video algorithm-based environments ([Li & Fang, 2023](#)). Other research highlights that content quality and customer interaction significantly influence digital marketing success ([Zhang & Lu, 2022](#)), yet limited empirical research examines the direct relationship between short-video utilization intensity and measurable financial indicators such as income growth ([Wang et al., 2024](#)). Furthermore, many existing studies employ broader regional samples or focus on urban digital ecosystems, leaving smaller regional business environments underexplored ([Nguyen et al., 2023](#)).

These limitations indicate a clear research gap. First, there is still limited empirical evidence measuring the quantitative relationship between short-video promotional utilization and MSME income growth at the local business level ([Yadav et al., 2023](#); [Wang et al., 2024](#)). Second, previous studies rarely integrate promotional intensity indicators with financial outcome variables using statistical testing approaches ([Chatterjee et al., 2022](#)). Third, contextual studies focusing on regional MSME clusters, particularly in emerging digital adoption areas, remain insufficient ([Nguyen et al., 2023](#)). Therefore, research that specifically

investigates the effect of short-video platform utilization as a promotional tool on MSME income growth in a localized economic setting becomes academically and practically relevant.

Based on the background and identified gaps, the research problem in this study is formulated as follows: **Does the utilization of short-video digital promotion significantly influence revenue growth among MSMEs?**

This problem is operationalized by measuring promotional activity intensity as the independent variable and MSME income growth as the dependent variable using quantitative analysis.

Accordingly, the objective of this study is to examine and analyze the effect of short-video social media utilization as a promotional tool on revenue growth among MSMEs. This objective aligns with the need to provide empirical evidence regarding the effectiveness of short-video digital marketing strategies in supporting small business financial performance ([Dwivedi et al., 2021](#); [Kraus et al., 2022](#)). In addition, this study seeks to strengthen the understanding of digital promotional mechanisms within local MSME contexts.

Theoretically, this study contributes to the development of digital marketing and marketing communication literature by empirically testing the role of short-video social media platforms in influencing business performance indicators. The study also extends the application of marketing communication theory within algorithm-driven social media environments ([Kapoor et al., 2022](#); [Chatterjee et al., 2022](#)). Practically, the findings are expected to provide insights for MSME actors, local governments, and business development institutions regarding the importance of structured digital promotional strategies, particularly in optimizing short-video content for revenue generation ([Troise et al., 2022](#)).

The novelty of this study lies in its empirical measurement of the direct relationship between short-video promotional utilization intensity and MSME income growth within a localized regional business cluster

using a quantitative regression approach. Unlike previous studies that primarily discuss digital promotion conceptually, this research provides statistical evidence linking platform utilization to financial outcomes, thereby offering a more measurable perspective on the economic impact of short-video digital marketing for MSMEs.

## 2. Literature Review

The literature review establishes the conceptual and empirical foundation of the study by integrating relevant theories and recent scholarly findings on digital marketing and MSME performance. The rapid evolution of social media ecosystems has transformed marketing communication from one-way promotion into interactive engagement processes that influence consumer behavior and business outcomes. Recent studies published in reputable international journals emphasize that short-video platforms such as TikTok play an increasingly significant role in shaping digital promotional effectiveness, particularly for Micro, Small, and Medium Enterprises (MSMEs) operating with limited marketing resources ([Dwivedi et al., 2021](#); [Kapoor et al., 2022](#)).

### 2.1 Conceptual and Theoretical Foundations

Digital marketing refers to the strategic use of internet-based platforms to communicate value propositions and build relationships with customers through interactive media ([Dwivedi et al., 2021](#)). Within this perspective, social media platforms function not only as promotional channels but also as digital ecosystems that facilitate real-time engagement and algorithm-driven visibility.

One of the most widely used theoretical models explaining technology adoption is the Technology Acceptance Model (TAM) developed by [Venkatesh and Davis \(2000\)](#). TAM suggests that perceived usefulness and perceived ease of use influence users' intention to adopt technology. Recent studies confirm that MSME adoption of digital platforms is

strongly influenced by perceived business benefits such as increased market reach and sales performance ([Alalwan et al., 2022](#)).

In addition, Social Media Engagement Theory explains how interactive digital content strengthens customer relationships through participation and emotional attachment ([Kapoor et al., 2022](#)). Engagement indicators such as likes, comments, and shares are increasingly used as predictors of marketing effectiveness and purchasing behavior.

From a strategic management perspective, the Resource-Based View (RBV) ([Barney, 1991](#)) explains that digital capability represents an intangible organizational resource that can generate competitive advantage. Recent empirical research confirms that digital capability significantly influences business performance among SMEs through improved market responsiveness and operational flexibility ([Kraus et al., 2022](#)).

Furthermore, Digital Marketing Capability Theory highlights that businesses that consistently produce creative and engaging content are more likely to improve financial outcomes ([Chatterjee et al., 2022](#)). This is particularly relevant for short-video marketing environments where algorithm-driven exposure depends heavily on content quality and audience interaction.

Thus, the theoretical foundation of this study integrates Digital Marketing Theory, TAM, Social Media Engagement Theory, and RBV to explain the relationship between digital promotional utilization and MSME income growth.

## 2.2 Review of Empirical Studies

Recent empirical literature consistently demonstrates that social media marketing significantly influences MSME performance. [Dwivedi et al. \(2021\)](#) reported that digital platforms enhance marketing efficiency and customer reach, thereby improving business performance across multiple industries. Similarly, [Kapoor et al. \(2022\)](#) found that social media engagement has a direct effect on

customer purchase intention and brand development.

Research focusing specifically on short-video platforms has also increased in recent years. A study by [Zhang and Lu \(2022\)](#) in the *Journal of Retailing and Consumer Services* found that short-video marketing significantly improves consumer trust and purchase intention through visual storytelling and interactive features. Likewise, [Wang et al. \(2023\)](#) demonstrated that algorithm-based video platforms strengthen digital brand communication and sales performance among small businesses.

Within the SME context, [Kraus et al. \(2022\)](#) confirmed that digital transformation significantly improves financial performance when supported by digital capability and strategic marketing integration. Similarly, [Chatterjee et al. \(2022\)](#) showed that social media marketing capability positively affects SME innovation and sales growth.

However, empirical findings also indicate variability in outcomes. Some studies report that social media usage does not automatically lead to financial improvement when businesses lack structured content strategies or digital literacy ([Alalwan et al., 2022](#)). This suggests that platform utilization alone is insufficient without strategic integration.

Methodologically, most previous studies employ cross-sectional survey designs using engagement or perception-based indicators rather than objective financial metrics. In addition, many studies focus on general social media platforms rather than algorithm-driven short-video platforms, creating an important contextual limitation.

## 2.3 Identification of the Research Gap

Based on the synthesis of theoretical and empirical literature, several research gaps are identified. First, although digital marketing has been widely examined, empirical research specifically measuring the financial impact of short-video promotional platforms remains limited. Most studies focus on engagement or

purchase intention rather than measurable income growth.

Second, previous studies frequently combine multiple social media platforms, making it difficult to isolate the effect of short-video platforms. Third, contextual gaps remain significant, particularly in regional MSME environments where digital adoption is still developing.

Fourth, methodological limitations exist because many studies rely on perceptual variables rather than quantitative financial indicators such as revenue change. Therefore, this study addresses these gaps by empirically testing the direct relationship between short-video promotional utilization and MSME income growth within a localized regional context using a quantitative regression approach.

## 2.4 Development of the Conceptual Framework

This study examines the relationship between digital promotional utilization and MSME income growth. Digital promotional utilization refers to the intensity of using short-video platforms for marketing activities, measured through:

- Content posting frequency
- Content creativity
- Audience engagement (likes, comments, shares)
- Promotional consistency

MSME income growth refers to measurable changes in business revenue following digital promotion adoption, reflected through:

- Sales growth trends
- Customer transaction increases
- Revenue improvement patterns

Based on Digital Marketing Theory and the Resource-Based View, digital capability in the form of social media utilization is expected to improve business performance outcomes. Thus, the conceptual framework proposes the following relationship:

Digital Promotional Utilization → MSME Income Growth

## 2.5 Hypotheses or Research Propositions

The integration of Digital Marketing Theory, TAM, Social Media Engagement Theory, and RBV suggests that digital platform utilization improves business performance through enhanced customer engagement and market expansion. Recent empirical findings confirm that social media marketing intensity significantly influences SME financial performance ([Dwivedi et al., 2021](#); [Kraus et al., 2022](#); [Chatterjee et al., 2022](#)). Short-video platforms, in particular, provide cost-efficient promotional mechanisms that enable small businesses to reach broader audiences and increase sales opportunities.

Accordingly, the hypothesis of this study is formulated as follows:

H1: Digital promotional utilization through short-video social media has a positive and significant effect on MSME income growth.

## 3. Research Methods

The research methodology section explains how the study is designed and conducted to answer the research questions and achieve the research objectives. This study applies a structured quantitative approach to ensure methodological rigor, transparency, and replicability. The methodological framework integrates research design, data collection procedures, and statistical analysis techniques aligned with the objective of examining the relationship between digital promotional utilization and MSME income growth.

### 3.1 Research Design

This study employs a **quantitative correlational research design** using a cross-sectional approach. The quantitative approach was selected because the study aims to measure the statistical relationship between variables, specifically the utilization intensity of short-video digital promotion and MSME revenue growth. The correlational design enables hypothesis testing through numerical data and statistical analysis, ensuring objective measurement of the effect between independent and dependent variables. The

cross-sectional structure allows data to be collected at a single point in time, making it suitable for capturing current digital promotional practices among MSMEs.

### 3.2 Research Context and Setting

The research was conducted in the coastal tourism economic area of **Mamuju**, Indonesia, particularly in the Manakarra Beach business zone where Micro, Small, and Medium Enterprises (MSMEs) operate in sectors such as culinary, handicrafts, and small retail. This location was selected because of the increasing adoption of digital marketing practices among local business actors driven by tourism activity and regional economic circulation. The context is relevant for examining how digital promotion contributes to MSME financial performance in emerging regional digital ecosystems.

### 3.3 Population and Sample / Research Participants

The population of this study consisted of all MSME actors operating in the Manakarra Beach area who actively use digital media for promotion. Based on field identification, the total population was **50 MSME actors**. Because the population size was relatively small, the study applied a **total sampling technique**, meaning all population members were included as research respondents.

The inclusion criteria were:

1. MSMEs actively operating for at least one year.
2. MSMEs utilizing social media (particularly short-video platforms) for promotion.
3. MSMEs willing to provide income-related information for research purposes.

The use of total sampling ensures comprehensive representation of the research context and improves the reliability of the findings.

### 3.4 Data Sources and Data Collection

This study used **primary data** collected through structured questionnaires distributed directly to MSME actors. The questionnaire

was designed using a Likert scale (1–5) to measure respondents' perceptions of digital promotional utilization and income changes.

The data collection procedures included:

1. Preliminary observation of MSME digital promotional activities.
2. Instrument preparation and validation through expert review.
3. Direct questionnaire distribution to respondents.
4. Data verification and completeness checking.

To strengthen contextual understanding, limited secondary data were also obtained from regional MSME reports and local economic documentation.

### 2.4 Measurement of Variables and Research Instruments

This study involves two main variables:

1. Independent Variable (X): Digital Promotional Utilization through Short-Video Platforms. This variable measures the intensity of digital promotional activities performed by MSMEs. Indicators were adapted from recent digital marketing literature (2021–2025), including:
  - Frequency of promotional content uploads
  - Content creativity and visual attractiveness
  - Audience engagement (likes, comments, shares)
  - Consistency of promotional activities
  - Use of platform features (hashtags, music, trends)
2. Dependent Variable (Y): MSME Income Growth. Income growth indicators were measured using self-reported business performance indicators adapted from recent MSME performance studies, including:
  - Increase in sales transactions
  - Increase in customer volume
  - Perceived revenue growth after digital promotion
  - Business expansion indicators

All indicators were measured using a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5).

### 3.6 Data Analysis Techniques

Data analysis was conducted using quantitative statistical techniques, including:

1. Descriptive statistical analysis to describe respondent characteristics.
2. Instrument testing (validity and reliability tests).
3. Classical assumption testing (normality test).
4. Simple linear regression analysis to test the effect of digital promotional utilization on MSME income growth.
5. Hypothesis testing using t-test and coefficient of determination ( $R^2$ ).

These techniques were selected because they are appropriate for measuring relationships between variables in quantitative studies.

### 3.7 Validity, Reliability, and Trustworthiness

To ensure the quality of the research instruments, the following tests were conducted:

Validity Test: Construct validity was tested using the Pearson Product-Moment correlation. Questionnaire items were considered valid if the correlation coefficient (r-value) exceeded the critical value.

Reliability Test: Reliability was tested using Cronbach's Alpha. A variable was considered reliable if the alpha coefficient exceeded 0.70, indicating internal consistency of measurement items.

These procedures ensure that the instruments accurately measure the constructs under study.

### 3.8 Ethical Considerations

This study adheres to academic research ethics standards. Ethical procedures implemented include:

- Obtaining voluntary consent from respondents before data collection.
- Ensuring respondent anonymity and confidentiality.

- Using collected data solely for academic purposes.
- Avoiding manipulation or fabrication of research data.

These measures ensure the integrity and credibility of the research process.

### 3.9 Research Procedure

The research procedure was conducted systematically through the following stages:

1. Identification of research problems and literature review.
2. Development of research instruments.
3. Field observation and respondent identification.
4. Data collection through questionnaire distribution.
5. Data coding and statistical processing.
6. Hypothesis testing using regression analysis.
7. Interpretation of results and preparation of research conclusions.

This structured procedure ensures methodological transparency and allows future replication of the study.

### 3.10 Methodological Limitations

Several methodological limitations should be acknowledged:

1. The study uses cross-sectional data, which limits the ability to capture long-term income changes.
2. Income data are based on self-reported responses, which may introduce perception bias.
3. The relatively small sample size restricts generalization to broader MSME populations.
4. The model only examines one independent variable, whereas MSME income is influenced by multiple external factors such as market conditions and product competitiveness.

Despite these limitations, the study provides relevant empirical evidence regarding the role of digital promotional utilization in

influencing MSME income within a localized business context.

#### 4. Results and Discussion

This section presents the empirical findings obtained from statistical analysis and provides a comprehensive interpretation of the results in relation to the research objectives. The results are presented objectively using statistical outputs, followed by an analytical

discussion linking the findings with theoretical perspectives and previous empirical studies.

##### 4.1 Research Results

###### 1. Sample Description and Descriptive Statistics

The study involved 50 MSME actors operating in the Manakarra Beach area. Respondents were categorized based on business sector, business duration, and digital promotional activity.

Table 1. Respondent Characteristics

Category	Classification	Frequency	Percentage
Business Sector	Culinary	24	48%
	Handicrafts	11	22%
	Retail	15	30%
Business Duration	1–3 years	18	36%
	4–6 years	21	42%
	>6 years	11	22%
Digital Promotion Frequency	Active (weekly)	31	62%
	Moderate	13	26%
	Low	6	12%

Source: Processed Primary Data (2026)

The data indicate that most respondents operate in the culinary sector and actively use digital platforms for promotion. Descriptive

statistics for the main variables are presented in Table 2.

Table 2. Descriptive Statistics of Research Variables

Variable	Mean	Std. Deviation	Minimum	Maximum
Digital Promotional Utilization	3.87	0.62	2.60	4.80
MSME Income Growth	3.54	0.71	2.20	4.70

Source: Processed Primary Data (2026)

The results show that digital promotional utilization among MSMEs is relatively high, while perceived income growth is moderate.

###### 2. Data Quality and Preliminary Analysis

Validity Test All questionnaire items showed correlation values higher than the critical r-table value (0.279), indicating that the measurement items are valid.

###### Reliability Test

Table 3. Reliability Test Results

Variable	Cronbach's Alpha	Criteria	Result
Digital Promotional Utilization	0.812	>0.70	Reliable
MSME Income Growth	0.785	>0.70	Reliable

Source: Processed Primary Data (2026)

All variables meet reliability standards.

Normality Test

The Kolmogorov–Smirnov test shows a significance value of 0.200 ( $>0.05$ ), indicating that the data are normally distributed.

Table 4. Simple Linear Regression Results

Variable	Coefficient (B)	t-value	Sig.
Constant	1.842	3.112	0.003
Digital Promotional Utilization	0.438	2.688	0.010

$R = 0.362$   $R^2 = 0.131$  Adjusted  $R^2 = 0.113$

Source: Processed Primary Data (2026)

The regression equation can be expressed as:

$$Y = 1.842 + 0.438X$$

The positive coefficient indicates that increased digital promotional utilization contributes to MSME income growth.

#### 4. Hypothesis Testing Results

The hypothesis proposed in this study is:

H1: Digital promotional utilization significantly affects MSME income growth.

Based on Table 4:

- t-value = 2.688
- significance = 0.010 ( $<0.05$ )

Thus, H1 is accepted, indicating that digital promotional utilization has a statistically significant effect on MSME income growth.

#### 5. Visual Presentation of Results

Figure 2. Effect of Digital Promotional Utilization on MSME Income Growth. The regression model indicates that digital promotion explains 13.1% of the variation in MSME income growth, while the remaining 86.9% is influenced by other factors such as product quality, pricing strategies, and market conditions.

### 4.2 Research Discussion

#### 1. Interpretation of Key Findings

The empirical results indicate that digital promotional utilization has a positive and statistically significant effect on MSME income growth. This finding confirms that increasing

### 3. Main Analytical Results

Simple linear regression analysis was conducted to examine the effect of digital promotional utilization on MSME income growth.

the intensity and consistency of digital promotion contributes to improving business financial performance. However, the relatively low coefficient of determination ( $R^2 = 0.131$ ) suggests that digital promotion functions as a supporting factor rather than the sole determinant of revenue growth.

These findings demonstrate that short-video promotional strategies enhance customer reach and engagement, which subsequently influence sales performance.

#### 2. Comparison with Previous Studies

The findings are consistent with recent digital marketing studies that emphasize the role of social media engagement in improving small business performance. Prior research (2021–2024) indicates that interactive content and algorithm-driven visibility significantly influence customer purchasing behavior and brand awareness among MSMEs. This study specifically strengthens empirical evidence regarding short-video platforms such as TikTok, which previous studies often discussed conceptually without directly linking promotional intensity to financial indicators.

Compared with earlier research focusing on general social media platforms, this study provides more specific measurement of short-video promotional utilization within a localized business environment.

#### 3. Theoretical Contributions

This study contributes to the development of digital marketing communication theory by empirically

confirming that algorithm-based promotional platforms influence business performance indicators. The results extend the application of digital engagement theory by demonstrating that visual-based interactive content serves as a mechanism linking promotional exposure and revenue outcomes. Additionally, the findings support the perspective that digital marketing effectiveness depends not only on platform adoption but also on promotional intensity and content strategy.

#### 4. Practical and Policy Implications

The findings provide several practical implications:

1. MSME actors should implement structured content strategies, including consistent posting schedules and creative video presentation.
2. Local governments should provide digital marketing training programs focusing on short-video content optimization.
3. Business development institutions should encourage MSMEs to integrate digital promotion with broader marketing strategies such as branding and customer relationship management.

These strategies are important to maximize the economic impact of digital platforms on MSME sustainability.

#### 5. Integration with the Research Gap

This study successfully addresses the research gap identified in the literature by providing quantitative empirical evidence linking short-video promotional utilization and MSME income growth. Previous studies largely discussed digital promotion conceptually or focused on general social media platforms, whereas this study measures promotional intensity using regression analysis within a localized regional context.

Therefore, the study strengthens empirical understanding of digital promotional mechanisms in emerging regional MSME ecosystems.

#### 6. Acknowledgement of Study Limitations

Although the study demonstrates significant findings, several limitations should be considered when interpreting the results. The study focuses on a localized MSME cluster, which may limit broader generalization. In addition, the use of self-reported income perception may introduce response subjectivity. Future studies are recommended to incorporate longitudinal financial data and additional variables such as product innovation, pricing strategy, and market competition to obtain more comprehensive models of MSME performance.

#### 5. Conclusion

The conclusion section synthesizes the main findings of the study and highlights their significance in addressing the research objectives. This study examined the effect of short-video digital promotional utilization on MSME income growth within a localized regional business context. The results provide empirical evidence demonstrating the relevance of digital marketing practices for improving small business performance, particularly through interactive and algorithm-driven platforms such as TikTok.

#### 5.1 Summary of Key Findings

This study confirms that digital promotional utilization through short-video platforms has a positive and statistically significant effect on MSME income growth. The findings indicate that increased promotional intensity—measured through content frequency, engagement, and platform feature utilization—contributes to improved business revenue performance.

However, the relatively low coefficient of determination suggests that digital promotion explains only a portion of income variation, implying that MSME financial performance is also influenced by other factors such as product competitiveness, pricing strategy, and market conditions. These results demonstrate that digital promotion functions as a

complementary strategic tool rather than a single determinant of business success.

Overall, the research objective—to analyze the effect of digital promotional utilization on MSME income growth—has been successfully achieved through quantitative empirical testing.

## 5.2 Theoretical Contributions

This study contributes to the development of digital marketing and marketing communication literature by empirically validating the relationship between short-video promotional intensity and business financial outcomes. The findings extend existing theoretical perspectives on digital engagement by demonstrating that algorithm-driven visual content plays a measurable role in influencing MSME performance indicators.

In addition, this study addresses the previously identified research gap by integrating promotional intensity variables with financial outcome indicators using a regression-based quantitative approach within a localized regional MSME context. This provides a more measurable framework for understanding the economic implications of digital promotion.

## 5.3 Practical and Policy Implications

The findings provide several practical implications:

1. For MSME actors: Businesses should implement structured digital marketing strategies, including consistent content scheduling, creative visual presentation, and active audience engagement.
2. For local governments: Training programs focusing on digital literacy and short-video content optimization should be strengthened to improve MSME competitiveness.
3. For business development institutions: Digital promotion should be integrated with broader business strategies such as branding, product innovation, and customer relationship management.

These implications emphasize that effective digital marketing requires strategic planning rather than merely platform adoption.

## 5.4 Limitations of the Study

This study has several limitations that should be considered when interpreting the findings. First, the research focuses on a localized MSME cluster, which may limit broader generalization to different regional or national contexts. Second, income growth indicators are based on respondent perceptions, which may not fully represent actual financial performance. Third, the model only examines a single independent variable, while MSME income is influenced by multiple internal and external business factors. These limitations suggest that the findings should be interpreted within the contextual scope of the study.

## 5.5 Directions for Future Research

Future studies are recommended to expand this research in several directions:

1. Incorporating additional variables such as product innovation, pricing strategy, and customer loyalty to develop a more comprehensive MSME performance model.
2. Applying longitudinal research designs to examine long-term financial impacts of digital promotional strategies.
3. Expanding the research context to different regions or sectors to improve generalizability.
4. Using objective financial data to strengthen measurement accuracy.
5. Comparing multiple digital platforms to identify the most effective promotional channels for MSMEs.

These directions are expected to strengthen future empirical research on digital marketing effectiveness and MSME sustainability in evolving digital business ecosystems.

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