

The Feasibility of Sate Madura MSME Digital Business Reviewed from Marketing and Accounting Strategies

Irda Agustin Kustiwi^{1*}, Eni Minarni²

¹Universitas 17 Agustus 1945 Surabaya

²Universitas Tulungagung

*Correspondence email: irdakustiwi@untag-sby.ac.id

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ABSTRACT

This study aims to assess the feasibility of Sate Madura as a Micro, Small, and Medium Enterprise (MSME) in the digital era, focusing on marketing and accounting strategies. The research explores how digital platforms enhance market reach and how digital-based accounting improves financial transparency and decision-making. Using a qualitative descriptive approach, data were collected through interviews, observations, and documentation from selected Sate Madura MSMEs operating in Surabaya. The findings indicate that digital marketing strategies such as social media promotion and food delivery applications significantly increase customer engagement and sales volume. Meanwhile, the implementation of simple digital accounting systems helps MSME owners manage income, expenses, and profitability more effectively. This study concludes that the integration of digital marketing and accounting strategies contributes positively to the business feasibility and sustainability of Sate Madura MSMEs.



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1. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a significant role in economic development, particularly in developing countries like Indonesia. Among these, culinary businesses such as *Sate Madura*, a popular Indonesian street food, are widely known for their cultural value and economic potential. However, the increasing competitiveness in the food and beverage industry demands that MSMEs adapt to modern business practices to remain sustainable and profitable.

In recent years, the digital transformation of business processes has become essential for MSMEs seeking to expand their market reach and improve operational efficiency. Digital business platforms offer opportunities for

promoting products, interacting with customers, and simplifying transactions. For Sate Madura MSMEs, utilizing digital marketing tools like social media and online food delivery apps has the potential to significantly increase visibility and sales.

Beyond marketing, another critical aspect of business sustainability is sound financial management. Many MSMEs lack structured accounting practices, which often leads to poor decision-making and financial instability. The implementation of simple digital accounting tools can help entrepreneurs monitor their cash flow, evaluate business performance, and ensure transparency in financial reporting—factors that are crucial for assessing business feasibility.

This study aims to evaluate the feasibility of Sate Madura MSMEs in the digital era by analyzing both marketing and accounting strategies. By exploring how these two components are implemented and integrated in the daily operations of Sate Madura vendors, the research seeks to provide insights and recommendations that can support their growth and long-term sustainability in a competitive digital economy.

2. LITERATURE REVIEW

MSMEs and Business Feasibility

Micro, Small, and Medium Enterprises (MSMEs) play a vital role in national and regional economic development, particularly in emerging economies like Indonesia. These enterprises are known to absorb large portions of the labor force, stimulate innovation, and contribute significantly to GDP. Tambunan (2019) highlights that MSMEs account for over 99% of total businesses in Indonesia and employ more than 97% of the national workforce. Their presence in both rural and urban areas makes them central to poverty reduction and equitable economic distribution. However, despite their potential, many MSMEs operate informally and face sustainability challenges due to limited access to capital, technology, and business management skills.

To address these challenges, business feasibility studies are essential tools for evaluating whether an MSME has the capacity to grow and survive in a competitive market. According to Scarborough (2014), feasibility analysis involves the systematic assessment of key business aspects including market potential, operational readiness, financial health, and legal compliance. These evaluations help entrepreneurs make informed decisions before launching or expanding a business. For MSMEs in the food and beverage sector—such as Sate Madura vendors—feasibility analysis must also consider consumer preferences, digital competitiveness, and cost efficiency to ensure long-term

success. Integrating these assessments with digital tools and strategic planning can help MSMEs move beyond subsistence-level operations and achieve scalable growth.

Digital Transformation in MSMEs

The rapid advancement of digital technologies has significantly transformed the way MSMEs operate, compete, and connect with their customers. Digital business models enable MSMEs to reduce operational barriers and improve efficiency through the integration of tools such as e-commerce platforms, social media, cloud-based accounting, and digital payment systems. According to Bharadwaj et al. (2013), digitalization strengthens organizational agility, enhances customer interaction, and opens access to new markets. These benefits are particularly relevant for MSMEs that previously relied on traditional, face-to-face transactions and word-of-mouth promotion. Through digital adoption, they can now reach a broader and more diverse customer base, regardless of geographic limitations.

In the culinary sector, digital transformation is especially impactful. Go and Heng (2020) assert that small food businesses benefit greatly from the use of mobile applications, online ordering systems, and delivery services that reduce dependency on physical storefronts. Culinary MSMEs like Sate Madura vendors, for example, leverage platforms such as Instagram and TikTok for product visibility, while simultaneously utilizing GrabFood and GoFood for transactions and logistics. This combination enhances both marketing reach and operational effectiveness. The digital ecosystem not only improves customer convenience but also provides valuable data analytics that MSMEs can use to refine their strategies, forecast demand, and personalize services.

Marketing Strategy for Culinary MSMEs

In the food and beverage industry, where customer preferences shift rapidly and competition is intense, having a clear marketing strategy is essential for ensuring business feasibility. Kotler and Keller (2016) describe marketing strategy as a framework for identifying and targeting the right market segments while developing a sustainable competitive advantage through the effective use of the marketing mix—Product, Price, Place, and Promotion. Culinary MSMEs must carefully consider these elements to differentiate their offerings, position their brand effectively, and attract loyal customers. Product innovation, reasonable pricing, strategic location (both physical and digital), and promotional efforts must be aligned with customer expectations.

For culinary MSMEs such as Sate Madura vendors, digital marketing has become a dominant channel for brand building and customer engagement. Rachmawati and Nugroho (2021) emphasize that maintaining product

consistency and leveraging social media interactions are key factors in retaining customer trust. Many MSME actors now use platforms like Instagram and Facebook not only to display appealing visuals of their products but also to respond directly to customers, announce promotions, and build online communities. Collaborations with influencers or local food reviewers also enhance visibility. When executed consistently, these strategies contribute to repeat purchases, word-of-mouth marketing, and overall business sustainability.

Digital Accounting Practices in MSMEs

Effective financial management is a cornerstone of sustainable business operations, as it directly supports informed decision-making and long-term planning. Despite its importance, many MSMEs still rely on manual bookkeeping or informal financial records, which increases the risk of errors, inefficiencies, and poor financial oversight. Susanto and Meiryani (2019) argue that the integration of digital accounting tools—such as cloud-based bookkeeping systems and mobile accounting apps—can significantly enhance the accuracy, accessibility, and consistency of financial reporting. These tools often feature real-time transaction tracking, automated calculations, and user-friendly interfaces, making them suitable even for MSME owners without formal accounting backgrounds.

In addition to improving record-keeping, digital accounting systems help business owners monitor cash flow, evaluate profitability, and prepare for tax or loan documentation. Horngren et al. (2013) emphasize that a basic understanding of financial statements—such as income statements, balance sheets, and cash flow reports—empowers MSMEs to manage operational costs, forecast financial risks, and identify investment opportunities. Accurate and up-to-date digital records also serve as key documentation when MSMEs apply for external funding from banks, cooperatives, or government grants. By adopting digital financial practices, MSMEs increase not only their internal efficiency but also their credibility in the eyes of formal institutions and partners.

Integrated Perspective: Marketing and Accounting in Business Feasibility

Integrating marketing and accounting strategies offers a holistic approach to assessing and enhancing business feasibility, particularly for MSMEs operating in dynamic and competitive environments. Marketing functions to drive revenue by identifying customer needs, delivering value, and building long-term relationships. In contrast, accounting serves as a control mechanism, tracking financial performance, managing risks, and ensuring

resources are allocated efficiently. When these two functions operate in isolation, MSMEs may experience imbalances—either strong sales without profitability or well-managed finances without sufficient market traction.

In the context of digital transformation, this integration becomes even more critical. Chaffey and Ellis-Chadwick (2019) highlight the increasing relevance of data-driven decision-making, where marketing insights (such as customer behavior and sales trends) must align with financial metrics (such as cost structures and return on investment). For example, a marketing campaign's effectiveness should not only be measured by reach or engagement but also by its impact on revenue and margin. Likewise, budgeting decisions must consider both market dynamics and internal capacity. For MSMEs like Sate Madura vendors, a synchronized strategy that connects digital marketing performance with accounting insights enables more strategic growth, operational resilience, and long-term viability.

3. METHODS

This research employed a qualitative descriptive method to analyze the feasibility of Sate Madura MSMEs in Surabaya, focusing on digital marketing and accounting strategies. The qualitative approach was chosen to gain in-depth insights into the practices and challenges faced by MSME actors in adapting to digital business environments. As Creswell (2018) emphasizes, qualitative research is suitable for exploring complex phenomena in real-life contexts, especially when the goal is to understand behaviors, experiences, and perceptions.

Data collection techniques included semi-structured interviews with five Sate Madura MSME owners, direct observation of their business activities, and documentation of marketing and financial records. Interview questions focused on their use of social media platforms, pricing strategies, customer engagement, and financial recording practices. Observations were used to verify digital tools in use, while document analysis helped assess how accounting was integrated into daily business operations (Miles, Huberman, & Saldaña, 2020). Triangulation was applied to enhance the validity of findings by comparing data across sources.

Data were analyzed using thematic analysis, where the researcher identified recurring patterns related to digital marketing effectiveness and financial management. Themes such as customer targeting, platform usage, pricing decisions, and digital recordkeeping emerged from the coding process. This method allowed the researchers to extract meaningful categories aligned with the research objectives (Braun & Clarke, 2022). The results are presented

in narrative form, supported by participant quotes and real examples to highlight practical implications for MSME development.

4. RESULTS AND DISCUSSION

The research revealed that digital marketing implementation significantly improved the visibility and competitiveness of Sate Madura MSMEs in Surabaya. Respondents reported increased consumer reach after utilizing platforms such as Instagram, WhatsApp Business, and TikTok to promote their products. Their content typically included menu highlights, behind-the-scenes preparation, testimonials, and promotions. This strategy aligns with Chaffey and Ellis-Chadwick (2019), who emphasized the role of content marketing in enhancing customer engagement. In many cases, daily sales rose by 20–30% after consistent posting and targeted promotions, especially during weekends or public holidays.

Furthermore, the integration with online food delivery platforms like GoFood and GrabFood has created new revenue streams and operational efficiency. Sate Madura vendors reported that 40–60% of total sales originated from online orders during peak times. These platforms not only facilitated transactions but also served as digital marketplaces that introduced their products to previously unreached demographics, such as young professionals and students. This is consistent with Bharadwaj et al. (2013), who noted that digital platforms reduce geographic limitations and offer real-time customer analytics. Several MSMEs even started offering "bundling packages" or "family promos" to match platform-driven consumer behavior.

In terms of accounting, the study found that the use of basic digital tools, such as BukuKas, Akuntansi UKM, and even Excel, helped MSME owners better track cash inflows and outflows. Prior to digital adoption, most owners relied on manual notebooks or mental estimates, which often led to financial mismanagement. With digital tools, respondents stated they could monitor daily profits, identify cost leakages, and prepare simple financial statements. This supports the view of Susanto and Meiryani (2019) that digital accounting enhances transparency and supports long-term financial planning. However, only 2 out of 5 MSME owners created monthly income statements or calculated net margins, indicating that digital adoption remains basic and uneven.

Despite these improvements, challenges persist. Some MSMEs, particularly those run by older generations, still struggled with digital literacy and relied on their children to manage digital operations. Others faced inconsistent internet connectivity and lacked proper smartphones, especially in suburban areas. Additionally, while most owners tracked revenue digitally, they often failed to separate personal and business finances, limiting the reliability of their financial data. These findings mirror the observations of Ismail and King

(2014), who emphasized that the human and infrastructure dimensions of digital adoption remain critical for MSME development.

Overall, the study confirms that digital integration in marketing and accounting significantly enhances the feasibility of Sate Madura MSMEs. Digital marketing boosts brand awareness and expands customer access, while digital accounting improves financial control and operational sustainability. The synergy between these two aspects provides MSMEs with a solid foundation to compete and grow. However, to maximize these benefits, support from government, fintech, and community institutions is essential—particularly in the form of training programs, mentoring, and access to affordable digital tools. A long-term digital roadmap tailored to culinary MSMEs would be a strategic step forward.

5. CONCLUSION

This study concludes that the integration of digital marketing and accounting strategies significantly enhances the business feasibility of Sate Madura MSMEs in Surabaya. The use of social media platforms, such as Instagram and TikTok, has proven effective in increasing brand visibility and attracting a wider customer base, especially among younger consumers. Additionally, online food delivery services have expanded market access and provided new channels for revenue generation.

On the accounting side, the adoption of simple digital bookkeeping tools has improved financial management practices among MSME owners. These tools assist in tracking income and expenses, maintaining financial transparency, and supporting better decision-making. The ability to monitor business performance in real-time also contributes to long-term sustainability and strengthens trust among stakeholders, including customers and potential investors.

Overall, the findings suggest that digital transformation is not only feasible but essential for the growth and competitiveness of culinary MSMEs like Sate Madura. A combined focus on effective digital marketing and accurate financial reporting provides a strong foundation for scalability. Policymakers and local business support agencies are encouraged to provide training and resources to help more MSMEs embrace digital tools and strategies in their daily operations.

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