

CLICK, SELL, GROW: THE MODERATING ROLE OF GOVERNMENT POLICY ON SOCIAL MEDIA MARKETING AND MSME PERFORMANCE IN INDONESIA (A TAM-BASED SEM STUDY)

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Abstract:

Background: Promotion in today's digital era must keep pace with rapid developments, yet many MSMEs still face limited competence and organizational readiness to adopt social media-based digital marketing. These constraints make it important to understand how government policy can shape MSME outcomes in Indonesia.

Purpose: This study analyzes the role of government policy in influencing the relationship between social media-based digital marketing and MSME performance in Indonesia.

Design/Methodology/Approach: This research employed a quantitative survey of 500 MSME owners/managers who use social media for marketing in selected Indonesian provinces. The questionnaire used a Likert scale, the data were transformed using the Successive Interval Method, and the model was tested using Structural Equation Modeling with AMOS to examine perceived ease of use, perceived usefulness, attitudes toward social media use, actual social media use, government policy, and MSME performance, including government policy as a moderating variable.

Finding/Result: Perceived ease of use and perceived usefulness positively affect attitudes toward social media use, and these attitudes positively influence actual social media use. Actual social media use improves MSME performance, while government policy also directly improves MSME performance; moreover, government policy strengthens the influence of social media use on MSME performance, indicating that supportive policies enhance the conversion of social media marketing adoption into business outcomes.

Conclusion: Government policy strengthens the impact of social media-based digital marketing on MSME performance in Indonesia, suggesting that institutional support amplifies the benefits of technology adoption among MSMEs.

Originality/Value (State of The Art): This study integrates government policy as a moderating variable in a TAM-based SEM framework to help explain inconsistent findings on the performance outcomes of social media adoption among MSMEs in developing economy contexts.

Keywords: digital marketing, government policy, MSME performance, social media, technology adoption

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INTRODUCTION

MSMEs in Indonesia play a crucial role as pillars of the economy. The MSME sector has become a major driver of the Indonesian economy. Three crucial roles of MSMEs in the economy are: as a tool for poverty alleviation, a tool for economic equality for the poor, and a contributor to the country's foreign exchange. (Prasetyo & Huda, 2019). In an effort to increase business revenue in today's digital era, MSMEs must adapt to technological developments, particularly in digital marketing strategies. Internet technology is believed to be a powerful tool for increasing MSME competitiveness. One digital marketing tool that MSMEs can implement is social media. Social media is a crucial tool for MSMEs to adapt to changing marketing environments and discover new marketing methods to remain competitive and profitable. However, very few MSMEs in Indonesia are taking advantage of this. The proportion of MSMEs that receive orders or market their products and services through digital platforms remains limited, and the majority of businesses remain conventional (where buyers meet sellers in person).

Rather than merely indicating adoption rates, Table 1 underscores the uneven diffusion of digital marketing practices across provinces. Provinces with higher adoption levels tend to benefit from stronger infrastructure and more intensive policy interventions, suggesting that technology usage alone is insufficient to improve MSME performance. This finding further supports the view that government policies are essential in strengthening the impact of digital marketing efforts, especially in areas where structural constraints persist. Empirical evidence suggests that MSMEs in developing countries experience business growth when adopting social media platforms (Chatterjee & Kumar, 2020). Furthermore, the implementation of digital marketing, particularly via targeted social media advertising, positively influences MSME development (Saleh & Said, 2019).

This research has certain limitations. One limitation concerns the sample, which consists solely of MSMEs from seven provinces in Indonesia, potentially limiting the applicability of the results to other geographical contexts. Second, this study concentrates on digital marketing activities conducted through social media, while other digital channels, such as e-commerce

marketplaces and official websites, are not included in the analysis. Third, the cross-sectional research design limits the ability to capture dynamic changes in digital adoption over time. Future studies are encouraged to apply longitudinal designs, include additional contextual variables, and extend the model to different country settings.

Accordingly, this study addresses the limitations of prior research by integrating government policy as a moderating variable within a Technology Acceptance Model framework. This study is among the first to empirically examine the moderating role of government policy in explaining the inconsistent performance effects regarding the adoption of social media among MSMEs in a developing economy context.

Previous studies on digital marketing adoption among MSMEs predominantly employ technology adoption frameworks, notably the Technology Acceptance Model and UTAUT2 to explain adoption behavior. These studies consistently confirm that perceived ease of use and perceived usefulness shape attitudes toward technology adoption. Nevertheless, when adoption outcomes are extended to firm-level performance, empirical evidence remains inconclusive.

Several studies report that social media and digital marketing adoption positively influence MSME performance, particularly in terms of sales growth, market reach, and customer engagement. In contrast, other studies fail to identify significant performance effects, suggesting that technology adoption alone does not automatically translate into improved business outcomes. Such inconsistencies indicate that factors beyond individual technological perceptions may condition the effectiveness of digital marketing adoption.

In response to these inconsistencies, recent literature increasingly emphasizes the importance of institutional and environmental support in MSME digitalization. Government policies related to capacity building, digital infrastructure, access to financing, and regulatory facilitation have been identified as critical drivers of MSME competitiveness. However, empirical studies that explicitly integrate government policy as a moderating variable within TAM-based models remain limited, particularly in developing country contexts.

Table1. Number of Digital Marketing MSMEs by Province in 2024

Province	Digital Marketing		Number of MSMEs
	Yes	No	
Aceh	17.85	82.15	176,015
North Sumatra	19.89	80.11	456,906
West Sumatra	20.45	79.55	233,625
Riau	20.64	79.36	158,376
Jambi	23.98	76.02	38,242
South Sumatra	18.89	81.11	236,362
Bengkulu	25.50	74.50	71,425
Lampung	34.64	65.36	208,274
Bangka Belitung Islands	27.42	73.58	23,764
Riau islands	33.88	66.12	41,942
DKI Jakarta	42.60	57.40	489,637
West Java	32.80	67.20	914,230
Central Java	30.10	69.90	1,190,772
Yogyakarta	34.13	65.87	116,299
East Java	24.17	69.83	883,699
Banten	25.12	73.88	318,046
Bali	24.17	75.83	178,103
West Nusa Tenggara	17.31	82.69	255,526
East Nusa Tenggara	13.18	86.82	70,377
West Kalimantan	25.79	74.21	15,154
Central Kalimantan	23.28	76.72	51,458
South Kalimantan	25.49	74.51	56,566
East Kalimantan	25.57	69.43	33,629
North Kalimantan	25.99	74.01	5,577
North Sulawesi	23.16	76.84	102,845
Central Sulawesi	20.70	79.30	23,786
South Sulawesi	21.68	78.32	166,347
Southeast Sulawesi	16.16	83.84	6,684
Gorontalo	14.68	85.32	54,285
West Sulawesi	12.61	87.39	16,954
Maluku	22.58	77.42	14,086
North Maluku	19.20	80.80	2,511
West Papua	16.05	83.95	3,878
Papua	17.28	82.72	3,399
Indonesia	25.92	74.08	6,618,779
Total	1,822,867.52	2,666,141.48	

Source: BPS, 2024

Accordingly, this study extends existing literature by synthesizing technology acceptance and policy perspectives to address inconsistencies in prior findings. More specifically, this study includes government policy as a moderating factor to evaluate how it enhances the effect of social media utilization on MSME performance. This approach responds to calls for a more contextualized understanding of digital marketing effectiveness and complements the growing digital marketing literature.

The inclusion of government policy is further supported by prior evidence emphasizing its role in enhancing business capacity and performance, as well as improving the overall business climate (Suriyanti & Binangkit, 2019). Governments are expected to assist MSMEs in overcoming structural constraints related to market access, capital availability, and technology adoption through policy instruments such as low-interest financing schemes, simplified licensing procedures, targeted training programs, and other institutional support mechanisms mandated by law.

This study is based on the assumption that the relationship between social media usage and MSME performance cannot be fully explained by technology adoption alone. Although social media has been widely promoted as an effective digital marketing tool for MSMEs, empirical findings regarding its performance impact remain inconsistent (Chatterjee & Kumar, 2020; Saleh & Said, 2019). To address this issue, the Technology Acceptance Model (TAM) is employed as the main theoretical foundation to explain how perceived ease of use and perceived usefulness shape attitudes toward social media adoption (Davis, 1989; Venkatesh & Davis, 2000; Venkatesh et al. 2003). Rather than replicating the original TAM structure, this study adapts the model to reflect the operational characteristics of MSMEs in Indonesia by directly linking attitudes toward use with actual usage behavior. In addition to technological perceptions, this study incorporates government policy as a moderating variable influencing the relationship between actual social media usage and MSME performance. Institutional support in the form of training programs, infrastructure development, and regulatory facilitation is expected to strengthen MSMEs' ability to convert social media-based marketing activities into improved performance outcomes (Suriyanti & Binangkit, 2019).

This research seeks to analyze how government policy influences the effectiveness of social media-driven digital marketing in enhancing MSME performance in Indonesia. Specifically, the research analyzes whether policy support related to digital training, technology facilitation, and infrastructure development enhances the performance outcomes of social media usage among MSMEs, as suggested in prior digital marketing and institutional studies (Olanrewaju et al. 2020; Nuseir & Aljumah, 2020).

METHODS

This research is conducted using a quantitative approach with an explanatory focus to investigate the structural relationships among technological perceptions, social media usage, government policy, and MSME performance. The unit of analysis is the MSME business entity, while respondents consist of owners or managers who are directly responsible for social media-based marketing decisions.

Considering the absence of a comprehensive sampling frame of digitally active MSMEs, a purposive sampling strategy was applied. The sample comprises 500 MSMEs operating in the food, beverage, and craft sectors across seven Indonesian provinces with relatively higher levels of digital marketing adoption, as reported by the Central Bureau of Statistics (BPS, 2024).

Data were collected through an online questionnaire using a five-point Likert scale, with measurement items adapted from established TAM and MSME performance studies (Davis, 1989; Venkatesh et al. 2003). To satisfy the assumptions of SEM, ordinal-scale data were converted into interval-scale data using the Method of Successive Intervals (MSI). Structural Equation Modeling with AMOS was employed to test both measurement and structural models. Model validity and reliability were assessed through Confirmatory Factor Analysis (CFA), Construct Reliability (CR), and Average Variance Extracted (AVE). The moderating effect of government policy was tested using a latent interaction approach following the Ping (1996) method, supported by bootstrapping procedures.

This study uses primary data collected directly from MSME owners or managers. Data were obtained from 500 respondents through an online survey. The use of an online survey was considered appropriate given the digital orientation of the respondents and to facilitate efficient data collection across multiple provinces.

Data were gathered through a structured survey administered using a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). The measurement items were adapted from established and previously validated instruments, mainly informed by the Technology Acceptance Model (TAM) and prior studies on MSME performance. The questionnaire was disseminated using a snowball sampling approach to recruit eligible MSME participants through existing networks. This strategy was chosen to identify MSMEs that actively employ social media for digital marketing in the absence of a formal sampling frame. Consequently, the study emphasizes analytical generalization rather than statistical inference.

The analysis was conducted using Structural Equation Modeling in AMOS, which enables the simultaneous estimation of measurement and structural components involving latent constructs. Before testing the

hypotheses, responses measured on the Likert scale (ordinal) were converted to interval-level scores using the Method of Successive Intervals (MSI) with support from Microsoft Excel add-ins to satisfy key requirements for SEM procedures. Confirmatory Factor Analysis (CFA) was then conducted to evaluate the measurement model's validity. Construct validity was assessed using factor loadings/standardized loading factors, applying a minimum acceptable value of 0.50. Reliability was examined using Construct Reliability (CR) and Average Variance Extracted (AVE), with cutoffs of $CR \geq 0.70$ and $AVE \geq 0.50$; Cronbach's alpha was also calculated to check internal consistency.

To test the moderating effect of government policy, the latent interaction procedure was implemented based on the approach proposed by Ping (1996). Bootstrapping was employed to mitigate potential non-normality and to obtain more robust parameter estimates. The SEM procedure followed a two-stage workflow first evaluating the measurement model and then estimating the structural model to align with commonly used SEM practice.

The theoretical foundation of this study draws on the Technology Acceptance Model (TAM), emphasizing the role of perceived ease of use and perceived usefulness in shaping attitudes toward technology adoption (Davis, 1989). In the context of MSMEs, social media platforms perceived as easy to use and useful for marketing activities are expected to foster positive attitudes toward their adoption. Positive attitudes toward social media usage are further expected to translate into actual usage behavior, as attitudes represent a key mechanism linking cognitive

beliefs and behavioral intention in TAM. Increased use of social media for marketing activities enables MSMEs to enhance customer engagement, expand market reach, and improve business performance.

In addition to internal technological perceptions, institutional theory emphasizes the importance of external support mechanisms. Government policies related to digital training, infrastructure, financing, and regulatory facilitation reduce resource constraints faced by MSMEs and directly contribute to improved performance. Moreover, such policies are expected to strengthen the effectiveness of social media usage by enabling MSMEs to better convert digital marketing efforts into performance outcomes.

Accordingly, the following hypotheses are proposed:

H1: Perceived ease of use of social media positively influences attitudes toward social media use.

H2: Perceived usefulness of social media positively influences attitudes toward social media use.

H3: Attitudes toward social media use positively influence social media usage.

H4: Social media usage positively influences MSME performance.

H5: Government policy positively influences MSME performance.

H6: Government policy positively moderates the relationship between social media usage and MSME performance.

Figure 1 presents the TAM-based research framework, including government policy as a moderating variable between actual social media use and MSME performance.

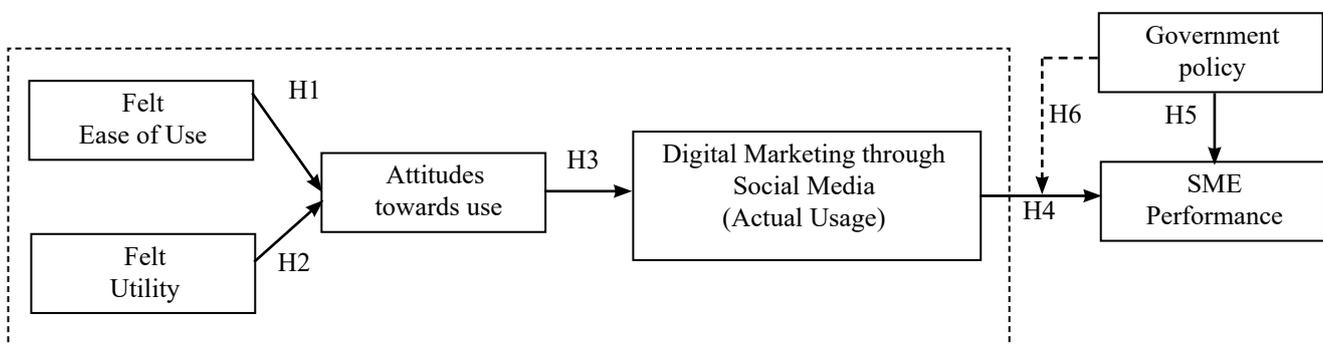


Figure 1. Research Framework (Direct influence ——— ; Moderation effect - - - - -)

RESULTS

The ordinal responses obtained from the questionnaire were first converted into interval-scale data using the Method of Successive Intervals (MSI) with the support of Microsoft Excel add-ins, enabling subsequent SEM processing. Normality was then assessed by examining the skewness critical ratio (CR) using the ± 2.58 threshold at a 0.01 significance level; several indicators fell outside this range (KU3, AU1–AU4, ATU1–ATU3, PU1–PU6, and PEU1–PEU6), indicating departures from multivariate normality. Given this condition, the

estimation procedure relied on bootstrapping to obtain more robust parameter estimates.

Following the distributional assessment, model adequacy was evaluated using goodness-of-fit criteria. The initial fit statistics suggested that the proposed SEM specification did not fully satisfy the recommended cut-off values; therefore, model refinement was performed with reference to the modification indices in a theoretically cautious manner. The fit indices before and after refinement are summarized in Table 2.

Table 2. Results of the SEM model goodness of fit test before and after Modification

Variables	Compatibility	Limit Value	Model Results	Information	Modification Index	Information
Perceived ease of use	Probability level	$p < 0.05$	0	Acceptable	0.005	Acceptable
	RMSEA	< 0.08	0.154	Not Acceptable	0.077	Acceptable
	IFI	> 0.9	0.95	Acceptable	0.992	Acceptable
	TLI	> 0.9	0.917	Acceptable	0.979	Acceptable
	NFI	> 0.9	0.945	Acceptable	0.988	Acceptable
	AGFI	> 0.9	0.804	Not Acceptable	0.937	Acceptable
Perceived usefulness	Probability level	$p < 0.05$	0	Acceptable	0.007	Acceptable
	RMSEA	< 0.08	0.173	Not Acceptable	0.074	Acceptable
	IFI	> 0.9	0.951	Acceptable	0.994	Acceptable
	TLI	> 0.9	0.919	Acceptable	0.985	Acceptable
	NFI	> 0.9	0.947	Acceptable	0.991	Acceptable
	AGFI	> 0.9	0.787	Not Acceptable	0.947	Acceptable
Attitudes towards use	Probability level	$p < 0.05$	0	Acceptable		
	RMSEA	< 0.08	0.01	Acceptable		
	IFI	> 0.9	1,000	Acceptable		No modifications
	TLI	> 0.9	1,000	Acceptable		
	NFI	> 0.9	1,000	Acceptable		
	AGFI	> 0.9	1,000	Acceptable		
Actual use	Probability level	$p < 0.05$	0	Acceptable	0.013	Acceptable
	RMSEA	< 0.08	0.163	Not Acceptable	0.085	Acceptable
	IFI	> 0.9	0.918	Acceptable	0.993	Acceptable
	TLI	> 0.9	0.862	Not Acceptable	0.962	Acceptable
	NFI	> 0.9	0.91	Acceptable	0.99	Acceptable
	AGFI	> 0.9	0.808	Not Acceptable	0.929	Acceptable
Government policy	Probability level	$p < 0.05$	0	Acceptable	0	Acceptable
	RMSEA	< 0.08	0.122	Not Acceptable	0.07	Acceptable
	IFI	> 0.9	0.933	Acceptable	0.981	Acceptable
	TLI	> 0.9	0.905	Acceptable	0.969	Acceptable
	NFI	> 0.9	0.921	Acceptable	0.971	Acceptable
	AGFI	> 0.9	0.844	Not Acceptable	0.934	Acceptable
MSME Performance	Probability level	$p < 0.05$	0	Acceptable	0.012	Acceptable
	RMSEA	< 0.08	0.103	Not Acceptable	0.066	Acceptable
	IFI	> 0.9	0.978	Acceptable	0.993	Acceptable
	TLI	> 0.9	0.962	Acceptable	0.984	Acceptable
	NFI	> 0.9	0.972	Acceptable	0.988	Acceptable
	AGFI	> 0.9	0.913	Acceptable	0.953	Acceptable

Hypotheses were evaluated through the significance of the structural path coefficients at the 5% level. Statistical support was determined using CR values greater than 1.96 together with p-values below 0.05. The structural test results are presented in Figure 2.

Per Table 3, perceived ease of use (PEU) has a positive and significant effect on attitudes toward social media use (ATU) ($\beta = 0.225$; $CR = 6.506$; $p < 0.001$), indicating support for H1. Likewise, perceived usefulness (PU) positively influences ATU ($\beta = 0.781$; $CR = 15.303$; $p < 0.001$), providing evidence for H2. Taken together, these results suggest that both ease-related perceptions and usefulness perceptions are important predictors of favorable attitudes toward social media adoption among MSMEs.

In addition, ATU significantly predicts actual social media use (AU) ($\beta = 0.467$; $CR = 6.807$; $p < 0.001$), supporting H3. Regarding performance outcomes, AU shows a positive and significant effect on MSME performance (KU) ($\beta = 1.009$; $CR = 5.786$; $p < 0.001$), supporting H4, and government policy (KP) also demonstrates a positive direct effect on KU ($\beta = 0.314$; $CR = 4.804$; $p < 0.001$), supporting H5. Overall, the structural paths indicate that the effect of technological perceptions on performance operates through attitudinal and behavioral mechanisms, while government policy contributes an additional direct association with MSME performance.

Table 3. Results of path coefficient analysis in the structural model to test the influence of intervariable in digital marketing through social media on msme performance with government policy as a moderating variable

	Estimating	SE	CR	P
Attitudes toward social media use (ATU) ← Public Works	0.761	0.050	15.303	0.000
Attitudes toward social media use (ATU) ← Perceived ease of use (PEU)	0.225	0.035	6.506	0.000
Actual social media use (AU) ← Attitudes toward social media use (ATU)	0.467	0.069	6.807	0.000
MY ← Actual social media use (AU)	1.009	0.174	5.786	0.000
MY ← Government policy (KP)	0.314	0.065	4.804	0.000

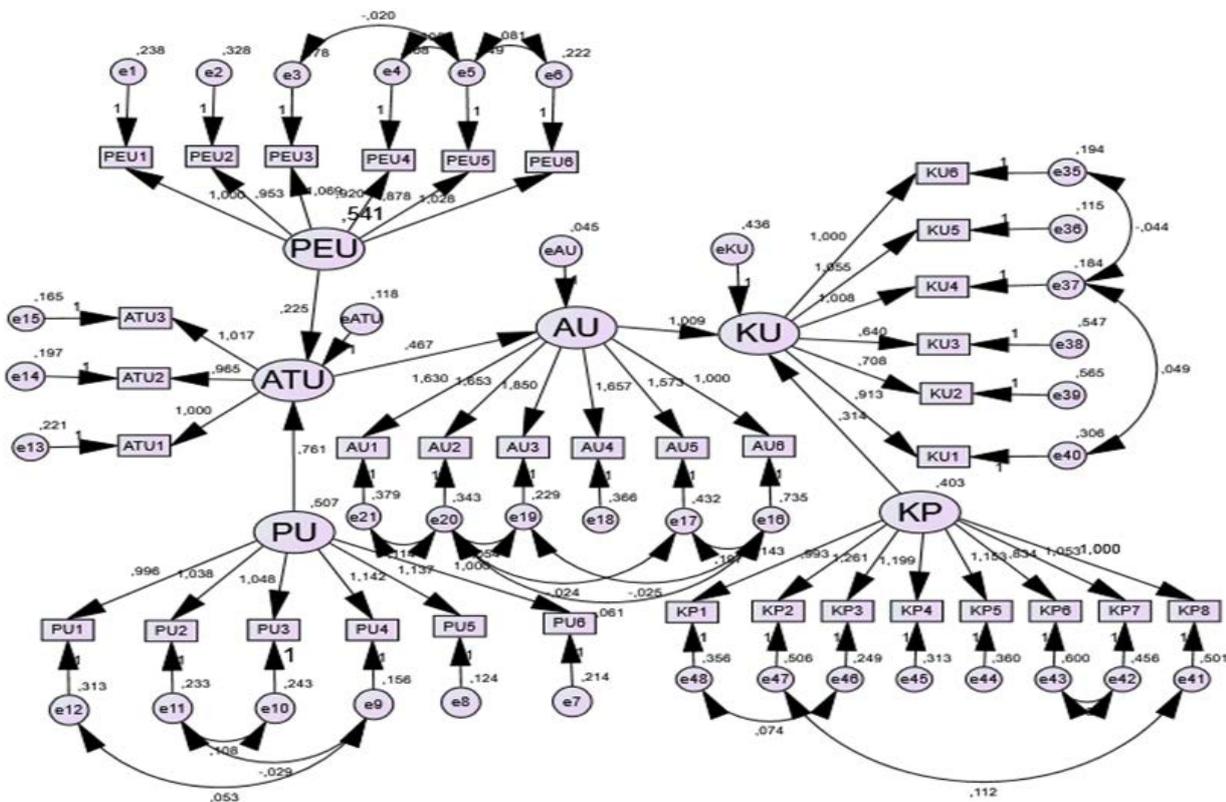


Figure 2. Structural testing path coefficient model on the influence of digital marketing through social media on msme performance with government policy as a moderating variable

After estimating the direct effects in the structural model, moderation analysis was conducted to examine whether government policy (KP) conditions the relationship between actual social media use (AU) and MSME performance (KU). The moderation procedure in SEM-AMOS followed the Ping (1996) single-indicator approach by constructing an interaction term (AU×KP) derived from the product of indicators from the focal predictor and the moderator. Based on this computation, the interaction parameters were set using $\lambda = 80.859$ and $\theta_q = 486.448$, which were then incorporated into the moderation specification; the resulting model is illustrated in Figure 3.

Table 4 indicates that the interaction effect (AU×KP) on MSME performance is significant (CR = 2.728; $p = 0.006$), confirming that government policy moderates the influence of social media use on MSME performance, therefore, H6 is supported.

This study finds that government policy acts as a significant moderator in linking social media utilization to MSME performance. This result suggests that while social media adoption contributes to improved performance, its impact is not uniform across MSMEs and depends on supportive institutional conditions. This moderating role helps explain the inconsistent

performance effects reported in previous studies (Aichner & Jacob, 2015; Olanrewaju et al. 2020; Yosep et al. 2021).

Consistent with the Technology Acceptance Model, perceived ease of use positively influences attitudes toward social media usage (Mulyani & Kurniadi, 2015). Rather than reiterating ease-related attributes, this finding indicates that simplicity and flexibility reduce psychological barriers to adoption, enabling MSMEs to develop favorable attitudes toward social media as a marketing tool (Thompson et al. 1991). These attitudes function as an important cognitive-affective mechanism shaping subsequent behavioral responses.

Similarly, perceived usefulness has a significant positive effect on attitudes toward social media usage (Adams et al. 1992; Gusni et al. 2020; Kanchanatanee et al. 2014; Mulyani & Kurniadi, 2015; Oentario et al. 2017; Renny et al. 2013; Widodo & Putri, 2017). This result suggests that MSMEs value social media primarily for its ability to support marketing effectiveness and sales performance. Importantly, perceived usefulness operates not as a direct determinant of performance, but as a belief that shapes favorable attitudes toward sustained social media usage.

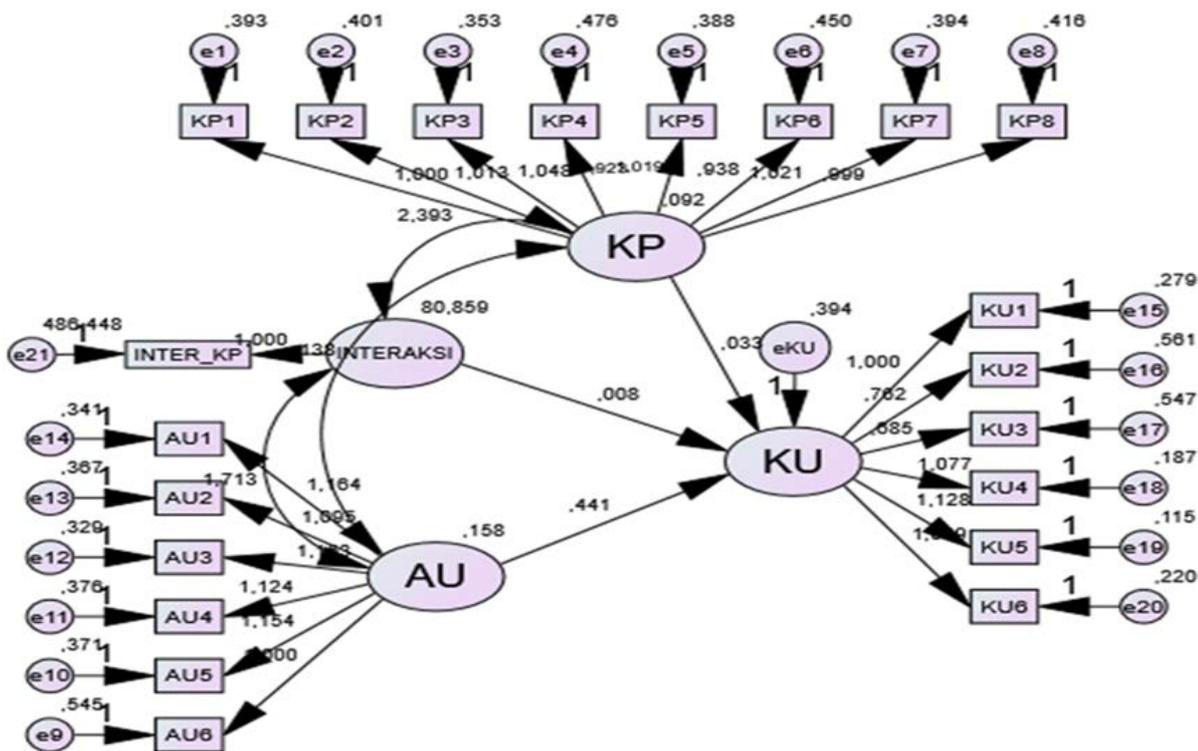


Figure 3. Moderation model of government policy on the influence of digital marketing through social media on MSME performance in structural equation modeling (SEM) analysis

Table 4. Results of the moderation significance test of government policy on the influence of social media use on msme performance

	Estimating	SE	CR	P
MSME performance (KU) ← Actual social media use (AU)	0.441	0.155	2.843	0.004
MSME performance (KU) ← Government policy (KP)	0.033	0.175	0.187	0.852
MSME performance (KU) ← Interaction	0.008	0.003	2.728	0.006

The results further confirm that attitudes toward social media usage positively influence actual usage behavior (Kanchanataneet al. 2014; Oentario et al. 2017; Sidharta & Sidh, 2014). This supports TAM’s proposition that attitudes serve as a bridge between cognitive perceptions and behavior. MSMEs with positive attitudes are more likely to engage in consistent and interactive social media usage, rather than adopting it in a limited or experimental manner.

Actual social media usage was found to have a positive impact on MSME performance, supporting prior studies that link digital marketing activities with business outcomes (Istianingsih & Defit, 2021; Nuseir & Aljumah, 2020; Olanrewaju et al. 2020; Yande & Suryanata, 2021; Yosep et al. 2021). This finding reinforces the view that social media can function as a strategic marketing resource when MSMEs actively leverage platform features to engage customers and expand market reach (Rodriguez & Trainor, 2016; Kannan & Li, 2017).

Beyond direct effects, the moderating role of government policy highlights the importance of institutional support in enhancing the performance benefits of social media usage. Government initiatives related to training, access to technology, and regulatory facilitation reduce resource constraints faced by MSMEs and improve their ability to translate digital marketing activities into performance gains (Krueger, 1993). Rather than serving merely as a policy backdrop, government support acts as an enabling condition that strengthens the effectiveness of social media usage.

Managerial Implications

The findings suggest that MSME owners should focus not only on adopting social media but also on developing the capabilities required to use it strategically and interactively. From a policy perspective, the results imply that government interventions should prioritize capacity-building programs, such as digital marketing training and technology facilitation, to maximize the performance impact of social media adoption. These

implications are directly derived from the empirical evidence showing that social media usage yields stronger performance outcomes when supported by conducive government policies.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The results show that social media-based digital marketing improves the performance of MSMEs in Indonesia, and that government policy is instrumental in reinforcing this effect. Perceptions of social media’s ease of use and usefulness foster favorable attitudes among MSME actors, which subsequently encourages actual use and leads to better business outcomes. Policy initiatives including digital skills development, infrastructure provision, and improved access to technology and financing further enhance the contribution of social media use to MSME performance. Accordingly, strong coordination between MSMEs and government institutions is essential to speed up digital transformation and strengthen competitiveness in the digital economy

Recommendations

It is recommended that the government sustain and expand policies that facilitate MSMEs’ adoption of digital technologies through training programs, adequate supporting facilities, and equal access to digital infrastructure. MSMEs should also upgrade their digital marketing capabilities and refine their strategies so that social media can be utilized more effectively. Future studies may extend the proposed model by incorporating additional determinants such as digital literacy, innovation capability, or entrepreneurial orientation to provide a broader understanding of MSME performance drivers in the digital era. In addition, applying the moderation framework to different geographical contexts is recommended to strengthen the external validity of the findings, with the inclusion of control variables such as age, education,

and work experience in the analysis of social media usage and MSME performance.

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