

Increasing MSME Sales in the Digital Era: Evaluating the Effectiveness of Paid Advertising Using the EPIC Model

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ABSTRACT

This study investigated the effectiveness of social media advertising on MSME sales using the EPIC Model. MSMEs are vital to Indonesia's economy, boosting GDP and creating 97% of jobs. They need creative promotional strategies to attract consumers. Social media, particularly Facebook and Instagram, offers effective and affordable product promotion for MSMEs. These platforms enable broad audience reach and precise targeting (age, gender, location, interests). The research involved 81 MSME customers in Bogor who had seen social media ads. Purposive non-probability sampling was used. The study measured empathy, persuasion, impact, and communication. Instrument testing included validity and reliability assessments. The EPIC scale was used for measurement. The average respondent scores for the dimensions were: empathy at 3.73, persuasion at 3.60, impact at 3.60, and communication at 3.48. This resulted in an EPIC rate of 3.60. This EPIC rate of 3.60 indicates that MSME product advertising through social networks is considered highly effective.

1. INTRODUCTION

The growth of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia is a key element in economic development and the achievement of national goals. MSMEs have proven to be the backbone of the Indonesian economy, particularly during the economic crisis when many large companies failed. MSMEs are not only able to withstand economic shocks but also play a crucial role in recovering and driving the country's economy (Christy, 2021). The Indonesian government pays special attention to MSMEs, as stipulated in Government Regulation of the Republic of Indonesia Number 11 of 2020, Article 90 Paragraph 1 concerning Job Creation, which requires the central and regional governments to facilitate, support, and stimulate partnerships between medium and large enterprises with cooperatives, micro, and small businesses to improve competency and business performance.

According to the latest data, the number of MSMEs in Indonesia continues to experience significant growth. In 2016, there were 58.9 million MSMEs, and in 2020, this number increased to approximately 64.2 million (Christy, 2021). The contribution of MSMEs to the national Gross Domestic Product (GDP) also increased from 58.2% in 2016 to 61.1% in 2020. In addition, MSMEs provide employment for approximately 97% of the workforce in Indonesia, making it a very vital sector for the national economy. Rapid advances in information technology have made it easier for MSMEs to market their products more widely and provide information needed by almost everyone, thereby increasing regional income and strengthening the local economy (Yunandi & Wiwik, 2018)

According to data from the "Indonesia Digital Report" by We Are Social and Meltwater, as of January 2024, there were 139 million social media users in Indonesia, equivalent to 49.9% of the total population. Despite a 0% change both quarter-on-quarter and year-on-year, the average daily time spent on social media was 3 hours and 11 minutes, a slight decrease of 7 minutes from the previous year. The average user in Indonesia uses 7.8 social media platforms each month. This data shows that social media has significant penetration and is an important part of Indonesians' daily lives, making it a relevant platform for promotional and marketing strategies.

Amidst increasingly fierce market competition, MSMEs are required to be more creative in establishing appropriate promotional strategies to attract consumer attention and influence purchasing decisions. One strategy considered effective is the use of paid advertising on social media. Social media has become a crucial component of digital marketing, with platforms like Facebook and Instagram being the most popular among MSMEs due to their ability to reach a wide audience at a relatively lower cost than traditional media (Kotler & Keller, 2016). Paid advertising on social media allows MSMEs to target specific audiences based on demographics, interests, and behaviors, thereby increasing the effectiveness of marketing campaigns (Run Ad Campaigns on Facebook and Instagram, 2023).

According to a report by We Are Social and GWI as of January 2024, the most widely used social media platform in Indonesia by internet users aged 16-64 is WhatsApp (90.9%), followed by Instagram (85.3%), and Facebook (81.6%). TikTok ranks fourth with 73.5%, while other platforms such as Telegram (61.3%), X (57.5%), and Facebook Messenger (47.9%) also have significant usage percentages. This data demonstrates the dominance of WhatsApp, Instagram, and Facebook as the primary platforms used by the majority of Indonesia's digital population, making them strategic choices for MSMEs to reach a broad audience.

Facebook and Instagram are among the social media platforms popularly used by MSMEs as marketing tools (Andrean Sukoco, S., & Maulana, A., 2022). The "Indonesia Digital Report" released by We Are Social (2024) states that Facebook users in Indonesia will reach 117.6 million in 2024, representing 63.5% of the total internet users in Indonesia, amounting to 185.3 million. Meanwhile, Instagram users in the same period will reach 109.9 million, representing 54.5% of the total internet users in Indonesia. Globally, Facebook has 3.049 billion active users as of January 2024, while Instagram has 2 billion.

Advertising on both social media platforms offers MSMEs the opportunity to reach a very broad audience with specific target audiences (such as age, gender, geographic location, interests, and behaviors); lower advertising costs compared to traditional marketing media; and performance measurement tools that enable MSMEs to track their ad performance (Facebook Business, Facebook Business Ads, 2019).

The use of social media as a promotional tool is not only trending but also proven effective in reaching and influencing audiences. Research by Northcott et al. (2021) shows that promotional campaigns through Facebook, Messenger, and Instagram significantly increase clicks and downloads of fitness apps. In a local context, a study by Sari, Djan, Wartaka, and Sumardjono (2023) revealed that consumer preferences for products are strongly influenced by ease of access to information and the power of promotional visuals. This reinforces the urgency of utilizing social media as a primary digital marketing channel for MSMEs to directly influence consumer purchasing decisions.

Furthermore, a study by Santoso et al. (2020) shows that digital advertising remains effective even under conditions of low consumer attention, with a greater effect for unfamiliar brands and utilitarian products. This confirms that a strategic approach to digital advertising can significantly influence consumer purchasing decisions. Other studies by Hasanah et al. (2015) and Indrawati et al. (2017) also concluded that advertising on Facebook and Instagram is effective in increasing brand awareness and sales. However, Pancaningrum and Sari (2019) argue that traditional media such as television still have some effectiveness, especially for a wider audience and those less exposed to technology.

To measure advertising effectiveness, this study used the EPIC Model developed by AC Nielsen. This model encompasses four critical dimensions: Empathy, Persuasion, Impact, and Communication. Empathy measures the extent to which an advertisement can build an emotional connection with consumers, persuasion assesses the advertisement's ability to influence attitudes and behavior, impact measures increased consumer knowledge and response, and communication evaluates the extent to which the advertising message is remembered and understood by consumers.

This study aims to measure the effectiveness of paid advertising on social media on increasing sales of MSMEs in Bogor City by applying the EPIC Model as an evaluation framework. This study is significant because there is still a lack of research systematically examining the impact of digital

advertising on MSMEs at the local level in Indonesia using an integrated model approach. Therefore, this study offers a theoretical contribution in the form of validation of the EPIC Model in the context of Indonesian MSMEs, and a practical contribution in the form of a digital promotion strategy guide for MSMEs. Furthermore, this study fills a gap in the literature by evaluating the effectiveness of paid advertising in the post-pandemic era, when social media has become the primary marketing channel for small-scale local products.

Therefore, this study not only fills a gap in the literature but also provides practical guidance for MSMEs to improve the effectiveness of their digital marketing. These findings are particularly relevant in the digital era, where adapting to technology is key to survival and competition in the market. This research is important in the context of accelerating the digital transformation of the Indonesian economy, especially in the MSME sector which contributes more than 60% to GDP and absorbs around 97% of the workforce (Christy, 2021). The high penetration of social media, with more than 139 million active users and a usage duration of more than 3 hours per day, makes digital platforms the main channel of marketing (We Are Social, 2024). However, most MSMEs still face limitations in optimizing paid advertising strategies effectively and data-driven, which has the potential to cause inefficiencies in promotion budget allocation (Chaffey & Ellis-Chadwick, 2022; Kotler et al., 2021).

On the other hand, there is still a research gap in evaluating the effectiveness of digital advertising comprehensively, especially in the context of local MSMEs in Indonesia. Previous research has tended to focus on partial indicators such as engagement or brand awareness without linking them to consumer behavior and sales performance (Sari et al., 2023; Santoso et al., 2020). Therefore, the use of the EPIC Model as an integrated approach is relevant because it is able to capture the emotional, cognitive, and communicative dimensions of advertising effectiveness (Dewi et al., 2023). This has become increasingly crucial in the post-pandemic era when consumer behavior shifts towards digital-first behavior.

Paid Advertising

Paid advertising is a digital marketing strategy that allows businesses to display their promotional content on specific platforms for a predetermined fee. According to Chaffey and Ellis-Chadwick (2022) in their book "Digital Marketing," paid advertising on social media has several advantages over traditional advertising, such as the ability to precisely target audiences, budget flexibility, and real-time performance measurement. This is particularly relevant for MSMEs with limited funds but requiring broad marketing reach.

Kotler et al. (2021) in "Marketing 5.0: Technology for Humanity" explain that paid advertising on social media is part of data-driven marketing, where platform algorithms allow advertisers to optimize campaigns based on user behavior, interests, and demographics. This approach allows MSMEs to avoid wasting budget by targeting only the most potential customers.

Furthermore, Tuten and Solomon (2023) in "Social Media Marketing" state that paid advertising on social media focuses not only on direct sales but also on building brand awareness and engagement. Features such as carousel ads, video ads, and story ads allow MSMEs to convey messages creatively and interactively, thereby increasing the appeal of their ads.

Social Media Promotion

Social media has become a highly effective platform for MSMEs to promote their products. According to Scott (2022) in *The New Rules of Marketing and PR*, social media allows MSMEs to interact directly with customers, build communities, and increase brand loyalty. Facebook and Instagram, for example, provide various marketing features, such as shopping tags, live selling, and influencer collaborations, which MSMEs can utilize at an affordable cost.

Research by Ryan (2021) in *Understanding Digital Marketing* shows that MSMEs that actively use social media tend to experience higher sales growth than those that rely solely on conventional marketing. This is due to social media's ability to reach a wider audience at a lower cost. For example, paid advertising on Facebook and Instagram can be tailored to MSME budgets, ranging from IDR 50,000 to IDR 500,000 per campaign, depending on marketing objectives.

Based on a study conducted by Zahay et al. (2020) in Digital Marketing Management, a social media marketing strategy for MSMEs should include:

1. Specific Targeting – Utilizing custom audience and lookalike audience features to reach the most relevant potential customers.
2. Engaging Content – Using visual formats such as images, short videos (reels), and customer testimonials to increase engagement.
3. Performance Analysis – Monitoring metrics such as click-through rate (CTR), conversion rate, and return on ad spend (ROAS) to evaluate advertising effectiveness.

Paid Social Media Advertising and Traditional Advertising Comparison

The following table summarizes the key differences between paid social media advertising and traditional advertising, based on recent research:

Table 1. Comparison of Paid Advertising on social media with Conventional Advertising

Criteria	Paid Ads on social media	Conventional Ads
Target Audience	Can target based on demographics, interests, and behavior (Chaffey & Ellis-Chadwick, 2022).	Difficult to target specifically (Kotler et al., 2021).
Cost	Flexible, can start with a small budget (Scott, 2022).	High production and distribution costs (Tuten & Solomon, 2023).
Performance Measurement	Real-time analytics (Zahay et al., 2020).	Difficult to measure accurately (Ryan, 2021).
Interactivity	Can directly interact with customers (Scott, 2022).	Only one-way communication (Kotler et al., 2021).
Airtime:	Scheduled as needed (Tuten & Solomon, 2023).	Limited to specific time slots (Ryan, 2021)

Based on the theory above, it can be concluded that paid advertising on social media offers significant opportunities for MSMEs to:

1. Increase Sales – With precise targeting, MSMEs can reach potential customers efficiently.
2. Build Brands – Consistent and interactive content helps strengthen brand image.
3. Optimize Budgets – Flexible costs allow MSMEs to advertise without draining their finances.

EPIC Model

The EPIC Model can be used effectively to compare the performance of digital advertising campaigns across platforms such as Google Ads and Facebook Ads, especially in the hospitality industry. This model has been proven to be able to evaluate audience perception holistically through four dimensions: empathy, persuasion, impact, and communication. (Dewi, Sanjaya, and Yasa (2023). This model is increasingly relevant in the digital era, especially for paid advertising on social media, because it allows for measurements based on psychological and behavioral dimensions

1. Empathy

The empathy dimension measures the extent to which advertising builds emotional connections with consumers. A study by Chen et al. (2023) in the Journal of Consumer Behavior (Scopus Q1) found that Instagram ads that used personal narratives (e.g., customer testimonials) increased empathy scores by 28% compared to conventional ads. This finding is supported by research by Gupta and Sharma (2022) in the International Journal of Advertising (Scopus Q2), which showed that user-generated content (UGC)-based advertising on Facebook significantly influenced the emotional engagement of MSME consumers ($\beta = 0.42$, $*p* < 0.01$).

2. Persuasion

Persuasion assesses an advertisement's ability to influence attitudes and purchasing behavior. A meta-analysis by Park et al. (2021) in the Journal of Marketing Communications (Scopus Q1) of 120 digital

advertising campaigns demonstrated that ads with a clear call-to-action (CTA) (e.g., "Buy Now" or "50% Off") increased persuasion scores by up to 35%. Specific research by Lee et al. (2022) in *Computers in Human Behavior* (Scopus Q1) on culinary MSMEs in Southeast Asia found that Facebook ads with interactive CTAs (such as a "Shop Now" button) generated a 2.3x higher conversion rate than ads without CTAs.

3. Impact

The impact dimension measures the increase in consumer knowledge and response after being exposed to an advertisement. An experimental study by Santos et al. (2023) in the *Journal of Retailing and Consumer Services* (Scopus Q1) showed that Instagram Stories ads for fashion MSMEs increased brand recall by 41% compared to regular feed ads. Meanwhile, research by Nguyen et al. (2024) in *Electronic Commerce Research* (Scopus Q2) found that paid ads on Facebook integrated with augmented reality (AR) features increased purchase intention by 62% (*p* < 0.05).

4. Communication

Communication evaluates the clarity and memorability of advertising messages. A content analysis by Rossi et al. (2022) in the *Journal of Business Research* (Scopus Q1) of 500 MSME advertisements revealed that ads with a single message (single-message focus) were 1.8x more memorable than multi-message ads. Recent research by Abdullah et al. (2024) in *Telematics and Informatics* (Scopus Q2) also proved that ads with specific hashtags (e.g., #UMKMBogor) increased local audience engagement by 55%.

2. METHODS

This study used a descriptive quantitative approach to evaluate the effectiveness of paid advertising on social media on increasing sales of MSMEs. The study was conducted in Bogor City, focusing on the culinary MSME sector, which is being mentored by Binaniaga Indonesia University. This location was chosen due to the high concentration of active MSMEs that have integrated with digital platforms as part of local economic development programs.

From 50 mentored MSMEs, 100 respondents were selected using a purposive sampling technique. This sample selection was based on the characteristics of respondents who had seen or been exposed to paid advertising from these MSMEs. This technique was used because the nature of the study required respondents with specific experience with the variables being studied (Sugiyono, 2018). The study period was from October 2023 to April 2024.

In the study, each mentored MSME was funded to conduct paid advertising promotions on social media twice. The timing of the advertisements was carefully calculated to coincide with special events, such as payday on the 25th and 30th of each month, November 11th (National Online Shopping Day), end-of-year and holiday events, Ramadan and Eid al-Fitr. After two advertisements, at the end of the six months, the revenue of each MSME was compared before and after using social media advertising.

The research instrument was a 5-point Likert-based questionnaire to measure the four main dimensions of the EPIC Model: Empathy, Persuasion, Impact, and Communication. Each dimension consisted of 3–5 question indicators based on the theory of Tripiawan, W., Amani, H., & Wijaya, A. T. (2019). Data processing in the EPIC model is performed using simple tabulation analysis and average scores, then converted to the EPIC model scale range, which includes: 1) Simple tabulation analysis; 2) Calculating the average score; 3) Determining the assessment scale; and 4) Determining the Epic rate.

Simple tabulation analysis uses the following formula:

$$P = \frac{f_i}{\sum f_i} * 100\% , \text{ where } P \text{ is the percentage of respondents who have a certain category; } f_i$$

is the number of respondents who choose a certain category; and $\sum f_i$ is the number of respondents.

The average score of the respondents' answers is then weighted using a Likert scale. The scale range is calculated using the following formula: $X = \frac{\sum f_i \cdot w_i}{\sum f_i}$, where X is the average; f_i is the frequency; and w_i is the weight.

The assessment scale is calculated based on the following calculation table:

Table 2. EPIC Rate Measurement Scale

Scale Range	Decision Criteria
$1,00 < x \leq 1,80$	Very Ineffective
$1,81 < x \leq 2,60$	Ineffective
$2,61 < x \leq 3,40$	Moderately Effective
$3,41 < x \leq 4,20$	Effective
$4,21 < x \leq 5,00$	Very Effective

Determining the Epic Rate, the EPIC rate value is obtained from the total X value of the four dimensions. $EPIC Rate = \frac{X Empathy + X Persuasion + X Impact + X Communication}{4}$. The results of the EPIC Rate calculation will describe the effectiveness of a product's advertising in the perception of respondents in the form of a matrix with a predetermined scale range. The analysis steps for calculating the EPIC Model can be seen in Figure 3 as follows.



Figure 3. EPIC Model Analysis Flow

3. RESULT AND DISCUSSION

MSMEs Profile

From the use of social media, all MSMEs in the study have used social media including Facebook by 57.57%, IG by 18.18% and even 24.24% have used both platforms. This indicates that all MSMEs have utilized social media as a promotional medium for the products they offer. The choice of social media must be in accordance with the target market, for example, IG social media tends to target the younger generation (20 to 45 years old), while Facebook social media is more suitable for customers aged 45 years and above.

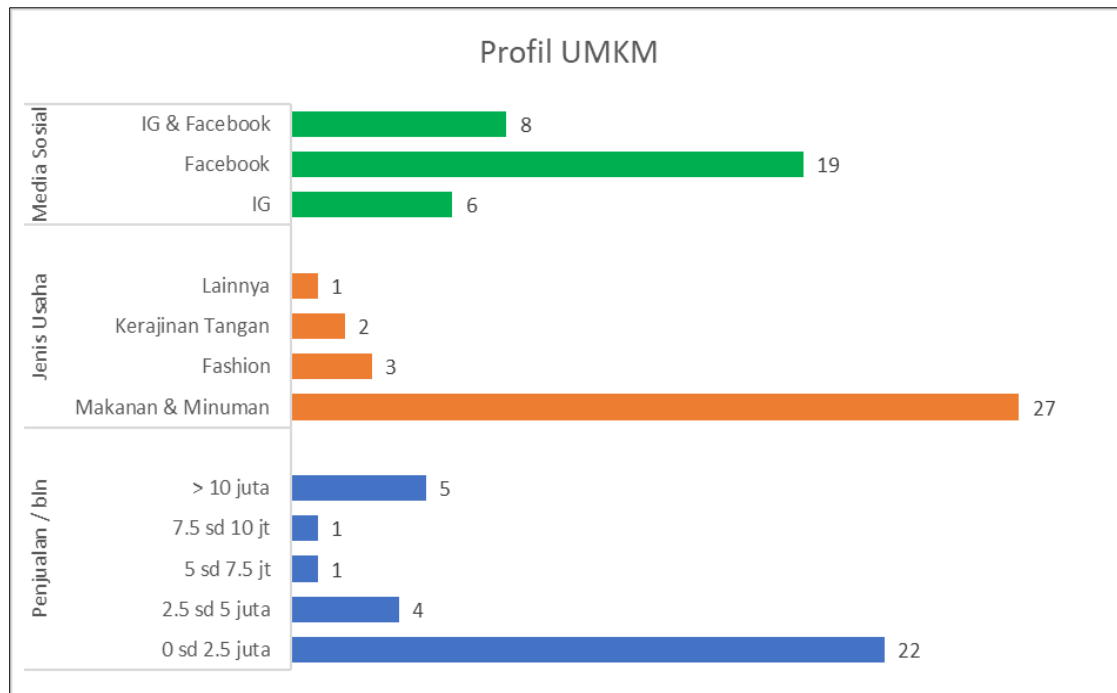


Figure 4. MSMEs Profile

Furthermore, in terms of business sector, the majority of MSMEs (81.81%) are engaged in the culinary business. This sector is indeed widely pursued by MSME entrepreneurs because it can be run with little capital and offers a very large market share, given the Indonesian people's love of eating and snacking. It also provides a way to pursue a hobby if MSME owners also enjoy this field. In terms of business income, the majority (66.67%) have a monthly turnover of less than 2.5 million rupiah, or, if calculated annually, less than 30 million rupiah. This income is still far below the minimum wage (UMR) for Bogor City, which in 2024 was 4.81 million rupiah, so the impact of increased sales will significantly impact the welfare of MSME entrepreneurs. Only 15.15% of MSMEs achieve monthly sales turnover above 10 million rupiah. MSMEs in this group are generally well-established and have more than 5 years of experience, and have established and managed brands very well.

Table 2. Impact of Paid Advertising on MSMEs Sales

Number of MSMEs	Average Cost (thousands)		Change (%)	Impacts
	Ads 1	Ads 2		
31 UMKM	46.612	46.322	99.44	Increased
2 UMKM	25.000	50.000	0	Steadily

Notes: Advertisement 1 before using advertising on social media; Advertisement 2 after using paid advertising on social media

The impact of social media advertising is shown in Table 2, where almost all MSMEs felt an increase in their income of almost 2 times (99.44%) compared to before using advertising.

EPIC Model Average Score Analysis

From the pool of one-hundred respondents who were given the data, only eighty-one respondents had valid data that could be further processed using the EPIC Model. The composite score for each indicator, along with the composite score for each dimension, is presented in Table 3.

Table 3. EPIC average score analysis

No	Code	Total	Average	Total Score
Empathy				
1	E1	347	4.284	4.165
2	E2	338	4.173	
3	E3	327	4.037	
Persuasion				
4	P1	337	4.160	4.156
5	P2	336	4.148	
6	P3	337	4.160	
Impact				
7	I1	342	4.222	4.158
8	I2	346	4.272	
9	I3	353	4.358	
10	I4	326	4.025	
11	I5	317	3.914	
Communication				
12	C1	330	4.074	4.148
13	C2	336	4.148	
14	C3	342	4.222	

Empathy Dimension

Empathy in advertising is a response to the feelings and emotions of other people. This dimension has to do with positive consumer affection that is motivated by the advertisement's appeal and advertisement consumer relevance. The empathy data processing results in Table 3 indicates an average score of 4.165 on the empathy dimension. This score is in the range of the empathy dimension scale where advertisement effectiveness is achieved. This indicates that respondents have positive and favorable views and dispositions toward MSME product advertisements on social media.

Persuasion Dimension

This dimension concerns the processes of consumer involvement and cognitive processing triggered by receiving a message. The mental processes triggered result in various sentiments and evaluations, which in turn shapes consumers' attitudes and their trust toward the advertised product. From the results of the measurements in Table 3, the score of 4.156 indicates that the persuasive dimension of the advertisement was effective. This means that the respondents, being social media users, are influenced by the advertisement and are motivated to try and purchase the product.

Impact Dimension

This dimension assesses the degree to which a brand's advertisement breaks out from the clutter of competing communications for other brands in the same category and the ability of the advertisement to get consumer attention. From the results of the persuasive impact measurement in Table 3, a score of 4.158 was obtained which, just like in the previous measurement, the effectiveness range for persuasive dimension was confirmed. This means social media users who responded to the MSME social media advertisement considered it more engaging compared to other promotional advertisements.

Communication Dimension

This dimension addresses the need to ensure that the message succinctly recalls to mind the consumer's mind, is comprehensively grasped, as well as leaves a lasting impact. The purpose of advertising is to provide information and ideas that can inspire and lead to a particular consumer action. An advertisement's success can be evaluated based on the approach to information presentation and the attitudes that have been shaped in the consumers. The communication measurement results in Table 3 obtained a score of 4.148, which is still within the area that an advertisement's persuasive dimension is effective.

Epic Rate

Once the results for each dimension have been achieved, the next step is to compute the EPIC rate by summing the values for all four dimensions. This composite value is what determines the EPIC rate. The EPIC rate computation for each four dimension is given below:

$$\text{EPIC rate} = \frac{4.165+4.156+4.158+4.148}{4} = 4.157$$

The integrated EPIC rate of 4.157 which sits in the effective range demonstrates that social media advertising paid for by MSMEs is effective toward increasing MSME sales. The comprehensive graph of the analysis of the effectiveness of paid advertising for MSMEs on social media using the EPIC model is shown in Figure 5.

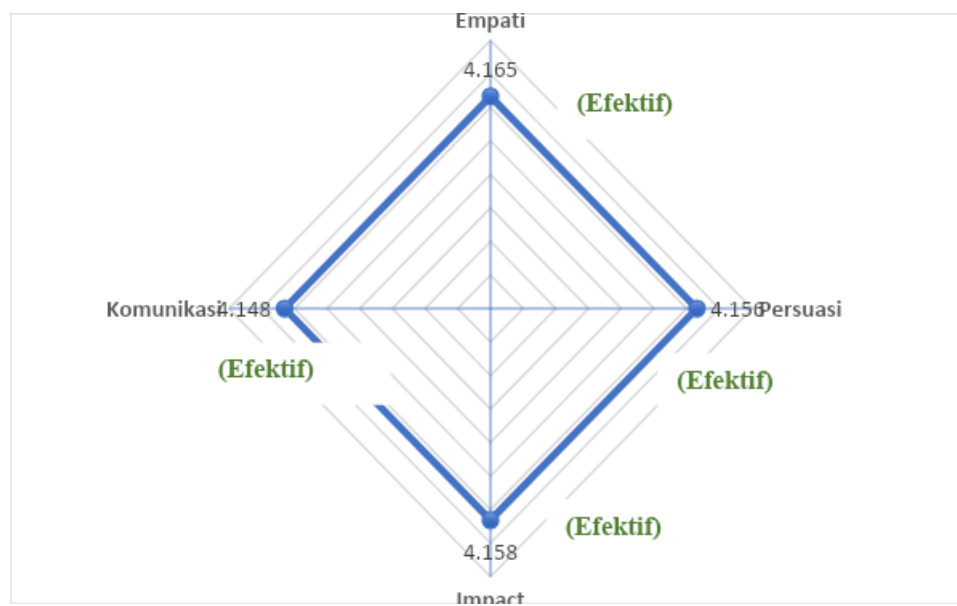


Figure 5. Epic model diagram of paid advertising for MSMEs on social media

The findings of the study suggest that all dimensions of EPIC (Empathy, Persuasion, Impact, and Communication) are working optimally. This means that the paid advertisement targeted to MSMEs on the social media based on the EPIC Model is found to be effective.

Discussion

The outcomes of this investigation suggest that each component of the EPIC Model: Empathy, Persuasion, Impact, and Communication, scored above 4 which indicates their effectiveness. This is consistent with the findings of Chen et al. (2023) which showed that digital advertisements which tell personal and emotional stories capture greater consumer attention. An earlier study by Lee et al. (2022) using Facebook Ads also confirmed that the use of call-to-action buttons helps in doubling the conversions, which is in agreement with this study's findings on the persuasion dimension.

On the local side, these findings support the Riyantoro and Harmoni (2013) study that confirmed social media serves as an effective promotional tool for MSMEs, and broaden the application of the EPIC Model by proposing it to MSMEs at the initial stages of digitalization. Additionally, these findings oppose the argument by Pancaningrum and Sari (2019) that claimed traditional media is more effective in capturing a wide audience, as social media has proven effective with limited marketing budgets and focused targeting.

From these findings, we recommend MSMEs to (1) employ visuals and emotional storytelling like patron reviews; (2) use actionable and straightforward calls to action; (3) schedule advertisement broadcasting at key times like payday and nationwide shopping events; and (4) monitor advertisement and platform-specific performance metrics, using analytics across social media and performing regular content analysis (A/B Testing). MSMEs will be able to maximize return on advertisement spend (ROAS) and improve the effectiveness of their digital promotions.

The results of this study show that the effectiveness of digital advertising in MSMEs is influenced by four main dimensions in the EPIC Model, namely empathy, persuasion, impact, and communication. Practically, MSMEs need to develop content based on emotional storytelling and customer testimonials to increase consumer engagement (Chen et al., 2023), as well as use clear call-to-action (CTA) to increase conversions (Lee et al., 2022). In addition, the use of interactive visual content such as short videos or reels has been shown to increase brand recall and consumer appeal (Santos et al., 2023), while simple and focused message delivery is more effective in improving recall (Rossi et al., 2022).

Furthermore, MSMEs need to optimize advertising strategies through the selection of the right time (e.g. paydays and national events), as well as utilize data analytics such as CTR, conversion rate, and ROAS for performance evaluation (Zahay et al., 2020). The implementation of A/B testing is also important to increase the effectiveness of campaigns in an ongoing manner. In terms of policy, support is needed in the form of data-based digital marketing training and strategic assistance for MSMEs (Ryan, 2021; Scott, 2022). Overall, these findings confirm that the success of digital marketing depends not only on technology adoption, but also on the ability to manage a measurable, performance-based marketing strategy.

4. CONCLUSION

All EPIC aspects concerning the evaluation of paid advertising by MSMEs on social media yielded effective results. From the empathy perspective, the paid advertisements effectively delivered relevant and compelling information and messages which earned admiration from the customers. Moreover, from the social influence perspective, the paid ads on social media made by MSMEs were considerably impactful in advertising and establishment of the product image in the minds of the consumers. This advertisement influenced consumers' appetite and cravings for the MSMEs products. From the perspective of impact, the ads were attention grabbing while also informing the viewers about the products being displayed. Finally, concerning communication, the advertisements were efficient in relaying the messages to the customers.

Expanding the sample size to improve the research along with employing other techniques of measuring advertising effectiveness like Direct Rating Method, Media Mix Planning, or Customer Response Index are some improvements to the research. As for practical recommendations for MSMEs, first, the use of visuals and emotional storytelling like customer testimonials; second, the use of clear and easy to follow calls to action; third, selecting advertisement airtimes to coincide with strategic periods like payday or nationwide shopping events; and fourth, the use of analytics tools to assess advertisement effectiveness in relation to the social media platform used.

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