

# A Systematic Literature Review of Digital Marketing Ethics Practices in Micro, Small, and Medium Enterprises in Indonesia

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**Abstract.** The rise of digital technology has transformed business marketing, especially for Micro, Small, and Medium Enterprises (MSMEs) in Indonesia, where the digital economy is expected to reach USD 90 billion. This growth drives MSMEs to adopt digital marketing, yet it also raises ethical concerns such as data misuse, misleading content, hoaxes, and algorithm manipulation. These issues are intensified by low digital literacy, market pressures, and weak regulations. This study aims to analyze how ethical principles are integrated into digital marketing practices among Indonesian MSMEs. Using a qualitative descriptive method through literature review, the study identifies limited ethical awareness and application among MSMEs, despite growing recognition of its importance. Challenges include lack of knowledge, resources, and ethical guidance. However, applying core values like transparency, honesty, and social responsibility proves vital for building consumer trust and long term business sustainability. The study concludes that structured integration of ethics into MSME digital marketing is crucial and offers practical recommendations to promote responsible and sustainable practices in Indonesia's digital economy.

**Keywords:** Digital Marketing, Business Ethics, MSMEs, Data Privacy, Digital Literacy

## Introduction

The advancement of digital technology has revolutionized the way business actors operate, including in marketing activities. In Indonesia, this digital transformation is occurring not only in large-scale sectors but also among micro, small, and medium enterprises (MSMEs). According to the e-Conomy SEA 2024 report by Google, Temasek, and Bain & Company, Indonesia's digital economy has reached a value of USD 90 billion, or approximately IDR 1,413 trillion, making it the largest in Southeast Asia. This figure reflects a growing trend in which MSME players increasingly utilize digital platforms such as social media and marketplaces to market their products efficiently and reach a wider audience (Faradila et al., 2025).

With internet penetration reaching 82% of the population and over 167 million active social media users, the potential for digital marketing is immense. However, alongside this rapid growth, various ethical issues have begun to draw public attention. These include the spread of misleading information, advertising manipulation, unauthorized use of personal data, and fake testimonials. According to data from the Ministry of Communication and Information Technology, Indonesia's Digital Society Index (IMDI) in 2024 reached only 43.34, indicating a low level of digital literacy among the population and weak ethical awareness in conducting online business (Nasution, 2024).

This issue is becoming increasingly complex in the MSME sector, considering that many business actors still do not understand the importance of building consumer trust through ethical marketing practices. Several major platforms such as Tokopedia and Bukalapak have indeed implemented consumer protection and transparency policies, but these have not been uniformly adopted by all digital business players in Indonesia. Therefore, it is important to reassess the extent to which MSME actors understand and apply ethical principles in their digital marketing strategies.

In order to address this issue, this study formulates three primary questions as the focus of its investigation:

1. How is the application of ethics reflected in the digital marketing practices of business actors in Indonesia, particularly within the MSME sector?
2. What forms of ethical violations commonly take place in digital marketing practices in Indonesia?
3. What are the primary challenges encountered by business actors in implementing ethical principles within their digital marketing strategies?

Previous studies have discussed the benefits of digital marketing in driving UMKM (small and medium enterprises) growth (Nasution, 2024) and the urgency of incorporating cultural and ethical values into marketing strategies (Wahyuni et al., 2024). (Fitriya Khayatun Nufus et al., n.d., 2024) even emphasize the need for integrating local ethics, such as Islamic business ethics, as a contextual alternative approach. However, these studies remain partial and have not yet developed a systematic mapping of ethical issues in digital marketing across the Indonesian UMKM sector.

Using a systematic literature review approach, this research offers a novel contribution by integrating various empirical findings related to the application of digital marketing ethics in Indonesia, particularly within the UMKM sector. This study differs from previous research by aiming to present a comprehensive synthesis of recent journal articles to form a more holistic and applicable understanding of ethical issues in digital marketing practices. The objectives of this research are to identify forms of digital marketing practices that deviate from ethical values, assess the ethical awareness of business actors, and explore the key challenges in developing ethical digital marketing strategies.

## Methods

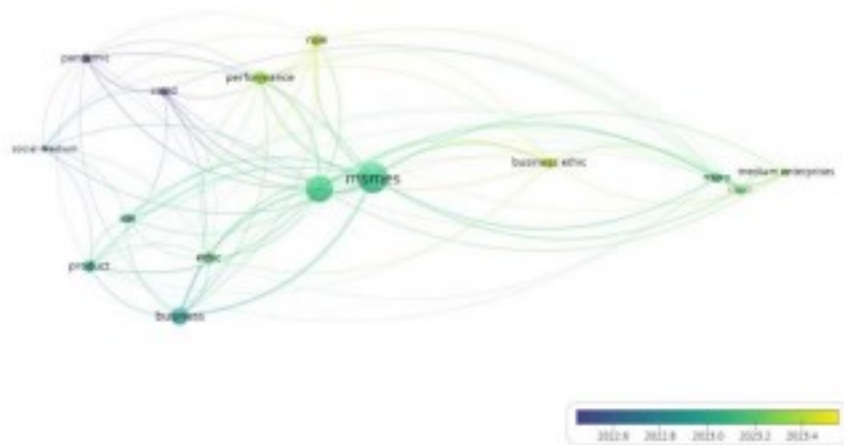
The knowledge assessment model in this study employs a literature review approach. A literature review is a synthesis of information, combining various data and findings from multiple sources to form a more comprehensive understanding (Ridwan et al., n.d.). This literature review is conducted using a qualitative descriptive approach based on library research methods. This approach is selected because it aligns with the research objective, which is to collect, analyze, and synthesize relevant literature to systematically and deeply describe the phenomenon of ethics in digital marketing in Indonesia. This method does not involve direct data collection from the field but emphasizes the understanding of meaning through the analysis of credible written sources.

The literature study is carried out by collecting various scholarly works, such as journal articles and previous research findings, that are directly related to the main theme. The reviewed literature is selected based on its relevance and contribution to the understanding of ethics in digital marketing practices. The researcher specifically searches for recent journals published within the last five years to ensure that the analyzed information reflects the latest developments in the field of digital marketing. The review process includes reading, understanding, critiquing, and synthesizing the content of the literature to build a logical and structured framework. This process is then analyzed using a qualitative descriptive approach, aimed at interpreting the findings and analyzing the application of ethical concepts in digital marketing practices.

In this study, the qualitative descriptive technique is used to illustrate how ethical concepts are applied in the context of digital marketing and to identify values, norms, and moral principles that guide online marketing practices. The study seeks to provide an objective representation of the current conditions and emerging issues related to ethical violations in digital marketing. To strengthen the systematic analysis and synthesis of data in this review, the researcher uses a systematic matrix technique as a tool to evaluate and organize information from various literature sources. This technique allows for the structured organization of data in the form of a matrix table containing key elements from each reviewed source, such as: article title, author, publication year, research objective, method used, main findings, and relevance to ethical issues in digital marketing. The steps in this technique include: (1) identifying dimensions of analysis, (2) selecting literature based on inclusion criteria, (3) extracting data into a table format, and (4) conducting cross-analysis to identify relationships among findings. In the qualitative descriptive approach, this technique is highly useful in producing evidence based synthesis and helps the researcher avoid interpretive bias.

In addition, this literature review also examines theories previously used in research to explain the phenomenon of ethics in digital marketing. Some commonly used theories include Deontological Ethics, Utilitarianism, and the Social Responsibility Theory (Kotler & Armstrong, 2018). (Murphy et al., 2005) The researcher also identifies key factors frequently mentioned as determinants of ethical compliance or violation in digital marketing, such as digital literacy levels, market competition pressure, ethical awareness, and regulatory weaknesses. This analysis is conducted to categorize recurring thematic dimensions in the reviewed literature. The study also highlights research gaps, such as the limited number of studies specifically investigating ethical digital marketing practices among MSMEs in rural areas, or studies that explore the influence of social media algorithms on the ethical decisions of micro-entrepreneurs. Identifying these gaps is essential for formulating more contextual and focused future research directions (Tranfield et al., 2003). Finally, the researcher analyzes the consistency of findings across studies to determine whether there are patterns of similarity, differences, or variation in the understanding and application of ethics in the digital domain. This process aims to ensure that the conclusions drawn are comprehensive, critical, and evidence based.

## Result and Discussion



**Figure 1.** Keyword co-occurrence relationships mapped using VOSviewer

Figure 1 presents the results of a bibliometric mapping based on a co-occurrence analysis of keywords from various relevant literature on the topic of integrating marketing ethics into the digital business practices of MSMEs in Indonesia. This visualization was generated to identify key topics, conceptual connections, and trend developments over time (with the color gradient indicating chronology, from dark blue in 2022 to bright yellow in 2023–2024). The keyword “msmes” appears as the most dominant node, indicating that the majority of studies focus on MSMEs as the main actors in the context of digital marketing ethics. This node is closely connected to keywords such as “business,” “ethic,” and “performance,” reflecting the literature's emphasis on the integration of ethical values into MSMEs’ digital marketing practices.

Keywords like “pandemic,” “covid,” and “social medium” appear in darker-colored clusters (2022), indicating that the digital transformation of MSMEs following the pandemic has served as an important backdrop in the development of this field of study. Meanwhile, brighter-colored nodes such as “business ethic” and “role” suggest that ethical issues have become a more central focus in recent literature (2023 onwards). This visualization indicates that the integration of ethics into digital marketing is not only related to moral aspects

but also has implications for business performance, the use of social media, and the overall sustainability of MSMEs. This mapping supports the urgency of a systematic review that links ethics, digitalization, and

marketing practices among MSMEs, particularly in the Indonesian context, which remains underexplored in this area.

Table 1 : Literature Analysis Results Using a Descriptive Qualitative Approach

Author (s) and Year	Objective(s)	Method(s)	Sample(s)	Findings	Similarities	Uniqueness
(Tsalikis & Fritzsch, 2013)	Reviewing the literature on business ethics, specifically in marketing ethics.	Literature Review	Academic articles and books	The gap between real world marketing practices and ethical ideals	Discussing normative ethics vs. descriptive ethics	Ethical decision making structures in marketing
(Laczniak, 2012)	Provides an explanation of the principles and practices of ethics in modern marketing.	Literature review.	None (conceptual paper).	The Hunt-Vitell model is utilized; codes of ethics are important but must be adhered to in order to be effective.	Emphasizes the importance of normative ethics.	Emphasizes the importance of normative ethics.
(Kamila & Jasrotia, 2023)	Identifies ethical challenges in implementing responsible marketing practices.	Bibliometric analysis & literature review.	1,886 articles from the Scopus database, using the combined topics of "ethics" and "marketing". Top contributing countries : United States (1,214 publications), The UK, China, Australia, and India also made significant contributions.	The study identifies five main clusters within the ethics and marketing domain : Relationship marketing, Social marketing, Sustainable marketing, Cause-related marketing, Marketing strategy.	This study aligns with previous literature on CSR, business ethics, and marketing strategy. The bibliometric method employed follows approaches used in other contemporary management studies.	This is the first bibliometric study to comprehensively address marketing ethics and responsibility. Its uniqueness lies in combining quantitative and qualitative analysis and establishing five thematic clusters as a framework

						rk for future research.
(Kusuma et al., 2024)	Explores the role of advertising ethics in addressing hoaxes and fraud in the digital era.	Descriptive qualitative with literature review.	None (conceptual/discussion-based study).	This research emphasizes that business ethics, such as honesty and integrity, are essential for	Emphasizing the role of ethics in digital marketing.	Focus on the phenomenon of hoaxes and scams in

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Author (s) and Year	Objective(s)	Method(s)	Sample(s)	Findings	Similarities	Uniqueness
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				building consumer trust and maintaining the company's reputation.		the digital era on social media. This research provides concrete examples, such as the use of AI to manipulate information, which demonstrate the relevance of advanced technology in unethical marketing practices.
(Permana & Hamidah, 2022)	Analyzing digital marketing activities with the application of digital ethics.	Literatur review (deskriptif kualitatif).	Book, journal.	Digital ethics are necessary so that marketing does not violate norms in the online world.	Voicing the importance of netiquette and ethics in social media.	Incorporating aspects of digital literacy and digital etiquette (netiquette).

(Bengu et al., 2024)	To analyze how the application of business ethics can strengthen the competitiveness and sustainability of MSMEs in the digital era.	Descriptive qualitative.	None (conceptual paper).	This research found that the main challenges in the implementation of business ethics by SMEs in the digital era include a lack of understanding of data privacy and security, unclear product information, and a high risk of counterfeiting and fraud. Additionally, many SMEs do not yet have structured ethical policies and adequate information security	This study aligns with various previous literature that emphasizes the importance of honesty, transparency, and social responsibility in business practices, especially in the digital space. Like previous research, this article also shows that business ethics are an important foundation in building	The uniqueness of this article lies in its explicit focus on MSMEs in the digital context and the combination of literature review with internal survey data. Additionally, this article provides practical solutions, such as the
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Author(s) and Year	Objective(s)	Method(s)	Sample(s)	Findings	Similarities	Uniqueness
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				systems, making them vulnerable to ethical violations that can harm customers and the business's reputation.	consumer trust and creating mutually beneficial long-term relationships.	use of blockchain technology and AI, as well as the importance of partnerships with ethical institutions, which are rarely discussed in similar studies.
(Hilma Harmen et al., 2024)	Understanding and evaluating the impact of marketing ethics on the operations of PT. Telkom Indonesia.	Qualitative (literature study).	Case study of PT. Telkom (secondary data).	Marketing ethics enhance the company's image and customer trust. The application of ethics also generates consumer loyalty and helps in business stability.	Emphasizing the importance of corporate social responsibility.	Focus on real case studies in state owned enterprises and their implications for public policy.
(Hefni Munawar, 2023)	Explaining the importance of business ethics in digital marketing to maintain and support business continuity	Literature review (qualitative)	Articles & journals	Business ethics is a guideline for decision making and the basic for corporate interactions.	Emphasizing the role of ethics in business sustainability	Focus on post pandemic adaptation and the application of ethics to address management change.



(Pendi et al., 2025)	Examining the principles of ethics in digital marketing and the challenges in their implementation.	Literature review (descriptive qualitative).	Scientific sources, books, journals.	Consumer trust heavily relies on transparency, honesty, and data protection.	Discussing issues of privacy and transparency.	In-depth and comprehensive analysis of the challenges of ethical implementation and practical regulatory based recommendations.
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Author (s) and Year	Objective(s)	Method(s)	Sample(s)	Findings	Similarities	Uniqueness
(Sari & Putri, 2024)	Analyzing effective digital marketing strategies for SMEs in Indonesia to expand their market and increase sales.	Literature review and qualitative analysis.	Journals, previous articles.	Effective digital marketing strategies include several points. such as, the use of social media, digital advertising, content marketing, improving digital skills for MSME actors, and E Commerce.	Digital marketing can enhance the competitiveness of MSMEs and focus on technology adaptation in the digital era.	Connecting digital marketing strategies with Islamic Sharia principles and monotheism, such as ethics, halal, and evaluation based on the Islamic Business Model Canvas. Additionally, explaining marketing ideas with spiritual

						values and social responsibility.
(Asidah et al., 2021)	Examining business ethics violations in online business practices in Indonesia from the perspective of sellers, buyers, and marketplace providers.	Qualitative research.	Articles/journals, and real cases in the news media.	All parties, including sellers, buyers, and market providers, have the potential to engage in unethical actions. Principles such as autonomy, honesty, fairness, moral integrity, and mutual benefit fall into this category of violations. Unethical practices	Focus on the transformation of businesses caused by digitalization and emphasizes that trust and ethics are very important for digital business practices.	Looking at ethics from three perspectives: seller, buyer, and marketplace provider. In addition, based on cases that exist in Indonesia.

				reduce public trust in online businesses.		
(Rodgers &	Researching how consumer purchasing decisions are	Online experiment with an algorithmic	Online consumers, the number is not	The ethical use of AI strengthens consumer trust	Focus on AI ethics and transparency	Explaining in detail the consumer decision-

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Author (s) and Year	Objective(s)	Method(s)	Sample(s)	Findings	Similarities	Uniqueness
Nguyen, 2022)	influenced by ethical AI-based purchasing systems in marketing.	decision pathway model.	explicitly mentioned.	and increases purchase intent.	in digital marketing.	making path in the context of ethical AI.
(Nadeem et al., 2020)	Exploring the role of ethical perception and social support in creating shared value in the sharing economy.	Quantitative survey.	Users of sharing economy platforms (e.g., Airbnb), number of respondents > 300.	Ethical perception influences satisfaction and the intention to share again, reinforced by social support.	Ethical perception influences satisfaction and the intention to share again, reinforced by social support.	Focus on the sharing economy and the co creation value of consumers.

(Saurat et al., 2024)	Evaluating the paradox between the need for big data in AI marketing and consumer privacy.	Conceptual study with a critical literature review.	No empirical samples; theoretical approach.	A paradox arises between personalization and privacy violations; the need for ethical AI design becomes crucial.	Emphasizing the importance of privacy and AI ethics in digital marketing.	The paradox of privacy ethics vs. personalization is examined conceptually.
(Dwivedi et al., 2021)	Providing future directions for digital marketing and social media research, including ethical aspects.	Literature review and theoretical perspectives.	No empirical sample.	Further research is needed on the ethical, privacy, and trust implications in digital marketing.	Emphasizing the importance of privacy and trust in digital marketing.	Providing a framework and agenda for future ethical research.
(Jacobson et al., 2020)	Researching oversight and ethical responsibility in social media marketing.	Literature review and conceptual discussion.	No empirical data.	The need for accountability and ethical clarity in the implementation of social media campaigns is emphasized.	Criticism of unethical practices and emphasis on transparency.	Focus on the role of oversight and accountability in digital marketing.
(Jelita Miranti, 2025)	Analyzing the influence of digital marketing on the sales of Melon Golden SMEs and identifying the strategies and challenges of its implementation.	Qualitative descriptive (case study at UMKM Melon Golden, Cilegon).	UMKM Melon Golden (location: Cikerei, Cibeber, Cilegon).	Digital marketing is effective in increasing sales through social media. The main challenge is the limitation of human resources and understanding of technology. Strengthening human resources and international	Discussing the importance of human resources, digital technology, and ethical strategies in modern marketing.	Focus on enhancing the competitiveness of MSMEs through strengthening human resources and digital based international business expansion strategies.

Author(s) and Year	Objective(s)	Method(s)	Sample(s)	Findings	Similarities	Uniqueness
				expansion strategies are needed.		Providing specific strategy models for global expansion through communication, product modification, and promotion.
(Sahabud din et al., 2024)	Researching how consumer trust is influenced by digital marketing ethics, using information transparency as a mediating factor.	Quantitative, questionnaire survey, multiple linear regression analysis, and mediation test.	100 respondents (students from Makassar State University who have shopped at Omorfo Shop).	Digital marketing ethics have a positive but not significant impact on trust. Information transparency plays an important role as a mediator and significantly increases consumer trust.	Focus on the importance of marketing ethics in building trust and preventing fraud.	researching the role of information openness mediation in the relationship between ethics and trust through statistical analysis and quantitative methodology. Focusing on Omorfo Shop, an e-commerce platform.

(Caner & Banu, 2014)	To define, examine, and trace the historical development of marketing ethics from both academic and practical perspectives.	Qualitative descriptive literature review, synthesizing prior research, theoretical models, and historical development.	The study is conceptual and based on existing academic literature and frameworks.	Marketing ethics involves decisions affected by individual values, organizational culture, stakeholder pressure, and norms. It has evolved from a legal/consumer protection focus to a stakeholder and societal oriented model.	Similar to Brinkmann (2002), this paper also emphasizes the importance of stakeholder interests, professional roles, and ethical climates in marketing. Both use conceptual and historical analyses.	This paper provides a detailed historical timeline of the development of marketing ethics from the 1930s to 2000s, integrating both
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Author (s) and Year	Objective(s)	Method(s)	Sample(s)	Findings	Similarities	Uniqueness
						normative and descriptive perspectives in a single framework. It also applies ISCT (Integrative Social Contracts Theory) as a future direction.

(Yenica Nanda vit a et al., 2025)	Examining the importance of marketing ethics in achieving justice and consumer protection in the digital era.	Qualitative descriptive based on literature study.	Secondary data from books, journals, and related online sources.	Transparency, honesty, social responsibility, and consumer protection from discriminatory algorithms, digital manipulation, and privacy abuse are all made possible by marketing ethics.	Emphasizing the importance of ethics, transparency, and consumer protection in the digital era.	Strong emphasis on digital manipulation (clickbait, fraudulent ads), algorithmic bias, social justice issues, and methods of cooperation between the public, companies, and regulators.
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Using a qualitative descriptive approach, this study examines 20 relevant literatures through a Systematic Literature Review method. One of the main findings of this review is the increasingly dominant role of social media in digital marketing practices, which simultaneously raises various ethical issues that need attention. Jacobson et al. (2020) stated that although the use of publicly available data on social media is legally permissible, there is an ethical responsibility that business actors must uphold beyond mere compliance with regulations. The study shows that consumer comfort with the use of personal data is greatly influenced by perceptions of privacy risks and perceived benefits. Therefore, if ethical aspects—especially transparency and explicit consent—are neglected, it may result in erosion of consumer trust and a decline in the quality of long term relationships between consumers and brands. In this context, integrating digital ethics principles into data-driven marketing practices is a strategic necessity for business actors in Indonesia.

**Research Question 1: How is ethics applied in digital marketing practices by business actors in Indonesia, especially in the MSME sector?**

Findings from various studies indicate that awareness of the importance of ethics is growing but has not been fully internalized into long-term business strategies. According to Felicia Angelique Kusuma et al. (2024), ethical marketing practices are crucial to prevent fraud and hoaxes that are increasingly rampant in the digital era. Values such as honesty, integrity, and fairness are viewed as the foundation for building consumer trust and brand reputation. These principles are particularly relevant for MSMEs, which often lack formal ethical structures but rely heavily on direct relationships and customer trust. Similarly, Nahdi & Mukhlis (2023) and Munawara (2023) emphasize that ethical principles such as autonomy, mutual benefit, and social responsibility serve as guidelines in digital interactions between business actors and consumers. However, the implementation of these principles remains sporadic and reactive, due to lack of training, limited understanding, and minimal internal control systems. MSMEs tend to focus on short-term outcomes such as increasing sales or digital exposure, rather than building a sustainable and strategic ethical system.

**Research Question 2: What are common forms of ethical violations in digital marketing activities in Indonesia?**

This study reveals various forms of ethical violations in the digital marketing sector in Indonesia, committed by both

micro business actors and large corporations. Some of these include:

1. Misleading Advertisements and Disinformation Kusuma et al. (2024) identify violations such as influencer manipulation using deepfake technology, use of AI-generated fake testimonials, and excessive content that creates false expectations. These practices exploit technology to deceive consumers and drive purchases based on inaccurate information.

2. Transactional Fraud Many cases of digital fraud have been reported, such as free gift offers that end with hidden fees (Permana & Hamidah, 2022), fake part-time job scams, and purchases of counterfeit products that are never delivered (Kusuma et al., 2024).

3. Misuse of Consumer Data and Privacy

Saura et al. (2024) highlight the paradox between personalized marketing and consumer privacy violations. Personal data is often used without clear consent, and AI algorithms are exploited to manipulate consumer behavior non-transparently.

4. Fake Reviews and Algorithm Manipulation

Erwin Asidah et al. (2021) note that all parties, including sellers, buyers, and platform providers, have the potential to manipulate reviews, create fake ratings, or engage in unfair algorithmic recommendations.

### **Research Question 3: What are the main challenges faced by business actors in applying ethical principles in digital marketing strategies?**

The results of this study state that although awareness of the importance of marketing ethics is increasing, its implementation among business actors, especially MSMEs, is still suboptimal. Felicia Angelique Kusuma et al. (2024) emphasize that ethical marketing practices are necessary but often not yet part of a systematic strategy. This condition reflects real challenges faced by business actors in integrating ethical principles into their digital marketing activities, including:

#### **1. Low Digital Ethics Literacy**

MSME actors do not fully understand how ethical values are applied in the digital context (Permana & Hamidah, 2022; Junida Sari & Putri, 2024).

#### **2. Economic Pressure and Competition**

Intense market competition drives some business actors to justify any means to increase sales, including manipulative marketing practices (Munawara, 2023)

#### **3. Lack of Ethical Regulation and Control Systems**

Although there is a Consumer Protection Law, oversight of digital practices remains weak. Regulations have yet to fully cover the complexity of algorithm-based digital marketing (Irwansyah Pendi et al., 2025).

#### **4. Rapid Technological Advancement Difficult to Control**

The use of technologies such as big data, AI, and deep learning is often not accompanied by adequate ethical understanding, creating dilemmas between innovation and moral protection.

However, a study by Hilma Harmen et al. (2024) shows that large business actors like PT Telkom Indonesia have implemented honest and transparent marketing practices that have strengthened consumer trust in Telkom's products and services. Strong marketing ethics have also helped the company expand market share, increase competitiveness, and reduce legal risks by complying with applicable marketing regulations. This is evidenced by awards such as the Indonesia Marketing Award and Marketing Communication Award, which demonstrate a commitment to business ethics. Additionally, customer satisfaction reached 80% in 2023, alongside the company's focus on transparency and customer-oriented services. The company's revenue also increased by 14% in 2023, indicating that ethics is not a business obstacle but rather a driver of growth.

This condition underscores the importance of applying ethical business principles as a primary guideline that is also relevant for MSMEs and other digital business actors. The principle of autonomy emphasizes that business actors must have the freedom to act based on ethical convictions without pressure or manipulation. The principle of honesty serves as the main foundation in marketing communication, where information conveyed must be truthful and fulfill promises made to consumers. Furthermore, the principle of fairness demands equal treatment of all consumers without discrimination, while the principle of mutual benefit stresses that every business decision must consider the welfare of all parties, including consumers and society at large. Finally, the principle of moral integrity



reminds business actors to uphold dignity and avoid harming others for personal gain. With these foundational principles, ethical marketing practices not only build consumer trust and loyalty but also contribute to sustainable and healthy business growth.

## Conclusion

Through this literature review, it has been demonstrated that digital marketing strategies have developed rapidly in Indonesia, in line with the increasing use of social media and technology, particularly among Micro, Small, and Medium Enterprises (MSMEs). However, this growth has not been fully accompanied by a proper understanding and application of ethical standards. The main issues undermining consumer trust include unethical practices such as misleading advertisements, digital fraud, misuse of personal data, and manipulation of algorithms and testimonials.

Although awareness of the importance of ethics is gradually increasing, MSMEs continue to face several challenges in implementing ethical standards consistently. These challenges include low levels of digital ethics literacy, market competition pressures, lack of oversight and regulation, and technological advancements that are not yet supported by internal control systems and moral readiness. The findings of this study also indicate that companies can gain strategic advantages by adhering to ethical values such as autonomy, honesty, fairness, mutual benefit, and moral integrity. A case study of PT Telkom Indonesia illustrates that ethics serve as a fundamental pillar for business expansion, client loyalty, and long-term reputation, rather than as an obstacle.

Further research is necessary using more empirical and contextual approaches, such as case studies or field surveys, to evaluate the effectiveness of ethical implementation in digital marketing. Such studies will offer more practical contributions to the development of sustainable and ethically-driven marketing strategies.

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