

Increased MSME Production through Stimulus Community Partnership Program

Purwantoro¹, Rina Ari Rohmah², Dona³

^{1,2,3}Universitas Pasir Pengaraian, Indonesia

purwan78@gmail.com, rinaarirohmah@gmail.com, dona201804@gmail.com

Abstract

This article summarizes the activities of the Stimulus Community Partnership Program implemented in small and medium-sized micro-enterprises. This stimulant community partnership program helps solve the problems faced by partners. The problem is a marketing strategy that is not appropriate for the times, production process, minimal capital, diversification of products that are not updated, and packaging products that are not optimal. The first effort is to increase production through a science and technology approach, and this effort aims to increase production productivity, improve the quality of packaging, improve the quality of a more hygienic work environment. The second effort is to increase marketing through a product diversification approach, and this is done to add product variants of adrem cakes as well as more expensive packaging. The third effort is to change marketing strategy by creating a consumer-preferred taste and a consistent sense, selling on marketplaces and social media, creating brochures/flayers, labeling to look attractive, and other marketing activities.

Keywords

Rokan Hulu; marketing strategy; appropriate technology



I. Introduction

In 2019, Indonesia's creative economy grew by 6.25% over the growth of the national economy[1]. The existence of the processing industry sector is one of the essential driving motors for Indonesia's economic growth. The food processing industry is engaged in processing agricultural products, both plant and animal, into processed food products. Through the development of the food processing industry supported

by agricultural, natural resources, both vegetable, and animal that can produce various processed productions that can be made and developed from local natural resources and small and medium industries have the potential to be developed to economic empowerment and improve community welfare[2]. The development of innovation in MSMEs is beneficial to improve the performance of MSMEs [3]. by agricultural natural resources, both vegetable, and animal that are able to produce various processed productions that can be made and developed from local natural resources and small and medium industries have the potential to be developed in order to economic empowerment and improve community welfare[2]. The development of innovation in MSMEs is very helpful to improve the performance of MSMEs [3]. by agricultural natural resources, both vegetable and animal that are able to produce various processed productions that can be made and developed from local natural resources and small and medium industries have the potential to be developed in order to economic empowerment and improve community welfare[2]. The development of innovation in MSMEs is very helpful to improve the performance of MSMEs [3].

Data from BPS also showed that the growth of industrial production (year on year) in the first quarter of 2013 SME experienced an increase in the food industry by 10.76% and the beverage industry by 9.41%. This is an indicator that the food and beverage industry that many SMEs do has great potential to be developed. But the problem of low productivity of SMEs so far is still happening. Less professional organizations, weak mastery of technology and marketing, and low entrepreneurial quality from business actors are some of the obstacles faced by SMEs. When classified by business scale, 26.26 million businesses (98.33 percent) include small micro-businesses and 0.45 million businesses (1.67 percent) classified as medium and large businesses. Small micro-businesses are also able to absorb 59.26 million workers or 75 percent of the workforce in Indonesia. Rokan Hulu regency has a small business named adrem Mbok Reso, especially food. Data from the Cooperative and SME Industry Office of Rokan Hulu Regency (2017) shows that small industries as many as 700 industries where their existence must be developed again because it can create jobs for the community. In fact, there are still obstacles that often arise including lack of capital and lack of technical guidance.

In the development of Small Business Named adrem Mbok Reso required business analysis that can later be known the receipt, cost and revenue of Small Business Named adrem Mbok Reso so as to show the prospects worth developing. In the development of a Small Business Named Adrem Mbok Reso if the development strategy is carried out appropriately, it is expected to optimize the utilization of the potential of resources and business opportunities of the food industry in order to support the development and improvement of the standard of living of entrepreneurs and other stakeholders. The marketing prospects of adrem cake are good enough that it should be supported by continuous production. The quality of corn marning produced should be good so that consumers are more interested in consuming. The problem faced only comes from similar entrepreneurs around Rambah Utama Village. In fact, there are still obstacles that often appear in the small corn marning industry, namely promotions carried out so far still relying on word-of-mouth and door to door media. This causes the resulting product to be less well known by the public at large. In addition, there is still a lack of the role of the local government in order to develop a small industry of corn marning in Rambah Samo District of Rokan Hulu Regency.

Human resources are still low quality Human resources are still low because there is still a lack of knowledge and only rely on estimates in the production implementation process. Based on the initial survey that has been conducted to the Adrem Mbok Reso cake entrepreneur in Rambah Utama Village found the root of the problems they face in running their business is:

1. The marketing strategy used is still traditional.
2. Technology production process that has not been efficient The technology used today is still traditional
3. Packaging techniques that still use non-standardized and hygienic materials
4. Human resources are still low quality Human resources are still low because there is still a lack of knowledge and only rely on estimates in the production implementation process.
5. Limited capital and financial reporting that still rely on a classic approach
6. Diversification of products that are not optimal. Limited labor and knowledge of marketing strategies make small entrepreneurs unable to compete with competitors.

Based on these problems, through the Stimulant Community Partnership Program, three main efforts will be made as a solution. The first effort is increased production through science and technology approach, this effort aims to increase production productivity, improve packaging quality, improve the quality of a more hygienic work environment.

The second effort is to increase marketing through a product diversification approach, this is done to add product variants resulting from adrem cakes, namely product variants that will be added are various flavored adrem, more attractive packaging. The third effort is to change marketing strategy by creating a consumer-preferred taste and a consistent taste, selling on marketplaces and social media, creating brochures/ flyer, and labeling to look attractive. Loyalty is needed by companies because without loyalty, the company will find it difficult to grow and develop properly (Rakhmat Romadhan, et. al, in Marliyah, 2021). According to Griffin, consumer loyalty has more to do with attitude than with behavior. If the customer is loyal, he will show a buying attitude which is defined as a buyer who is repeated from time to time by several decision-making factors (Jill Griffin in Marliyah, 2021). Customer loyalty can occur after the customer is satisfied, and customers will feel satisfied if they get the best service quality (Rizal Zulkarnain, et. Al, in Marliyah, 2021). Giving added value to the students is also supposed to positively influence the position and prestige of the universities that they actually are in level with, even better than, other universities. The customer value can be triggered by some factors related to association, i.e. marketing and individual environment, which provide support or motivation to use the service as expected (Kusumadewi, 2019). An organization will continue to make efforts to keep maximizing their profits by satisfying and retaining their customers, for example by establishing a good communication with their customers. According to Priansa in Nusjirwan, 2020) "Implementation of communication activities to customers within the company is carried out formally, however, currently there are also companies that practice their communication activities to consumers in an informed manner so that they can explore in-depth information from customers". To get a lot of consumers, one way to do this is to create customer loyalty. According to Yunita and Waruwu, customer loyalty is a form of customer loyalty to the satisfaction that has been felt at every time shopping so as to foster a sense of loyalty and become a regular customer. (Mella & Waruwu in Harahap, 2021)

II. Research Methods

Implementation methods carried out so that the solutions offered can be channeled properly to partners as expected efforts are to provide counseling and training to business partners adrem mbok reso The stages of the implementation of this devotional activity include:

1. Extension

In this extension activity, partners will be provided with extension materials on how to develop adrem mbok reso cake business by increasing the capacity of science and technology in the production system, increasing production, and changing marketing strategies.

2. Training

The training provided is in the form of a direct demonstration of how to develop adrem mbok reso cake business with the manufacture of new products such as the addition of various flavored adrem cake variants.

3. Trial

The trial was conducted to see the achievement of the results of counseling and training activities. The product manufacturing trial will be conducted on a small scale. The purpose of the trial is to find out the nutritional content of adrem cakes and see a wider market share.

4. Monitoring and Evaluation Plan

Monitoring and evaluation are carried out during the running of the program. The purpose of monitoring and evaluation is to find out the extent of the partner's understanding

of science and technology applications, knowledge of production development and knowledge of marketing systems that have been provided.

III. Discussion

Based on the stages of implementation of community service activities has been compiled in the implementation methodology, it can be explained the results that have been achieved as follows:

a. Training In Increasing production through a science and technology approach

Training The use of spiners in the process of decreasing the oil content in corn marning Spinner is used for the process of drying adrem cake after frying, after the spiner process the residual oil content on the adrem cake drops by 70%. Spinner given to partners with a capacity of 3 Kg, is carried out approximately 30 Minutes in each production of 30 KG. This training aims to raise partner in order to keep adrem cake can last a long time.

1. Training in the Use of Rice Flour Production Machine

Training The use of rice flour production machines helps partners to get fresh ingredients and maintained quality.

2. Training in the use of vacuum sealers

This training is given to partners so that the adremnya cake can last a long time and not be damaged quickly. The hope is that partners are able to operate vacuum sealer tools to maintain the quality of their products.



Figure 1. Training to Increase Production Capacity

b. Changes in Marketing Strategy

1. Use of social media

The material provided to partners is to provide knowledge about Value Average Results the use of social media in marketing products. In this extension is assisted by 3 students from 3 different study programs.

2. Training Evaluation

Training provided to partners related to msme business design strategy, appropriate marketing strategy for MSME development and training on the utilization of social media as a marketing platform for MSME products.

class	Value Average Results	
	<i>Pre-test</i>	<i>Post-test</i>
Before being given training	38	53
After being given training	43	66

Based on table 2 it can be known that partners before and after being given training experienced an increase in the average value of pretest-posttest, but the results of pretest and posttest mmitra after being given training are higher than the results of pretest and posttest before being given training. This shows that the stimulant commitment program has a significant impact.



Figure 2. Delivery of Appropriate Technology

b. The Exterior that has been achieved

Based on the implementation of devotional activities that have been done can be described as follows:

1. Increasing understanding and skills of partners using simple technology, this is evidenced by the understanding of the process of decreasing oil levels in adrem cakes using spinners.
2. Increased understanding of the right marketing strategy for partner efforts that he proves partners have carried out adrem cake marketing to stalls outside of the main Rambah village.

IV. Conclusion

To maintain business continuity and monitor the business activities of partners, the efforts that have been implemented and the next to be done are as follows:

1. The increase in corn processed production and corn marning that will be carried out is to practice the results of consumer surveys about efforts to vary adrem cake products as well as having discussions with partners about trademark making and label making for the packaging process.
2. With this PKMS activity, students are strongly motivated to entrepreneurship and serve partners helped technically and non-technically in their business.
3. We give advice to local governments to be more proactive in efforts to increase MSMEs because so far the government has provided little support. As a business actor must also be more active in seeking information and trying to increase the business by inviting other business partners.

References

- D. Azizah Ulfah, "Pengaruh Inovasi Dan Perencanaan Strategi Terhadap Kinerja Usaha Mikro Kecil Dan Menengah (Umkm)," *J. Ekon. dan Sos.*, vol. IX, no. 1, pp. 22–37, 2018.
- Harahap, I., Nasution, Y.S.J., and Chairina. (2021). Analysis of Muslim Customer Loyalty Shopping for Fashion in the Traditional Inpres I Market in Kisaran. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Vol 4 (1): 28-38.*
- Kusumadewi, R. (2019). The Role of Marketing and Individual Environment Association in Elevating the Customer Value. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Vol 2 (4): 451-460.*
- M. A. Syam, S. Djaddang, F. Salim, and W. Rachbini, "Kick Off Peningkatan Potensi Ekonomi Kreatif Masyarakat Melalui Koperasi, Bumdes dan UKM Berbasis Kearifan Lokal di Kabupaten Soppeng," *Capacit. J. Pengabd. Kpd. Masy.*, vol. 1, no. 01, pp. 1–11, 2020, doi: 10.35814/capacitarea.v1i01.1340.
- Marliyah, Ridwan, M., and Sari, A.K. (2021). The Effect of E-Service Quality on Satisfaction and Its Impact on Customer Loyalty of Mobile Banking Users (Case Study of Bank Syariah Mandiri KCP Belawan). *Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Vol 4 (2): 2717-2729.*
- Nurhayati, Y. Sulastri, and M. Ghazali, "Untuk Perbaikan Proses Produksi Dan Mutu Minyakpenyuluhan Cara Pengolahan Pangan Yang Baik Untuk Perbaikan Proses Produksi Dan Mutu Minyak Kelapa Di Ikm Sakra Timur Lombok," *JMM (Jurnal Masy. Mandiri)*, vol. 5, no. 1, pp. 7–12, 2021.
- Nusjirwan, Regen, R., and Nardo, R. (2020). The Role of Service Quality and Trust in Building Customer Satisfaction and Loyalty. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Vol 3 (4): 4059-4069.*
- V. D. P. Hia, R. D. Handaka, and Y. T. Zega, "Pengaruh Pembiayaan Ultra Mikro (UMi) terhadap Pertumbuhan Ekonomi Daerah Melalui Pertumbuhan Produksi Industri Mikro dan Kecil," *Indones. Treas. Rev. J. Perbendaharaan, Keuang. Negara dan Kebijakan. Publik*, vol. 6, no. 1, pp. 75–84, 2021, doi: 10.33105/itrev.v6i1.218.