

Digitalization and Product Development of Micro, Small, and Medium Enterprises (MSMEs) in Tonjong Village as a Means of Empowering the Community Toward Prosperous

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Abstract. Micro, Small, and Medium Enterprises (MSMEs) represent a prioritized program within the framework of the Indonesian government's initiatives, bearing substantial potential to enhance a self-reliant and prosperous Indonesian economy. The village of Tonjong in the Bogor Regency, West Java Province, exhibits significant potential as a locus for MSME activities. This is evident from the occupational pursuits of the Tonjong village community, ranking third in frequency, engaged as MSME operators. In the era of globalization, marked by the advent of highly sophisticated technologies, a considerable number of MSME practitioners in the Tonjong village remain inadequately acquainted with proficient strategies for digital marketing. Consequently, this circumstance has culminated in diminished sales or revenues for the MSME practitioners producing a diverse array of items such as handicrafts and cassava crackers, among others. This predicament underscores the impetus behind community empowerment efforts, realized through the dissemination of insights pertaining to digital product marketing and innovative diversification of cassava cracker flavours within the Tonjong village. The overarching objective centers on amplifying market appeal and garnering broader public interest in these products. The execution of this exposition is meticulously orchestrated to maximize its allure, facilitating the populace's seamless assimilation of diverse knowledge. The didactic approach extends beyond didactic lectures to encompass practical engagements, exemplified by the direct involvement with a digital product marketing application and the multifaceted cassava cracker production process incorporating an array of flavour innovations. The ramifications of this expositioninduced community empowerment yield multifarious outcomes. Notable among these are (1) on the social front, heightened community collaboration for collective advancement; (2) on the economic axis, the community exhibits elevated determination to ameliorate the socio-economic landscape toward public welfare; and (3) concerning the educational facet, the community gains fresh insights into the digitalization product of MSME products and acquires novel knowledge regarding innovative cassava cracker flavour profiles.

Key Words: Community Empowerment, MSME, Digitalization Product, Public Welfare

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INTRODUCTION

One of the priority issues discussed during the Presidency of G20 Indonesia in 2022 is the matter of global poverty alleviation. Improved strategies for addressing extreme poverty have become a focal point for the Government. One such strategy involves the development of Micro, Small, and Medium Enterprises (MSMEs). According to a press release from the Coordinating Ministry for Economic Affairs of the Republic of Indonesia dated October 3, 2022, MSMEs accounted for a business sector count of 64.19 million in 2021 and contributed to the Gross Domestic Product (GDP) up to 61.07% or approximately Rp8,574 trillion. Thus, it is evident that MSMEs play a significant role in poverty alleviation.

Every region possesses potential for robust development within the MSME sector, and Tonjong village is no exception. Tonjong village is situated within the Tajurhalang sub-district, Bogor Regency, West Java. The local language spoken is Sundanese. The village is home to approximately 1,209 residents. The landscape is lush, adorned with diverse flora within household gardens and along the roadside. The community is engaged in a range of professions and occupations. According to data from the profile of Tajurhalang sub-district, Bogor Regency in 2019, the majority of Tonjong village's population works in various capacities: (1) private sector employees; (2) civil servants; (3) micro and small business owners; (4) farmers; (5) retirees; (6) mechanics; (7) agricultural laborers and traders; (8) livestock breeders; (9) artisans and military personnel; (10) private midwives; (11) private nurses and lecturers; and (12) private doctors.

From this data, it is apparent that the third most common profession in Tonjong village is engaging in MSMEs as micro and small business owners. Many successful home-based enterprises thrive in Tonjong village, with one notable example being handicraft production. Other MSME products include traditional market snacks or culinary items. One such popular Sundanese snack known for its crispiness is "opak." In Tonjong village, opak is currently available only in its original variant. This snack is made from rice or sticky rice flour, seasoned with salt and flavour enhancers.

In practice, prior to the Covid-19 pandemic, the MSME products in Tonjong village were easily marketable, and the community benefitted substantially from their sales. However, during the Covid-19 pandemic, many MSMEs incurred losses and some even had to shut down. Presently, post-pandemic, numerous MSMEs are striving vigorously to



continue developing their products. Nonetheless, due to a lack of knowledge regarding digital marketing, many of them have found it challenging and some have had to cease their operations altogether.

Given the manifold challenges faced and the prevailing circumstances, it is noteworthy that a substantial number of MSMEs still heavily rely on manual or conventional methods. This dependency places their products at a disadvantage in the market, as they fail to align with contemporary trends. The world is undergoing rapid technological change (digitalization), particularly within the realm of business. This shift has implications for MSMEs, which must now adopt robust strategies to remain competitive. Hardialawati (2020) advocates defense strategies for MSMEs, including (1) engaging in e-commerce trade, (2) employing digital marketing through social media and utilizing delivery services like Go Food, Grab Food, and Shopee Food, and (3) cultivating and optimizing customer marketing relationships.

The government has undertaken various initiatives, one of which involves providing support and mentoring to MSMEs. The aim is to facilitate a learning process, serve as a reflective mechanism, and act as a facilitator in strengthening partnerships between MSMEs and larger corporations (Juwairiyah et al., 2022). Consequently, the author is intrigued to contribute through a combined service and research endeavour with the title "Digitalization and Product Development of MSMEs in Tonjong Village for Community Empowerment toward Prosperous Indonesia." Our community service team (abdimas) endeavours to aid the government's programs by imparting insights into digital MSME product marketing and practical instruction in creating diverse opak variations, aiming to attract consumer attention.

PROBLEM

The MSME products that have been manufactured face challenges in reaching external markets due to a lack of knowledge about digitalization. The community of Tonjong Village, engaged in MSME activities, lacks proficiency in effective and appealing product packaging, product documentation, content posting, and responding to consumer queries. Consequently, there is a tangible impact on the reduction of sales or income for MSME practitioners in Tonjong Village. Moreover, with the advent of the Covid-19 pandemic, the community has become accustomed to online services (online applications).



Consequently, even after the pandemic, online marketing services have remained the preferred option. This issue is poised to be addressed and rectified through the initiatives undertaken by the community service team (abdimas), aimed at providing insights to the residents of Tonjong Village. This includes imparting knowledge and practical skills concerning the digitalization of MSME products and the creation of diverse variations of the MSME product known as "opak." The aim is to enhance sales and attract consumer interest by offering opak with various flavour profiles.

METHOD OF IMPLEMENTATION

The initial sequence of activities (Social Reflection Cycle) involves (a) coordinating with Tonjong Village authorities, (b) coordinating and obtaining permission from collaborating institutions through official letters from the Abdimas (Community Service) team of Tonjong Village, (c) conducting awareness campaigns with community leaders within Tonjong Village, and (d) holding awareness campaigns and building connections with the Head of Sub-villages (Kepala Dusun) in Tonjong Village.

Subsequently, the phase of Social Mapping and Community Organization is conducted. This phase entails identifying social issues prevalent within the Tonjong Village community. Some of the identified issues include (1) insufficient knowledge about digitalization of MSME products leading to marketing obstacles due to reliance on traditional methods, (2) in the context of opak production MSMEs, there is only one variant available which lacks diversity in flavour profiles, resulting in inadequate buyer interest.

The subsequent phase involves Participatory Planning and Program Synergy. This involves determining the timing, participants, program itinerary, and venue for the implementation of the activities. The final stage is the Program Implementation and Monitoring & Evaluation, where all involved parties (12 villagers from Tonjong Village, Abdimas team, and students) execute the planned program.

The methods employed in this initiative encompass (1) Community Education: Direct dissemination of knowledge to the community, aiming to acquaint them with the means of digital marketing for MSME products. (2) Practical Development of MSME Products: Practical demonstrations of opak production with diverse flavour variations, aiming to heighten buyer interest in the MSME product. The detailed schedule of the exposition is as follows:



Module 1	e 1 : Digitalization of MSME Products on July 18, 2022.			
	Resource Person: Arif Darmawan Suwardi.			
Module 2	: Production of Opak with Various Flavours on September 15, 2022.			
	Resource Person: Latifa Murtiningyas (Entrepreneur).			
Location	: Tonjong Sub-District Office, Bogor.			
Duration	: March 25 to December 30, 2022.			
Schedule:				

No.	Time	Duration	Agenda	PIC				
	Module 1							
1.	9.00-9.10	10'	Member registration	Afriliani				
2.	9.10-9.20	10'	The Opening and Address by the Head	Yudi Efendi				
			of the Department of ISSHA					
3.	9.20-9.30	10'	Welcome remarks by the Village Chief	Widyasari				
			of Tonjong					
4.	9.30-9.45	15'	Introduction of the Committee and	Agus Riyanto				
			Speakers					
5.	9.45-12.30	2.45'	Presentation and Q&A: Digitalization	Arif				
			of MSME Products	Darmawan				
				Suwardi				
6.	12.30-13.00	1.30'	Closing: Group Photo and Certificate					
			Presentation	Widyasari				
			Module 2					
1.	9.00-9.10	10'	Participant Registration	Afriani				
2.	9.10-9.20	10'	Opening and Welcome Address by the	Hilma Erfiani				
			Head of the ISSHA Department	Baroroh				
3.	9.20-9.30	10'	Address by the Village Chief of	Ardik				
			Tonjong	Ardianto				
4.	9.30-9.45	15'	Introduction of the Speakers	Vica Ananta				
				Kusuma				
5.	9.45-12.30	2.45'	Demonstration of Crafting "Opak"	Latifa				



			with a Variety of Flavours	Murtiningyas
				Enggar
				Mulyajati
6.	12.30-13.00	1.30'	Closing: Group photo and door prize distribution	M. Lazuardi
7.	13.00 until done		Cultivation of Coffee Plants	

RESULT AND DISCUSSION

The implementation of digitalization activities and the development of MSME (Micro, Small, and Medium Enterprises) products in the village of Tonjong aligns seamlessly with the concept of community empowerment, which aids the government in enhancing the welfare and economic well-being of the populace. The information conveyed by the speakers proved to be highly informative and easily comprehensible, predominantly utilizing infographics, images/photos, illustrative video examples, and direct hands-on experience within the realm of online marketing mediums. This approach effectively catered to the layperson, those who may not yet possess a deep understanding of the intricacies of digitalizing the marketing of MSME products and creating various flavours of "opak" (a traditional Indonesian snack) to bolster consumer purchasing power.

Empowering Communities through the Digitalization of Micro, Small, and Medium Enterprises (MSMEs) Products

The digitalization of MSMEs represents an effort to digitize the marketing of products produced by MSME entrepreneurs. In this age of advancing technology, online marketing and sales of MSME products have greatly facilitated these entrepreneurs. It extends beyond just one online application, as MSME entrepreneurs can now effortlessly promote their products across various social media platforms, providing location information through available maps on these platforms. This, in turn, simplifies the process for consumers to either visit the physical location for purchasing MSME products or for the products to be conveniently delivered.

This approach has proven to be a problem-solving strategy for MSMEs, allowing them to endure and contribute to Indonesia's economy in the post-Covid-19 pandemic era. During the pandemic, people became accustomed to using social media networks and online applications for purchasing various products. Digitalization has become an integral part of everyday life for the wider population and is inevitable. It also serves as a solution for the vast number of MSME entrepreneurs in Indonesia. In Tonjong Village, where a significant portion of the community's livelihoods is derived from small and medium-sized enterprises (MSMEs), the introduction of digitalization for MSME products has been met with enthusiasm. The residents of Tonjong Village (refer to Figures 1 and 2) have displayed a high level of enthusiasm and engagement while participating in these activities, signifying its importance and relevance.



Figure 1. Presentation by MSME Product Digitalization Speaker.



Figure 2. Participants in the MSME Product Marketing Digitalization Event.

After comprehending the information presented by the speaker during the MSME product marketing digitalization event, the residents of Tonjong Village who participated in the activity expressed their understanding and strong interest in utilizing e-commerce as an effective means of supporting MSME businesses in their village. They recognized numerous advantages, such as.

- 1. Lifestyle Transformation
- 2. Cost Efficiency
- 3. Expanded Marketing Reach
- 4. Improved Product Quality



- 5. Broad Audience and Affordable Pricing
- 6. 24/7 Accessibility
- Ease of Discovery: Products are easily found and can be located through social media searches. Additionally, easy and direct communication between sellers and buyers.
- 8. Cost-Effective
- 9. National and Global Exposure: Efforts to introduce MSMEs to a wider audience, both nationally and globally.
- 10. Increased Employment Opportunities

No significant challenges were encountered during the execution of this initiative, and all parties involved provided robust support throughout the process. In fact, some participants expressed a strong desire for further activities to be organized, specifically focusing on creating individual social media profiles/accounts (one by one) for online applications (e-commerce). This would enable them to promptly market their MSME products through the digital marketplace.

Empowering the Community through the Practice of Producing Opak with Various Flavours

As mentioned in the introduction, opak is a popular and distinctive snack among the Sundanese people. The village of Tonjong is located in the West Java province, inhabited predominantly by Sundanese communities. In Tonjong Village, opak has been traditionally produced and marketed in local markets with only one flavor, the original. To diversify the opak offerings, the community introduced new flavors such as ginger, galangal, cheese, onion, and spicy.





Figure 3. Participants in the Demonstration of Opak Processing with Various Flavors.

The opak artisans in Tonjong Village have received substantial support from the village government. One of the forms of support is the practice of opak production, evident through workshops and awareness campaigns organized by the village government. Additionally, the enthusiasm of the community (refer to Figure 3) plays a vital role in empowering the community through opak-based MSMEs, as it contributes to increasing their income.

However, there are several obstacles that hinder community empowerment in opak processing. One such challenge is the limited human resources with knowledge of how to produce or process delicious opak with various flavors. Moreover, the production methods are still traditional. Furthermore, many residents face financial barriers, as the government has provided some equipment for opak making but has not provided financial capital. Consequently, residents of Tonjong Village often use their personal funds for their endeavors. Another impediment is the limited marketing access, which is primarily based on traditional and familial networks. Marketing efforts are often carried out individually, through cooperation with itinerant sellers, and by consigning opak to small local stores in Tonjong Village. Some customers place orders for opak during events such as weddings, circumcisions, housewarming parties, and others. Notably, one participant mentioned a significant decline in orders during the Covid-19 pandemic. With the introduction of practices for producing opak with various flavors, the community of Tonjong Village is delighted and hopes that the village government can provide solutions to the challenges



faced when producing opak-based MSME products. This initiative has resulted in a range of new flavors (see Figure 4).



Figure 4. Results of the Practice in Producing Opak with Various Flavors.

Results of Community Empowerment through Digitalization and Development of Micro, Small, and Medium Enterprises (MSMEs) Products

Community empowerment through activities like sharing insights on digitalization and MSME product development aims to support communities in learning, sharing experiences, and improving their livelihoods (Fahrudin, 2014). This has had several positive impacts on the community, including the following:

- 1. Social Impact
 - Strengthening social ties within the community.
 - Fostering a sense of responsibility and good cooperation among community members.
 - Promoting mutual understanding of each other's needs between the community and the village government.
 - Creating a shared sense of ownership of Tonjong Village, motivating residents to work together for its advancement and prosperity.
- 2. Economic Impact
 - Contributing to a significant improvement in the local economy and the well-being of the community.
 - The hope is that this improvement can help alleviate extreme poverty levels in the Tonjong Village area.
- 3. Educational Impact



- Providing new insights and knowledge about the digital marketing process for existing MSME products.
- Acquiring new knowledge in the practice of making MSME opak products with different flavor variants.

Other Forms of Contribution

In addition to providing information on digital marketing of MSME products and practical demonstrations of opak processing with various flavors, the Abdimas team has made several other contributions to the community of Tonjong Village:



Figure 5. "PakJongBo" Opak Product Labels, Unique to Tonjong Village

- a. Creating "PakJongBo" Opak Product Labels: The team has designed product labels for UMKM opak, which will be affixed to the opak containers (see Figure 5).
- b. Producing a Pocketbook titled "Empowered Women in the MSME World": This pocketbook is available in PDF format (see attachment).
- c. Setting Up Sample E-commerce Accounts: The team has created sample e-commerce accounts for digital marketing purposes.





Figure 6. Sample E-commerce account creations on Shopee, Instagram, and TikTok.

d. Installation of Banners and Standing Banners: Banners and standing banners have been placed at the location of the art exhibition to make it easier for the community to locate the event (see Figure 6).





Figure 7. Banners and Standing Banners for the Abdimas Activity Implementation



Figure 8. Coffee Plantation in Tonjong Village

e. Coffee Plantation: As a form of support for building and advancing MSMEs in Tonjong Village, a coffee plantation was established at the end of the art exhibition. If the coffee plants bear fruit, the coffee beans can be utilized to create coffee beverages with various flavours, providing an attractive addition to the local culinary products. Additionally, research from the Ministry of Agriculture, led by Ibu Sri Puji Rahayu, has indicated that coffee plants are effective in preventing erosion, with their layered stem structure protecting the soil from direct rainfall (see Figure 7).



CONCLUSION

The implementation of community empowerment activities through digitalization and the development of MSME products in Tonjong Village has been highly successful and smooth. This initiative has achieved its objectives as intended, which include (1) Educating the community in digital marketing of MSME products, with the aim of enabling MSME entrepreneurs in Tonjong Village to thrive in the era of globalization and empowering them to produce opak with various flavour variants; (2) Providing information gathered by the Abdimas team in early 2023, indicating that digital marketing through various e-commerce platforms can significantly boost sales, leading to an increase in income of nearly 50% per month compared to the pre-digital marketing period. With the evident increase in income, it is clear that this initiative has had a positive impact on the economic and overall well-being of the Tonjong Village community. As a recommendation for future activities, it is suggested that similar initiatives be organized for various other unique MSME products specific to their respective regions. Additionally, efforts can be focused on improving the quality of opak MSME products with various flavour variants, including eye-catching packaging, delicious flavours, and other appealing attributes.

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Original Title:

Digitalisasi dan Pengembangan Produk UMKM di Desa Tonjong dalam rangka Pemberdayaan Masyarakat Menuju Indonesia Sejahtera

Abstrak. Usaha Mikro Kecil dan Menengah (UMKM) merupakan salah satu program prioritas yang dicanangkan oleh pemerintah Indonesia yang memiliki potensi besar dalam meningkatkan perekonomian Indonesia yang mandiri dan sejahtera. Desa Tonjong di Kabupaten Bogor, Provinsi Jawa Barat mempunyai potensi yang sangat baik sebagai pelaku UMKM. Hal ini terlihat dari mata pencaharian masyarakat Desa Tonjong dalam nomor urut terbanyak ketiga yaitu sebagai pelaku UMKM. Di era globalisasi, dengan hadirnya teknologi yang sangat canggih, para pelaku UMKM di Desa Tonjong banyak yang masih belum mengetahui dengan baik bagaimana cara menguasai pemasaran secara digital. Hal ini berdampak pada berkurangnya penjualan atau pemasukan para pelaku UMKM di Desa Tonjong yang memproduksi berbagai produk seperti handy craft, opak, dan lain-lain. Permasalahan inilah yang mendorong diadakannya pemberdayaan masyarakat melalui sharing wawasan pemasaran produk secara digital dan pengolahan opak dengan berbagai inovasi varian rasa di Desa Tonjong dengan tujuan untuk meningkatkan daya jual atau ketertarikan produk di masyarakat luas. Pelaksanaan gelar karya ini dibuat semenarik mungkin agar masyarakat lebih mudah menyerap berbagai pengetahuan, tidak hanya dengan metode ceramah, namun juga praktik langsung pada salah satu contoh aplikasi pemasaran produk secara digital dan proses pembuatan opak dengan inovasi berbagai varian rasa. Dampak pemberdayaan masyarakat melalui gelar karya ini sangat membuahkan hasil dari berbagai segi, diantaranya yaitu (1) segi sosial, masyarakat saling bekerja sama untuk kemajuan bersama; (2) segi ekonomi, masyarakat mempunyai tekad tinggi untuk meningkatkan perekonomian masyarakat menuju kesejahteraan; dan (3) segi pendidikan, masyarakat mendapatkan wawasan atau pengetahuan baru dalam digitalisasi produk UMKM, dan mendapatkan pengetahuan baru atas inovasi rasa opak dengan berbagai varian.

Kata kunci: Pemberdayaan Masyarakat, UMKM, Digitalisasi Produk, Kesejahteraan Masyarakat



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