

INCREASING THE SELLING POWER OF MICRO, SMALL AND MEDIUM ENTERPRISES THROUGH TECHNOLOGY OPTIMIZATION IN THE NORTH MERUYA AREA, WEST JAKARTA

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ABSTRACT

The MSMEs in Meruya Utara Urban Village are essential to the local economy, particularly for middle- and lower-income communities. However, these businesses face several challenges, including (1) limited promotion of their products, (2) lack of familiarity with online sales opportunities, and (3) limited digital literacy, particularly in using online platforms for marketing. The potential for growth lies in empowering members of the small industry craftsmen association to utilize online media for product promotion, which could significantly boost their business turnover. This initiative is designed to introduce the community to the concept of digital promotion, equipping MSME actors with the knowledge and skills needed for effective online marketing. By learning to use digital tools, MSME players in Meruya Utara can better promote their products and increase their market reach. The program aims to enhance participation and involvement of MSME actors in digital marketing, ultimately leading to increased consumer awareness and sales. The urgency of this empowerment effort is to provide ongoing assistance and optimize digital media usage, enabling MSME actors to conduct massive promotions that significantly impact their target audience and drive sales growth.

Keywords: MSMEs, sales, on-line, technology

INTRODUCTION

The internet is well known by all circles of society, including MSME entrepreneurs in the regions, but its use in supporting business management is less than optimal. This is due to the lack of insight and education to MSME entrepreneurs regarding digital marketing. In fact, micro, small and medium enterprises (MSMEs) are the backbone of the national economy as well as the spearhead of domestic economic turnover, with digital marketing it is hoped that business management will become more optimal, so that marketing gets maximum results.

Indonesia is experiencing changes along with changes in people's behavior, 49.6% of consumers look for product information online before making a purchase, thus becoming an opportunity for MSMEs to expand market access and a challenge to survive in the era of digitalization (Hidayatulloh et al., 2022). Micro businesses have an important role in the pace of the economy so collaboration is needed to help digitize the economy. The number of MSMEs in Indonesia is 59.2 million of which 3.79 million or 8% have gone digital. The function of utilizing technology to facilitate every transaction carried out, this convenience is not utilized by MSME players (Hasanah et al., 2021).

In the future, MSMEs that want to upgrade must join the digital market. There are at least several supporting reasons, including reaching a wider market given the increasing number of internet users. Digital markets also offer ease of doing business. Without the need to open a physical store, MSME players can start a business. Product storefronts and promotions are carried out through social media, websites and marketplaces. Data from wearesocial shows that 48% of internet users in Indonesia search for goods or services online, 46% of users visit online stores, 34% of users make online transactions via computers or laptops, and 33% of other users make transactions via smartphones.

This shows that the potential for using digital marketplaces and the internet as a medium for marketing products is very promising in Indonesia. Empowering MSMEs through digitalization can in turn bring a multiplier effect to the economy through the creation of new jobs through direct and indirect transmission, increasing the value of goods from previously raw materials to ready-to-use goods, and increasing the contribution of MSMEs from 61 percent of GDP to 63 percent in 2023 as projected by the Ministry of Cooperatives and SMEs.

Encouraging MSMEs to become more digital will also maintain the resilience of Indonesian MSMEs and national products amid the start of the ASEAN Economic Community (AEC), free trade agreements and the arrival of global e-commerce that brings MSMEs from other countries. By combining online and offline sales systems in MSME businesses, it will be a good step to reach more consumers. The UMKM go digital program launched by Kominfo also

aims to open new market opportunities for MSMEs in Indonesia both regionally and globally, which can expand their consumer base to increase sales.

The e-Conomy SEA 2023 report reveals that E-commerce is the largest contributor to the digital economy in Indonesia in 2023. The gross merchandise value (GMV) of Indonesia's digital economy in the e-commerce sector is estimated to reach US\$62 billion by 2023. This achievement contributed 75.6% to the GMV of Indonesia's digital economy which amounted to US\$82 billion this year.



Figure 1.
Number of E-Commerce Users in Indonesia

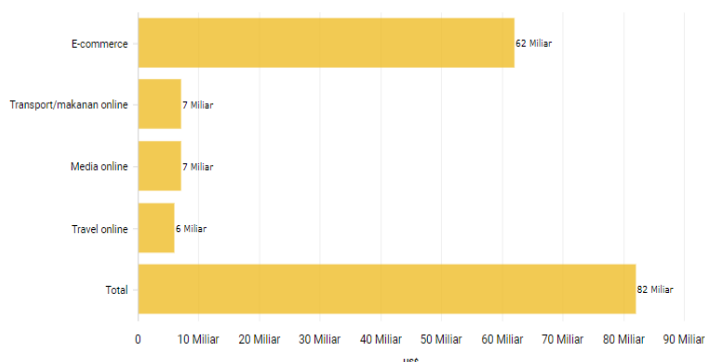


Figure 2.
The largest contributing sectors to the digital economy in Indonesia

Based on Statista Market Insights data, the number of online marketplace or e-commerce users in Indonesia will reach 178.94 million people by 2022. This number increased by 12.79% compared to the previous year which amounted to 158.65 million users. Looking at the trend, e-commerce users in Indonesia are observed to continue to increase. The number is projected to reach 196.47 million users by the end of 2023. The upward trend in the number of e-commerce users is predicted to continue for the next four years. By 2027, Statista estimates that the number of e-commerce users in the country will reach 244.67 million people. Meanwhile, Bank Indonesia (BI) noted that the value of e-commerce transactions in Indonesia amounted to IDR 476.3 trillion in 2022. The value was obtained from 3.49 billion transactions in e-commerce over the past year. The value of e-commerce transactions in 2022 was 18.8% higher than the previous year which amounted to IDR 401 trillion.

The existence of MSMEs cannot be eliminated or avoided from the nation's society today. Because its existence is very useful in terms of distributing community income. In addition, it is also able to create creativity that is in line with efforts to maintain and develop elements of tradition and culture of the local community. On the other hand, MSMEs are able to absorb labor on a large scale given Indonesia's large population so that this can reduce the unemployment rate. From here, it can be seen that the existence of MSMEs that are labor-intensive, use simple and easy-to-understand technology can become a place for people to work (www.smecca.com).

The Micro, Small and Medium Enterprises (MSMEs) development program as an instrument to increase people's purchasing power will eventually become a safety valve from the monetary crisis situation. MSME development is very strategic in driving the national economy, considering that its business activities cover almost all business fields so that the contribution of MSMEs is very large for increasing income for low-income groups.

This Community Service Program is carried out with target partners from the North Meruya Village community, West Jakarta. The area of Meruya Utara Urban Village is +432.88 Ha, which has been organized into 11 Community Associations consisting of 126 Neighborhood Associations. Based on the situation analysis, it is known that the community of Meruya Utara Village has Micro, Small and Medium Enterprises (MSMEs) which are the driving force of the community's economy, especially the middle and lower economic communities. Data from Meruya Utara Urban Village shows that the number of MSMEs in the Meruya Utara area currently reaches almost 1249 business units, and most of them are under the guidance of Meruya Utara Urban Village. Until now, it is still growing from 2020 to 2023. The increasing number of MSMEs makes MSME players required to implement various kinds of business strategies to be able to maintain the business being run.

In developing MSMEs, this step is not solely a step that must be taken by the Government and is only the responsibility of the Government. MSMEs themselves as internal parties that are developed, can swing steps together with the Government. Because the potential they have is able to create business creativity by utilizing the facilities provided

by the government. In the capital region, there are many industries with various types of processing and business scale, so that Jakarta is a place for the growth of various forms of industry.

Based on the background described above, the Community Service Team of Universitas Mercu Buana Jakarta feels it is important to conduct research on how to adopt digital marketing, because what really plays a big role in the success of a business or business depends on the market share it has. The wider the product marketing coverage area, the greater the opportunity for profit and the demand for products will also continue to flow. If this can be achieved, then a business or business can survive the competition and business sustainability is also guaranteed. However, not many business managers can expand and reach new market shares. Limited capabilities and capital owned, as well as human resources are one of the obstacles faced. Problems in marketing can actually be overcome by utilizing online media and e-commerce that exist and are currently widely used by the public, for example social networking media, such as Facebook, Instagram, Tokopedia, Bukalapak and others. The ease of accessing social networking media and e-commerce is an opportunity for business managers to utilize it as a new marketing medium. Not many managers of a business or business take advantage of online media as a tool to market their products so that they are better recognized by the public. In fact, utilizing online media as a medium for marketing products will provide many benefits. The benefits obtained include that the public can easily find out the products offered, potential buyers can make comparisons with other products before making a purchase transaction, launching or promoting new products can be done as effectively as possible, minimizing promotional costs, and market reach or share becomes unlimited because it can be accessed from anywhere and by anyone.

Problems

The people of Meruya Utara village, especially MSME players, have been familiar with social media and e-commerce from various previous trainings, both from Mercu Buana University, and from the local government. However, the implementation has not been optimized. Various problems and current conditions that require optimization are the lack of public knowledge about how to promote through social media and e-commerce. Developing strategies in increasing sales by business actors (MSMEs) by optimizing digital marketing.

Based on the explanation above, the objectives of this community partnership empowerment activity are formulated in line with the MBKM program, namely lecturers and students are jointly involved in empowering partner communities to utilize online media as a tool to market their products so that they are better recognized by the public. The benefits obtained include that the public can easily find out the products offered, potential buyers can make comparisons with other products before making a purchase transaction, launching or promoting new products can be done as effectively as possible, minimizing promotional costs, and market reach or share becomes unlimited because it can be accessed from anywhere and by anyone.

This community partnership empowerment program targets productive communities involving MSME Business Actors. Thus, community empowerment through the utilization of online media and e-commerce that exists and is currently widely used by the community, for example social networking media, such as Facebook, Instagram, Tokopedia, Bukalapak and others. The ease of accessing social networking media and e-commerce is an opportunity for business managers to utilize it as a new marketing medium.

Solution: In connection with the problems experienced by partners, the community service implementation team provides several solutions. The solution provided is in the form of training conducted with a teaching and socialization strategy in stages. The training is carried out by providing material followed by questions and answers and direct practice as well as discussing the results of practice as an evaluation. In addition, the training was conducted free of charge. This was done with the aim that participants would be more interested and enthusiastic in participating in the training. The training was provided by service providers who are competent in the fields related to the partners' problems. The solutions provided are expected to provide the following results:

- MSME players in the North Meruya area have knowledge and skills about marketing their products online. At this stage, it is expected that MSME actors will gain knowledge about marketing concepts, good and attractive marketing language, procedures or techniques for marketing products online.
- MSME actors in the North Meruya area are able to use knowledge about digital marketing as one of the skills that can be utilized in carrying out their roles as MSME actors so that they are able to socialize their products through the use of online media, and also increase the participation of residents managing MSMEs in the North Meruya area to market their products through online media. Marketing through online media / e-commerce is able to make MSME players increase the value of their sales. The benefits of marketing through online media or through e-commerce for consumers include being able to serve 24-hour transactions at each location, provide many choices to customers,

provide inexpensive products by visiting many places and making precise comparisons, fast delivery, participation in virtual services (virtual action), can interact with other customers and facilitate competition. In addition, the benefits of e-commerce or online media for the community include making it possible to work at home, the limited number of goods sold, being able to enjoy products or services that are difficult to market, facilitating public services such as care, health, education and others.

METHOD

Methods This activity will be carried out in accordance with the proposed service program activity procedures, in this proposal including stages, namely preliminary studies, training, and evaluation. The details of the activities at each stage are described as follows.

- Preliminary Study

At the preliminary study stage, the following activities will be carried out:

- Collection of problems faced by members of MSME managers in the North Meruya Region.
- Classification of problems of MSME management members in the North Meruya Region and matching with the potential of the institution.
- Formulation of program priorities based on opportunities for implementation, availability of resources and availability of resources from the assistance team,
- Preparation of work plans and program implementation instruments,
- Determination of the implementation team and their job descriptions according to their expertise,
- Discussion/briefing of the team in terms of technical implementation.

- Implementation

- Evaluation

In the implementation stage, activities will be carried out with the following methods:

- Distribution of material in softcopy form
- General explanation of the online marketing system
- Workshop on the utilization of online media as a means of marketing production products to members of MSME managers in the North Meruya Region.

Through the delivery of material on digital marketing, MSME players in the North Meruya area are expected to be able to use this knowledge as one of the skills that can be utilized in carrying out their roles as MSME actors so that they are able to socialize their products through the use of online media. Marketing through online media/e-commerce is able to make MSME players increase the value of their sales. The benefits of marketing through online media or through e-commerce for consumers include being able to serve 24-hour transactions at each location, providing many choices to customers, providing inexpensive products by visiting many places and making precise comparisons, fast delivery, participation in virtual services (virtual action), being able to interact with other customers and facilitate competition.

Activities to provide material on understanding the use of online media as a means of digital marketing to MSME groups in the North Meruya neighborhood, West Jakarta. This activity on digital marketing socialization is related to efforts to foster and increase public awareness for the realization of an advanced and modern society that is responsive to technological advances, so that this can be a positive point for the community because it is able to make friends with many people and try to build business relationships with them. This can be useful for introducing and offering products produced by a business. Details of the process stages are as follows:



Figure 3. Details of the process stages

Flowchart Explanation

Stage 1

Stage 1 is a social mapping related to community knowledge of digital marketing, which consists of measuring the level of understanding of residents regarding the use of technology, social media and digital markets, determining the location and date of activities, preparing concepts and instruments, forming a team to go into the field.

Stage 2

Stage 2 is an education on the role of digital technology in learning online product marketing, which consists of how to market products through social media and e-commerce.

Stage 3

Stage 3 is assistance in marketing their products online, starting from preparing product photos, product descriptions, creating social media / e-commerce accounts to uploading their products to social media / e-commerce.

Evaluation of Program Implementation and Program Sustainability in the Field After the Activity is Completed

- The evaluation was carried out involving all parties, Meruya Utara Village, the participating community, and the implementation team in the form of FGD activities.
- The evaluation aims to examine the obstacles, the level of community understanding and the level of success of this PKM activity.
- This evaluation is expected to formulate important things that become guidelines for duplicating similar activity patterns in other locations, in the future.
- The evaluation is expected to be the closing of the activity, as well as the beginning of further cooperation for assistance through the PKM program by Universitas Mercu Buana.

RESULTS AND DISCUSSION

Implementation of Activities

Digital marketing education packaged in innovative learning Digital Marketing Strategy Training is carried out using Learning Methodology, a learning approach method that emphasizes the role of participants based on experience, stimuli and participant responses to these stimuli. That the success of the implementation will only be achieved if participants have the sincerity to understand and change to become better in all things, especially in building communication between MSME actors who will market their products online. For this reason, socialization is presented through the Knowledge Aspect, with the delivery of material (classical). Digital Marketing Strategy Training Education was held on January 30, 2024 in the Meruya Utara Village Environment, RPTRA Nusa Indah, West Jakarta.

Activity Results

In this Community Service, our Team is more focused on understanding the use of online media as a means of marketing production results in MSME groups in the Meruya Utara Village Environment, West Jakarta. The instrument making activity is carried out by dividing tasks according to the person in charge of the activity. The implementation guidelines are made in the form of e-modules so that they are practical to access at any time using a smartphone. The modules are made attractive and not dominated by text so that they are easy for partners to understand.

The training begins with socialization. The socialization aims to motivate partners to be willing to follow the training from start to finish and explain the benefits of the program. Partners are also given insight into the importance of becoming an independent community, namely a community that does not depend on other agencies for their livelihood. Partners are motivated to be able and willing to try. Partners feel enthusiastic about listening to the socialization by actively asking questions about the training material. This community service activity was attended by Karang Taruna and UMKM actors in the Meruya Utara Village environment. The initial material is brainstorming. In this material, the initial steps and tips for starting a new business are explained, and material about the internet. Participants also provide examples of businesses that can be run. The second material presented is related to product marketing with online media. The third material is related to product marketing online using social media. Before starting the delivery of the material, the speaker first gives questions as a pre-test. Pre-test questions are given to determine the extent of the participants' knowledge and understanding in the business world. The questions given include whether participants already have a business, how to start a business, how to promote the business being run, and what media is effective in introducing and marketing the business products being run. The pre-test answers from the participants showed that on average, none of them had run a business. This was the background for the participants to take part in this training activity.

The second material was given related to the use of online media in marketing. The participants' interest began to be seen with several questions directed at the speaker related to online marketing media. Participants also provided examples of online media that can be used to market products. The speaker also provided examples of businesses whose product marketing media uses online media to promote. The third material was related to the use of social media as a promotional medium. The third session began with a review of the two materials that had been previously provided. It turned out that the participants could still remember important things that could be taken from the two previous materials.

In the third material, tips and tricks were given on how to use social media such as Facebook, Instagram, Line, etc. to market products. Participants also provided several examples of theme ideas that could be used to fill product promotions. The last session of this community service activity was the Q&A session. Here, the participants actively asked questions related to online media, especially Facebook and Instagram, and online marketing. Some of the questions asked include the advantages and disadvantages of online marketing, obstacles in online buying and selling, and how to find marketing sentences. After the Q&A was completed, the speaker gave a post-test to measure the level of acceptance and understanding of participants during the training activities. From the results of the post-test, participants already had a business idea that could be run and chose online media to promote products, and participants also learned tips and tricks for utilizing online media to market products.

In the implementation of this activity, the community service team did not experience many significant obstacles. This is because this event was held in the community of UMKM managers in Meruya Utara Village with a significant educational background. In addition, participants felt the need for broader knowledge about making financial reports. The response from the participants of this activity was very good where they were able to attend on time and follow the activities according to the specified time. The driving factor that influenced the smooth implementation of this activity was the desire of the participants to gain knowledge and understanding. The relevance of this activity can introduce and increase the knowledge and understanding of the community of UMKM managers in Meruya Utara Village.



CONCLUSION

The year of implementation of the PkM activity has produced several significant achievements:

- **Activity Documentation:** Complete documentation of all activities carried out has been available, including related data such as meeting notes, photos, videos, and activity reports.
- **Discussion of PkM Activities:** Through regular discussions, the implementation process of the PkM program has been evaluated as a whole. This includes an analysis of success, obstacles faced, and recommendations for future improvements.
- **Evaluation of Results:** The results of the PkM activities are critically evaluated to evaluate their impact on the targets and objectives set. This evaluation includes performance measurement, analysis of changes that occur, and identification of lessons learned from the process.
- **Linkage to Learning:** PkM activities are closely related to the learning that occurs during the process. Both participants and organizers can gain new insights, skills, and a deeper understanding of the issues faced and how best to address them.
- **Output Achievements:** The output achievements that have been achieved include both mandatory and additional outputs. Mandatory outputs include the achievement of previously set targets, while additional outputs may include new discoveries, collaborations formed, or unexpected social impacts.
- **Overall,** the implementation of PkM activities has produced positive and impactful results, with complete documentation, careful evaluation, and strong links to the learning process. Thus, this activity has succeeded in achieving the objectives set and providing valuable contributions to related stakeholders.

Obstacles to Implementing Activities

During Community Service (PkM) in order to Increase the Selling Power of Micro, Small and Medium Enterprises Through Technology Optimization in the North Meruya Area of West Jakarta, several difficulties or obstacles that may be faced include:

- Limited Technological Knowledge: Many MSMEs may have limited knowledge and skills in digital technology and social media. This can be an obstacle in adopting and optimizing the use of digital markets and social media to increase sales.
- Limited Infrastructure Access: Not all areas have fast or stable internet access. Limited infrastructure can limit the ability of MSMEs to connect with digital markets or use social media effectively.
- Difficulties in Online Marketing: Increasing sales through digital markets and social media requires an effective online marketing strategy. MSMEs may face difficulties in designing and implementing marketing strategies that are in accordance with their target market.
- Changes in Consumer Behavior: Changing consumer behavior to switch from offline to online purchases can be a slow and challenging process. It takes time and effort to convince consumers of the benefits of shopping through digital markets.
- Competitive Challenges: Competition in the digital and social media marketplace is often fierce. MSMEs may struggle to compete with larger or more established competitors who have already dominated the online marketplace.
- Community Acceptance of New Technology: Not all communities are quick to embrace new technology. Some may be skeptical or uncomfortable with the concept of online shopping or interacting with businesses through social media.

Identifying and addressing these barriers is key to achieving the outcomes promised in this PkM. This can involve a holistic approach, including training, mentoring, capital support, and the development of effective marketing and logistics strategies.

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