

Increasing The Competitiveness Of Msmes In Parongpong District Through The Use Of E-Commerce And Branding Strategies

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Abstract.

The purpose of this program is to develop modules and training modules developed to improve the performance of MSMEs in Parongpong District. Identification of partner problems is carried out through document studies, interviews, and questionnaire dissemination. Based on the analysis of partner problems, there are several problems that cause MSMEs in Parongpong District to not utilize e-commerce media as their marketing media, namely: (1) Do not have knowledge and skills in using e-commerce; (2) Products that are not ready to be marketed in terms of branding, packaging that is not yet attractive, and product durability; (3) Do not understand how to use SEO (search engine optimization) in increasing product visibility in e-commerce. If these three main problems can be solved, it is expected that MSMEs can compete on various e-commerce platforms that exist today. The solution provided to partners is to develop the necessary modules and provide training for; (1) improve skills in using several e-commerce platforms; (2) increase knowledge and ability in creating branding, making attractive packaging, and preserving industry-standard products; (3) improve knowledge and skills in the use of SEO (search engine optimization). The impact resulting from this training is that MSMEs gain competencies to increase the competitiveness of marketed products. The supporting capacity provided includes the availability of (1) MSME product branding materials; (2) product packaging materials; (3) marketing materials; and (4) SEO utilization materials.

Keywords: *Competitiveness,UMKM, product branding, packaging and SEO.*

I. INTRODUCTION

Currently, many companies promote and sell their products using e-commerce. Based on a survey conducted by APJII, 196.7 million of Indonesia's 266.9 million population have used the internet (APJII, 2021). This can be an opportunity for business actors, especially MSMEs, to use the internet, especially e-commerce media as a means of advertising and sales. The use of e-commerce can also improve the performance of MSMEs (Hasan, 2021) and the competitive advantage of MSMEs (Hamad et., al., 2018). Thus, it is important for MSMEs to take advantage of e-commerce media with various advantages. In increasing the competitiveness of MSMEs, not only the ability to manage e-commerce accounts is needed, but quality products are needed. Quality products can be done with improvements to the brand (I. Paunovic, 2022) and packaging (Swasty et., al., 2020). The branding strategy that must be owned by MSMEs today is an online branding strategy that utilizes social media and e-commerce to reach a wider audience (I. Paunovic, 2022). Likewise with packaging, visually attractive packaging can attract interest in buying MSME products (Swasty et., al., 2020). Thus, the right branding strategy and attractive packaging are needed for MSMEs to increase their competitiveness. Having an e-commerce account, good branding, and attractive packaging is not enough to attract consumers in buying products because new e-commerce accounts have less visibility.

For that, an understanding of search engine optimization is needed. SEO can be defined as a mechanism that allows a searcher to get the most appropriate results from his online search (Bhandari, 2018). SEO also helps marketers by showing their respective ads to the right people at the right place and time (Bhandari, 2018). SEO strategies are very beneficial in improving product marketing (Iskandar and Komara, 2018). Thus, the need for an understanding of SEO for MSMEs is clear which can increase sales of their products in e-commerce. Based on the previous explanation, this community service activity focuses on: (1) Improving the skills of MSMEs in using several e-commerce platforms; (2) Increasing the knowledge and ability of MSMEs in creating branding, making attractive packaging, and preserving industry-standard products; (3) Remembering the knowledge and skills of MSMEs in the use of SEO (search engine optimization)).

Mitra Profile

The partners of the Community Service program are MSMEs in Parongpong District, West Bandung Regency which were affected by the Covid-19 pandemic. Parongpong is a sub-district in West Bandung Regency, West Java Province, Indonesia. Parongpong sub-district consists of 7 villages with an area of 47.43 km². The total population in Parongpong District is 109,148 people. Of the total population, as many as 10,301 people are residents in the poor category. This shows a high unemployment rate in Parongpong District. In terms of employment, the majority of residents in Parongpong District have the livelihood of farmers (11,711 people) and entrepreneurs (6,648 people). The majority of these farmers are flower growers and other ornamental plants. While the most dominant entrepreneurs are trading, accommodation and food and beverage provision, and processing industry. In addition, Parongpong District is widely known as a flower tour. The majority of farmers in this region are farmers of flowers and other ornamental plants. There are also those who grow vegetables. Flower farmers are concentrated in the Cihideung area. Ornamental plants, flowers and tree seedlings are lined up along the main road of Cihideung village. This is the attraction of Parongpong District.



Fig 1. Partner offices

The initial interview was conducted with an interview with Parongpong District on February 21, 2022 which explained the profile of MSMEs in Parongpong District in general, business potential, problems faced by MSMEs in Parongpong District, and the right solution plan to overcome MSME problems. The interview results also showed that the income of MSMEs in Parongpong District during the Covid-19 pandemic decreased dramatically, especially flower and ornamental plant farmers who even changed professions to meet their living needs. This also happened to the packaged food business whose revenue dropped dramatically because the number of tourists also decreased. For this reason, appropriate action is needed to find a solution to this problem. With the three main focuses of PKM activities mentioned earlier, it is hoped that MSMEs in Parongpong District can increase their competitiveness.



Fig 1. Interview with sub-district head

Partner Issues

Based on data obtained from the Parongpong District Office, it shows that the majority of businesses are farmers, trading businesses, accommodation and food and beverage provision, and processing industries. Furthermore, interviews with Parongpong sub-district head showed that flower and ornamental plant farmers were the most affected by the Covid-19 pandemic. They have several problems such as: (1) Decreased demand due to people's declining purchasing power and declining tourism; (2) Do not know how to use e-commerce media as a product marketing medium; (3) Flowers and ornamental plants whose characteristics are not durable so they need a packaging method that can increase the durability of flowers and ornamental plants so that they can be sold online.

Based on the survey results to MSMEs in Parongpong District, there is a need for training and capacity improvement which can be seen in Table 1.

Table 1. Survey results

Question	Choice	Percentage
Current issues	Marketing	25
	Permodalan	25
	Bahan baku	13
	Competition	13
	Housekeeping	13
	Other	13
Solutions that have been done	Loan application	25
	Sell online	38
	Improve production	13
	Other	25
Are you already using social media and e-commerce	Already	60
	Not yet	40
Social media and e-commerce what to use	Instagram	20
	Facebook	10
	Whatsapp	40
	Grabfood	20
	Gofood	10

Based on the results of a previous survey conducted on MSMEs in Parongpong District, it shows that the problems found today are marketing, capital, raw materials, competition, and packaging. To solve these problems, they have carried out several solutions such as applying for loans, selling online, and improving production. In marketing, MSMEs in Parongpong District currently have not used e-commerce at all in selling product sales. They only use social media. In addition to conducting surveys, telephone interviews were also conducted with several MSMEs in Parongpong District which showed the need for training to: (1) improve the ability to market products more broadly; (2) production improvement, one of which is a durable and attractive packaging process; (3) access to capital; (4) online marketing.

Based on the problems that have been identified from the Parongpong sub-district, surveys, and interviews with MSMEs, the main problems that are expected to be resolved in this service activity are:

a. Do not have knowledge and skills in online marketing, especially using e-commerce. MSMEs in Parongpong District do not yet understand how the process of creating e-commerce accounts, managing, and marketing strategies in e-commerce

b. Products that are not ready to be marketed in terms of branding, packaging that is not yet attractive, and product durability. Currently, the products produced have packaging that is still relatively traditional, many do not have a brand, and do not know how the process to make products durable so that they are ready to be sold online and reach a wider market.

From these problems, this Community Service activity has three main programs, namely: (1) Improving skills in using several e-commerce platforms; (2) Increased knowledge and ability in creating branding, making attractive packaging, and preserving industry-standard products; (3) Reminder of knowledge and skills in the use of SEO (search engine optimization).

II. PROBLEM SOLUTION

Problem Solution Design

The problems that have been identified based on the results of interviews and surveys show the need for an immediate solution to solve these problems as shown in Figure 4.

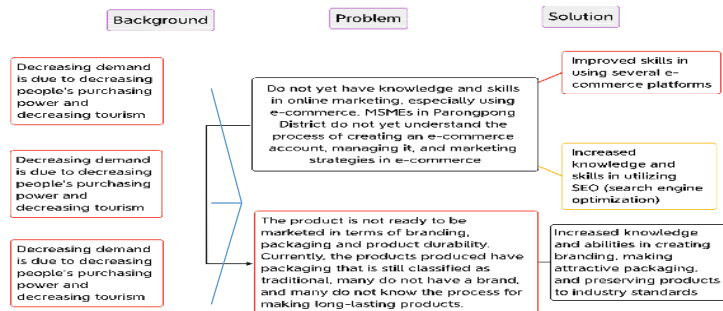


Fig 4. Solution Plan

Based on the problems previously identified, a solution plan is obtained that can be done for each MSME problem in Parongpong District. There are two main problems based on the results of surveys and interviews, namely not having knowledge and skills in online marketing, especially using e-commerce. MSMEs in Parongpong District do not yet understand how the process of creating e-commerce accounts, managing, and marketing strategies in e-commerce. Then, the product is not ready to be marketed in terms of branding, packaging, and product durability. Currently, the products produced have packaging that is still relatively traditional, many do not have a brand, and do not know the process to make durable products. These problems occur due to: (1) decreased demand due to people's declining purchasing power and decreased number of tourism; (2) MSME products whose product characteristics are not durable; (3) Limited knowledge in online marketing, especially using e-commerce. Based on the background and problems identified, a solution plan was obtained to be implemented for MSMEs in Parongpong District. There are three focus solutions in this Community Service program. First, increased skills in using several e-commerce platforms. The use of e-commerce can improve the performance of MSMEs (Hasan, 2021) and the competitive advantage of MSMEs (Hamad et., al., 2018). With the use of e-commerce, it is expected to increase the number of requests and as an effective marketing medium during the Covid-19 pandemic.

Second, the reminder of knowledge and skills in the use of SEO (search engine optimization). Having an e-commerce account without understanding SEO will not be able to make products easily found in the search feature of e-commerce applications. SEO helps marketers by showing their respective ads to the right people at the right place and time (Bhandari, 2018). SEO strategies are very beneficial in improving product marketing (Iskandar and Komara, 2018). So, with an understanding of SEO, it is hoped that MSMEs I Parongpong District can increase sales of their products in various e-commerce applications.

Third, increasing knowledge and ability in creating branding, making attractive packaging, and preserving industry-standard products. Quality products can be done with improvements to the brand (I. Paunovic, 2022) and packaging (Swasty et., al., 2020). The branding strategy that must be owned by MSMEs in Parongpong District is an online branding strategy that utilizes e-commerce to reach a wider audience. Likewise with packaging, visually attractive packaging increases the interest in purchasing MSME products in e-commerce. Thus, the right branding strategy and attractive packaging are needed for MSMEs to increase their competitiveness.

Justification of Priority Issues

Justification of priority issues in Community Service activities has the main objective to increase the competitiveness of MSMEs in Parongpong District, West Bandung Regency. Thus, this service activity was built by: (1) Internal support by Bandung State Polytechnic lecturers through Community Service (PkM) activities; (2) Support from external parties, namely the Parongpong sub-district government coordinated by the Parongpong sub-district; (3) MSMEs in Parongpong District as partners to be guided in this PKM activity. If PKM activities are carried out smoothly, it is hoped that MSMEs can feel the benefits that can be described in Figure 5.

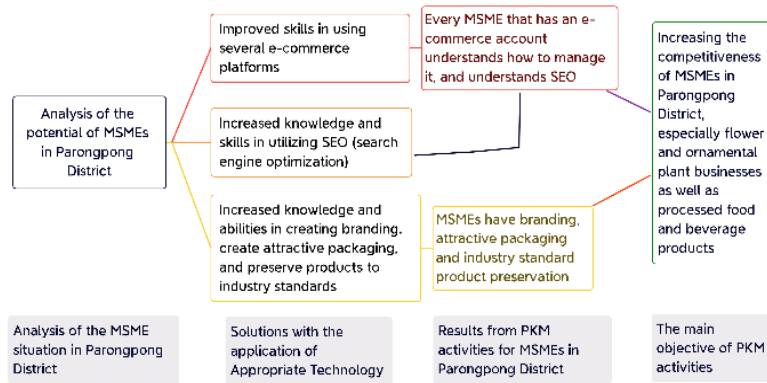


Fig 5. Justification of priority issues

With collaboration between lecturers from Bandung State Polytechnic, Parongpong District Government, and MSMEs in Parongpong District, they can improve three knowledge and skills that are solutions to problems faced by MSMEs in Parongpong District. The results of this PKM activity for MSMEs are (1) Every MSME has an e-commerce account, understands how to manage it, and understands SEO; (2) MSMEs have branding, attractive packaging, and industry-standard product preservation. Thus, the main goal of increasing the competitiveness of MSMEs in Parongpong District, especially flower and ornamental plant businesses as well as processed food and beverage products can be achieved.

III. METHODS

Design of Implementation Method for Problem Solution

Based on the solutions to the problems that have been shown in Figure 5, so that the solutions offered are (1) Every MSME has an e-commerce account, understands how to manage it, and understands SEO; (2) MSMEs have branding, attractive packaging, and industry-standard product preservation. In detail, the design of the method of implementing the problem solution can be seen in Figure 6 below.

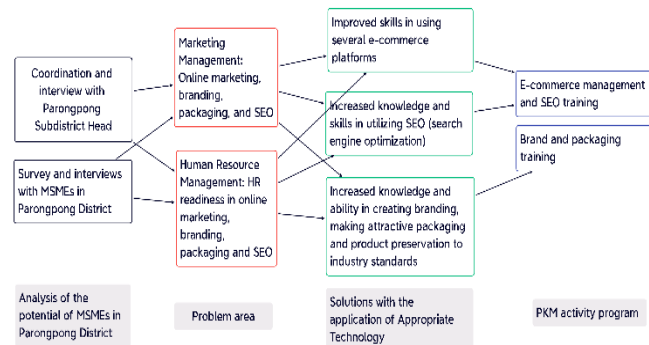


Fig 6. Design of Problem Solution Implementation Method

The activity started from coordination and interviews with the government, namely the Parongpong Sub-District Head to analyze MSME problems, solutions that will result from PKM activities, the capabilities obtained by MSMEs, to the plan of activities to be carried out. Surveys and interviews were also conducted directly to MSMEs in Parongpong District which showed the level of importance of the PKM activity program to be implemented. After conducting surveys and interviews, results were obtained for needs in the field of marketing management and human resource management related to online marketing, branding, packaging, and SEO. This is expected to: (1) improve skills in using multiple e-commerce platforms; (2) improve knowledge and skills in the use of SEO (search engine optimization); (3) improve knowledge and ability in making branding, making attractive packaging, and preserving industry-standard products. Based on this analysis, two activities will be carried out, namely: (1) e-commerce management and SEO training; (2) Brand and packaging training.

IV. RESULTS AND DISCUSSION

E-commerce Management and SEO Training

The e-commerce management and SEO training method is carried out in five stages, namely:

a. Business identification

the first stage carried out is the identification of MSME business bisang in Parongpong District. The purpose of this stage is to group similar businesses so that later when making SEO strategy guidelines are not general and in accordance with the field of business being run

b. Analysis of e-commerce and SEO based on the type of business

the second stage is carried out e-commerce and SEO analysis based on the type of business. At this stage, SEO has been identified in accordance with the business field.

c. Creation of e-commerce guides and SEO strategies.

At this stage, MSMEs in Parongpong District have been grouped based on their business fields. Then, each business field will be made e-commerce and SEO guidelines in accordance with the business field being run. At this stage, there is already an e-commerce guide and SEO strategy

d. Implementation of training.

This stage is the implementation of e-commerce and SEO management training. Each type of business has a different strategy that will be trained in this training activity

e. Evaluation of training activities. Evaluation of training activities is carried out by providing questionnaires on the achievement of e-commerce and SEO management training activities.

Brand and packaging training

The second training activity is brand and packaging training. After MSMEs understand how to use e-commerce media and SEO strategies. So, training is carried out about the specific product brand and packaging. The stages in this training activity, namely:

a. Identification and grouping of businesses

Just like the previous training, here has been identified and grouped the types of MSME businesses in Parongpong District. This stage is important because each type of business has different product characteristics that require different brand and packaging strategies.

b. Business data collection

at this stage MSME data has been collected which has been grouped based on their business fields.

c. Brand and packaging development based on business type.

At this stage, brand and packaging guidelines are developed, brand analysis and packaging of registered MSMEs, and the availability of training activity materials.

d. Implementation of training activities

at this stage brand and packaging training is carried out for MSMEs in Parongpong District

e. Evaluation.

Evaluation of training activities is carried out by providing questionnaires on the achievement of brand and packaging training activities.

V. CONCLUSION

The conclusion of the activities provided to partners is to develop the necessary modules and provide training for;

(1) improve skills in using several e-commerce platforms;

(2) increase knowledge and ability in creating branding, making attractive packaging, and preserving industry-standard products;

(3) improve knowledge and skills in the use of SEO (search engine optimization).

The impact resulting from this training is that MSMEs gain competencies to increase the competitiveness of marketed products. The supporting capacity provided includes the availability of

(1) MSME product branding materials;

(2) product packaging materials;

(3) marketing materials; and (4) SEO utilization materials.

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