

Development of Business Management and Marketing of Handy Crafts Products Based on Online Marketing Partnership Strategy

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ABSTRACT

The rapid growth of information technology and the emergence of marketplace open a lot opportunities to the micro-entrepreneurs. The purpose of this study is to assist an actor of micro-entrepreneur in dealing with broader and massive marketing effort through digital platform. Ngasti Shop is one of the micro-entrepreneur business that needs to broaden its markets. The study conducted a counselling and discussion with the owner in the development of business management and product marketing. An online shop has been created in one of the big marketplaces in the country. A good result was received, that the order of souvenirs in Ngasti Shop is increasing. It means that the use of digital platform for product marketing is valuable and urgently needed.

Keywords: Business Management, Handicraft, Marketplace, Online Marketing Partnership Strategy

INTRODUCTION

Handicrafts have become an alternative to various lifestyle choices and have made it a promising business. The handy craft business has an advantage because many people choose to use handicraft products. Homemade goods tend to be more attractive than those produced using machines. One of the handy craft products that is attractive and has a positive impact on cultural preservation. One of the handy craft businesses that has been running for more than 10 years is the Handicraft Business Community (UKT) led by Mrs. Ngastiati with a total of 10 business actors (Setyawati, Nurainy, Kuncoroyakti, 2020)

Seeing that there is still enough potential for UKT products in Depok, the potential and business opportunities for partners with the current development of information technology and the development of marketplaces such as Tokopedia, Bukalapak, and Shopee, open opportunities for micro-entrepreneurs to market their products more broadly and massively. This is because the three marketplaces have advantages in service issues and customer transaction security (Budhi, 2016).

Marketing strategy can be said to be a market-driven strategy development process, taking into account the changing business environment and the need to deliver superior customer value (Mc Graw-Hill, 2013). Marketing through *e-marketing*, is a marketing strategy that utilizes internet technology with a website as the mediator. The concept of e-marketing is actually almost the same as traditional marketing, the difference is the media (Susanti, 2018).

For that, it is necessary to offer solutions to solve problems faced by partners systematically according to the priority of partner problems, related to the production of Handicraft Businesses (UKT), namely business management and online marketing. The online marketing partnership strategy model in this service activity is a strategic way of doing online marketing that involves four integrated main components, namely Handicraft Business (UKT), Marketplace, Higher Education, and the Department of Cooperatives and Micro Enterprises (DKUM) of Depok City. UKT actors in this activity are Ngasti Shop, Marketplace as a storefront for Ngasti Shop products, a marketplace that has easy features for the operation of online sales transactions, Universities, namely Community Service Institutions with Lecturer groups related to this service activity and DKUM Depok City.

Based on the background of the problem, and taking into account convenience for its users, the development of business management and marketing based on this online marketing partnership strategy is made. The output of this online marketing partnership strategy model is an increase in sales of handicraft business products more broadly through the marketplace with sales data records that can be viewed periodically through Android-based mobile devices.

RESEARCH METHOD

The process of developing business management and marketing handicraft products online itself has characteristics that follow the character of each business actor and goes through different processes. This is because online product marketing requires management of related business actors' resources. According to Mathis and Jackson (2012), resource management is the design of various formal systems in companies and organizations that have the function of maintaining the use of human talents and interests to be used to achieve the goals of the organization or company effectively and efficiently. In general, human resources include two things, namely physical resources and conceptual resources.

Physical resources, in the form of availability of human resources (man) at the expert or advanced level and have soft handicrafts. Second, is money (money) to achieve the goals of UKT. Third, is the material (material) which consists of semi-finished and finished materials such as the availability of the color of the yarn and the consistency of the color of the yarn produced by the supplier and the material for the net knitting technique. Fourth, there are work methods that make work smooth and are still carried out in a simple and familial manner. Fifth, the market for marketing products is still done manually by word of mouth or offline or traditional markets, namely not using marketplaces such as Bukalapak, Tokopedia, Shopee. While the conceptual resources, such Information as a conceptual resource faced by partners is closely related to the limited knowledge that partners have on understanding the concept of marketing through the marketplace so that they cannot use it effectively at the right time and replace simple marketing methods.

The online marketing partnership strategy model developed involves four main components, namely Handicraft Business (UKT), Marketplace, Higher Education, and the Depok Office of Cooperatives and Micro Enterprises (DKUM). The strategic model developed can be seen in Figure 1. Higher education collaborates with DKUM to identify, map, and select the right micro business actors to be provided with training and mentoring.

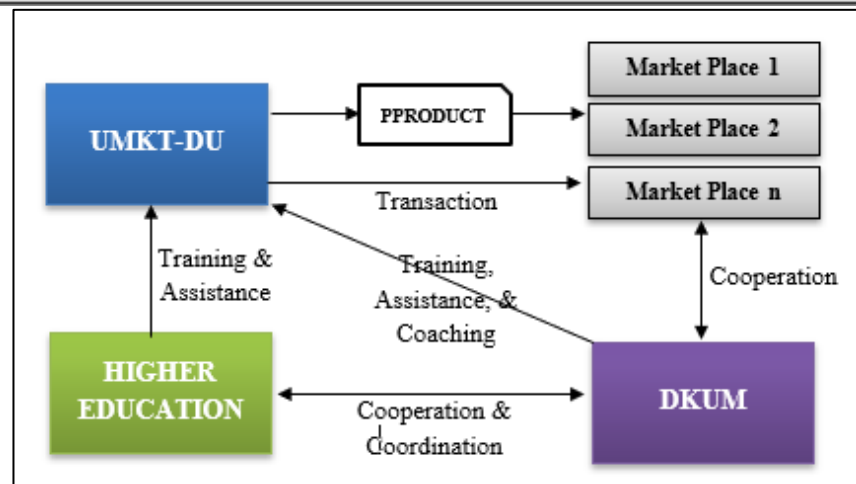


Figure 1. Partnership Strategy Model
 (Source: Prihandoko, Widiyanto, S., Setyawati, DM, 2019)

Armed with the right data, facilities and equipment, the higher education institutions carry out training and mentoring to UKTs in order to carry out online marketing strategies through the right marketplace. Business actors are also taught to register and upload their products to web applications owned by each marketplace.

Every marketplace has good sales transaction management. So, UKT players can manage their products and sales through applications provided by the marketplace. To facilitate online marketing through the marketplace, the Cooperatives and Micro Enterprises Agency can collaborate with the marketplace so that products sold by UKT have a more special place on their web site.

The implementation of community service is divided into several stages of implementation methods based on solutions and output targets that have been previously formulated. The implementation stages can be seen in Figure 2.

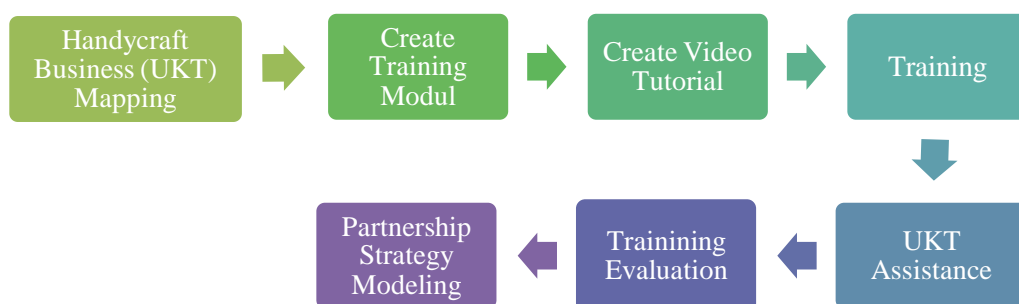


Figure 2. Community Service Implementation Methods

First, the mapping of Micro Handicraft Business (UKT) actors is carried out to business actors registered at the Office of Cooperatives and micro-enterprises, Pancoran Mas District, Depok City, by taking into account several variables. The variables used are region, type of handicraft, length of business, monthly turnover, number of employees, source of funds, type of marketing business, and parties related to business actors. The target of the mapping results is to obtain 10 micro business actors who are

concerned with the types of handicraft businesses located in the Pancoran Mas District, Depok City.

Second, in order to understand the mechanisms and procedures for online marketing through marketplaces that are ranked the best in Indonesia, namely Tokopedia, Bukalapak, and Shopee, it is necessary to explore and transfer knowledge to be translated into training modules. The exploratory process and knowledge transfer are carried out 3 times for each marketplace. The online marketing partnership strategy training module is used as a tool to support training implementation. The developed module contains steps that must be taken by UKT actors to sell their products through the three marketplaces. The three marketplaces are online trading places that pay attention to micro-businesses and provide a place for micro-business products.

Third, making Video Tutorials. To enrich training and mentoring tools for business actors in implementing online marketing partnership strategies through the marketplace, a video tutorial was created.

Fourth, training was given to 10 business actors who had been mapped in the previous stage. The material that will be given during the training is an online marketing partnership strategy which contains the steps that must be passed to sell products on the marketplace site. The training participants do hands-on practice using the internet network and the modules that have been prepared. The training is carried out for a certain period of time with the content of the training material is education of business actors about online marketing, introducing business actors to the marketplace and how it works and finally, conducting training to market products of business entrepreneurs through the marketplace.

Fifth, mentoring UKT business actors to carry out the online marketing partnership strategy. Assistance is provided for business actors, both in the form of direct visits to the business actors' places and long-distance interactions. To facilitate long distance assistance, a mobile application that provides group chat services will be used.

Sixth, monitoring and evaluating the implementation of the online marketing partnership strategy. The monitoring and evaluation process is carried out through performance indicators of business actors in terms of increasing knowledge, skills, product quality, number of products, types of products, production capacity, successful export, success in inter-island sales, total turnover, number of workers, management capabilities, profits.

Seventh, partnership strategy modelling. The online marketing partnership strategy model developed involves four main components, namely UKT actors, Marketplace, Higher Education, and the Depok City Office of Cooperatives and Micro Businesses (DKUM).

RESULTS AND DISCUSSION

The results of this community service activity are according to 7 (seven) sequential stages of implementation.

1. Mapping of handicraft micro business actors (UKT).

Conducted on business actors registered in Pancoran Mas Subdistrict, Depok City, at the Cooperatives and Micro Businesses Office by paying attention to

several variables. The target of the mapping results is to obtain 10 micro business actors who are concerned with the types of handicraft businesses, namely UKT for net knitting bags, UKT for patchwork creations, UKT Glass Painting, UKT Ecobricks, UKT Decoupage on cans, UKT Bross, UKT knitting, UKT for clothing Muslim, UKT Patchwork, UKT Patchwork Creation. Based on data mapping, it shows that the number of UKT knitting nets in Depok City is only one person, namely UKT Ngasti Shop.

2. Making Training Modules.

Basically, the marketplace owner is not responsible for the items sold. Each marketplace has good sales transaction management so that business actors can manage their products and sales through applications provided by the marketplace. Among several popular marketplaces, there is a marketplace from Indonesia which in recent years has become one of the most popular among sellers, namely Bukalapak. This site is a horizontal marketplace. Based on the foregoing, the creation of a training module in this community service activity provides a transfer of online marketing knowledge which consists of 3 technical stages that must be passed by business actors to join the Bukalapak marketplace, namely register, upload product photos and promotional packages provided. <https://www.bukalapak.com/>. The second stage in online marketing in the Bukalapak marketplace is to complete the shop profile and upload product photos in an attractive form, according to the provisions applied by Bukalapak along with various settings such as product information, transparency of product weight and size, terms of delivery, payment, number of products and so on. which is intended to increase the trust of potential buyers such as contact numbers that can be contacted, Facebook or Instagram of the seller. In the third stage of online marketing, namely promotional packages. Businesses can participate in Bukalapak promotional packages such as Super Seller and choose promotional features, namely the push feature, the promoted push feature and the BL Widget feature (Bukalapak, 2020).

3. Making video tutorials.

The video training media is expected to make it easier for business people to understand online marketing strategies. Video tutorials contain online marketing techniques through the marketplace, namely since the process of becoming a business actor in the marketplace, the process of receiving transactions and the process of receiving payments, the process of shipping goods and the process of online sales documentation.

With the use of video, the distribution media can be expanded, such as being uploaded to the YouTube channel or other online video content, so that anyone can see the video.

4. Implementation of Training.

The implementation of online marketing development training for online marketing partnership strategies for partners is carried out in the form of direct visits to partners' places and remote interactions. The intensity of the training that has been carried out during the COVID-19 pandemic is one month or two meetings.

5. UKT Performer Assistance.

Assistance in implementing an online marketing partnership strategy using a mobile application that provides group chat services. The chat group name is Div. Craft & Fashion MAPAN, located in Pancoran Mas District, Depok City. With a mobile device, business actors can report any obstacles they face and the results of selling their products through the marketplace, such as how to

reply to chat from buyers, view transfers of funds from buyers, deadlines for delivery and delivery via delivery services by including a verification number from the marketplace, notification chat to the buyer that the item has been delivered.

6. Evaluation of Implementation Results.

Based on the results of the implementation of the five stages above, the monitoring and evaluation process can be carried out through the performance indicators of business actors. The results of this service activity for UKT actors indicated that there was an increase in knowledge, skills, product quality, number of products, types of products, production capacity, success in conducting inter-island sales, total turnover, management capabilities and profits. Ngasti Shop as a partner in this community service activity has received a transfer of knowledge in developing business management in the form of product quality improvement, variations in product types according to buyer categories, successful inter-island sales to South Sumatra Province as much as 1 (one) unit of net knitting bags and 5 (five) connecting mask units within 8 months of the implementation of this activity.

7. Partnership strategy modelling.

The result of this developed online marketing partnership strategy model is that there is a synergistic integration involving four main components, namely UKT, Marketplace, Higher Education, and Depok City DKUM. The tertiary institution has carried out training and mentoring for UKTs in order to carry out online marketing strategies through the right marketplace. Business actors have gained increased knowledge and understanding to register and upload their products to web applications owned by the marketplace. Bukalapak as one of the marketplaces has good sales transaction management, so that UKT players can manage their products and sales through the application that has been provided. To facilitate product marketing, then the Department of Cooperatives and Micro Enterprises has provided a UMKM Product Exhibition Outlet in Depok City Square (berita.depok.go.id, 2020). Business actors can add product promotion banners stating that UKT products have been registered in one of the marketplaces so that products sold by UKT have a more special place on their web site.

CONCLUSIONS

It has been successfully developed and implemented properly, business management development and marketing of handicraft products to Ngasti Shop business actors. This development is able to make the Ngasti Shop business actor have an increase in the area of sales from the scope around the business area, namely Depok City to the scope outside the island (South Sumatra). The sales and delivery transaction process can be more accurate, fast and scalable because it uses online marketing through the marketplace. In addition to this, business actors have been able to increase their level of business to the category of small business actors with technological innovation.

The use of the marketplace as an online marketing partnership strategy for sales transactions makes this strategy suitable for business actors who want to expand their business widely and massively.

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