



IMPROVING THE SUSTAINABILITY OF MSMEs BUSINESSES THROUGH DIGITAL BUSINESS DEVELOPMENT IN TEGAL PARANG URBAN VILLAGE, MAMPANG PRAPATAN SUB-DISTRICT, SOUTH JAKARTA

Dinar Nur AFFINI¹, Aldina SHIRATINA², Retno Purwani SETYANINGRUM³

^{1,2}Department of Management, Faculty of Economics and Business, Mercu Buana University, Indonesia

³Department of Management, Faculty of Economics and Business, Pelita Bangsa University, Indonesia

Corresponding author: Dinar Nur Affini

Email: dinarnuraffini@mercubuana.ac.id

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Abstract:

Business development in Indonesia is happening fast and has given birth to many examples of digital businesses with diverse business models. This requires every business owner to be able to adapt and find new opportunities for business growth. This digital business model also aligns with the government program that targets 30 million MSME businesses to go digital by 2024. MSME players must keep up with technological developments to spread to a broader market, so they must try to familiarize MSME players with digital behavior. This activity is a Community Service Programme (PkM) that aims to improve the sustainability of MSME businesses through digital business development training for MSME participants. This activity is expected to provide meaningful benefits for the participants, where the participants, after attending the training, can better understand the importance of digitalization in the businesses they run. Also, the participants are expected to be able to be more effective and efficient in running their businesses using digital technology. The final result to be obtained is that MSMEs can maintain the sustainability of their business by being able to compete in the global market, have high innovation, and be strong in facing future challenges.

INTRODUCTION

The current focus of development refers to The 2030 Agenda for Sustainable Development Goals or SDGs, which is an agreement for new development to encourage changes that shift towards sustainable development based on human rights and equality to encourage social, economic and environmental development. In order to achieve sustainable development, it must be realized that the micro, small and medium enterprise (MSME) sector plays a significant role. (Pratiwi & Dyas, 2022)..

The importance of MSMEs is that they must keep up with technological developments to spread to a broader market, so they must try to familiarize MSME players with digital behavior. (Ahmad et al., 2021). Digitalization is necessary in dealing with changes in consumer behavior, marked by four changes in the main characteristics that must be owned by the business sector, in this case, MSMEs. Unfortunately, not all MSMEs have these criteria, from packaging that is very concerned with hygiene to how to market online. (Adriana et al., 2023). The importance of the MSME business to the national economy requires attention in resilience research; the definition of resilience varies widely, and its measurement and influencing factors vary widely. (Affini et al., 2022)..



Digital transformation provides an important platform to support and unlock opportunities for MSMEs in these challenging times. Digital technologies can provide invaluable tools to ensure business continuity while accessing new and expanding markets nationally, regionally and globally. It also provides a valuable pathway to improve operational efficiency, optimize processes and ways of working, and reduce ongoing business costs. (Tjhin et al., 2022).. Digitalization is changing many things, and the business world is no exception. In this era, MSMEs are required to be able to adapt digitally if they want their business to grow. This is because digitalization is needed to reach more consumers and improve services. (Lusiana, 2023).

Business development in Indonesia is happening fast and has given birth to many examples of digital businesses with diverse business models. This requires every business owner to be able to adapt and find new opportunities for business growth. This digital business model also aligns with the government program that targets 30 million MSME businesses to go digital by 2024. Digital business is a business transformation process that involves adopting digital technology. It is now done digitally if it was previously non-digital (manual). Through business digitalization, companies can easily offer their products and services to consumers, and consumers can easily find the products or services they want. Business digitalization has several advantages when compared to conventionally managed businesses in general. Therefore, most business people have gradually switched to digital business. Here are some of the advantages of business digitalization, including (Ahmad et al., 2021):

1. Cheaper operational costs. The operational costs of digital businesses are much cheaper than those of conventional businesses in general. Because their operations no longer require many employees and no longer require spending money to create or rent a physical store, digital business costs are clearly more efficient than conventional businesses in general.
2. Reach more consumers. Digital businesses can reach their consumers more efficiently by utilizing internet technology. The internet has advantages that are not limited by space and time. Digital business marketing activities can be carried out widely, not only at one particular point.
3. Boost sales because digital businesses can easily reach their consumers, and the possibility of boosting the sales target of products and services becomes even more significant.
4. Help win the competition. Many Digital Business entrepreneurs have won the competition and surpassed large companies with previous brands.
5. Easier to run. With digitalization, a real business has a pattern that is easier to run than a conventional business because technology has assisted the operational implementation of digital business.

According to data from Datareportal in 2024, as shown in Figure 1, the use of cellular connections has increased by 0.7% or 2.5 million, and the number of individuals using the internet has also increased by 0.8% or 1.5 million. This is an opportunity for MSME players to change their business model to a digital business immediately. (Kemp, 2024).

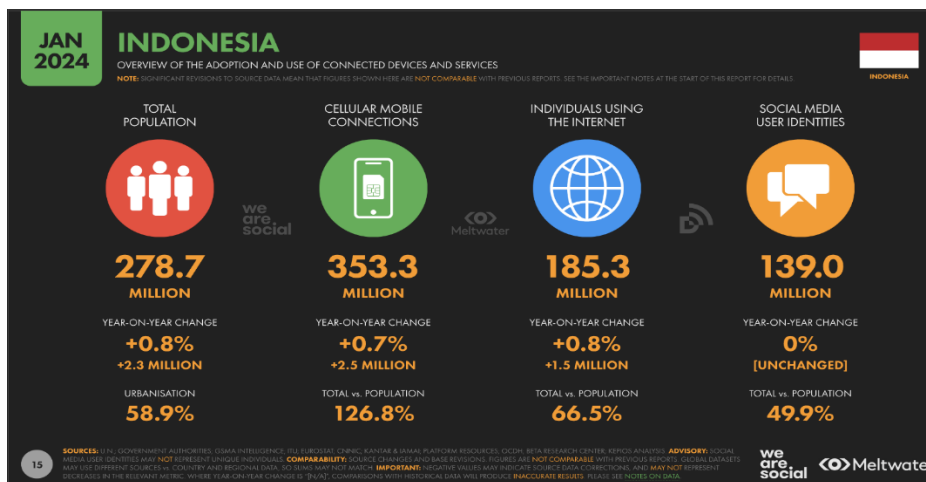


Figure 1. Overview of Adoption and Use of Connected Devices and Services

Some of the problems that exist in how to market online are (a) most MSME players do not understand how to use social media in online marketing, (b) they must have adequate quota, (c) do not understand how the role of advertising in social media, (d) have limited funds and finally, some MSME players have difficulty finding exciting ideas in promoting their products. (Adriana et al., 2023).

Problems that occur in partner MSMEs to implement digitalization programs in their businesses include (a) Lack of understanding of the importance of business digitalization in facing business competition; (b) Limited knowledge of how to manage business models supported by the application of digitalization; and (c) Limited planning and use of available digital platforms by MSME Partners.

As mentioned above, the solution to the partners' problems is to provide skills training on digital business to improve the sustainability of MSME businesses. In training, participants are expected to have the ability to understand the concepts of digital business, the development of digital technology and its application in the business world, and the critical role of business digitalization in the progress of the participants' businesses.

METHODS

Universitas Mercu Buana PKM activities are carried out by providing training on understanding the importance of digital business to MSME participants in the Tegal Parang Village area, Mampang Prapatan District, South Jakarta, so that they can maintain the sustainability of MSME businesses. This activity was carried out through a series of activities, from conducting field observations to identifying problems faced by MSME players in Tegal Parang Village, Mampang Prapatan District, South Jakarta. Based on the observations, several problems faced by MSME players were identified, which became the focus of the PKM implementation.

PKM activities are carried out using the method:

- Delivery of material (presentation) on understanding digital business.
- Discuss other matters regarding how to maintain business continuity.
- Activity evaluation



After the PKM activities were carried out, the subsequent activity evaluation was carried out by distributing questionnaires to measure understanding of the material provided and the effectiveness of the implementation of PKM activities.

RESULTS AND DISCUSSION

The University Mercu Buana PKM implementation team went directly to meet with MSME players in the Tegal Parang Village area, Mampang Prapatan District, South Jakarta. Activities carried out include preparation, implementation of activities, evaluation, and making reports.

1. Preparation At this stage, the PKM team carried out activities, including:
 - a. Team member meetings, designing the program to be implemented.
 - b. Go directly to the field to understand the problems that exist
 - c. Contact the PIC of Tegal Parang Urban Village, Mampang Prapatan Sub-district, South Jakarta, to confirm the training time and participants who will attend the training.
 - d. Prepare various equipment and materials for the training.
2. Implementation of PKM Activities

The PKM implementation was offline at the Tegal Parang Village Hall, Mampang Prapatan District, South Jakarta, from 09.00 to 12.00 WIB. The activity began with providing material on developing a digital business to improve the sustainability of MSME businesses.



Figure 2. Providing material on improving the sustainability of MSME businesses through digital business development

In this activity, participants were provided with an understanding of the importance of understanding digital business in the current digitalization era to survive the increasing business competition. In addition, participants were also given information about online platforms they can use to conduct their digital business.

The provision of this material covers several fields of science by the expertise of the Universitas Mercu Buana PKM implementation team, namely (a) Human Resource Management, related to how to improve HR performance in digital businesses; (b) Marketing Management, related to how to sell online and (c) Financial Management, related to how to manage finances by doing bookkeeping through online applications that participants can have through their mobile phones.

The activity continued with question-and-answer activities and discussions with the participants. Participants were very enthusiastic about participating in this question-and-answer session. In this question-and-answer session, participants asked questions about how to survive in today's tight competition, make their products attractive, sell on the market, and so on.



Figure 3. Q&A session with PKM participants

After the PKM activities were carried out, the subsequent activity evaluation was carried out by distributing questionnaires to measure understanding of the material provided and the effectiveness of the implementation of PKM activities, as shown in Figure 4.



Figure 4. Evaluation of activities through distributing questionnaires to participants

From the activities carried out, the participants, consisting of MSME activists, were very enthusiastic about participating in the activities until completion. The activity can run smoothly to the compiled activity plan. The participants were actively involved and enthusiastic in discussions, questions, and answers. Participants hope that this activity can be carried out on an ongoing basis.

The results of this PKM activity, based on the enthusiasm of the participants, are expected to realize their ideas and plans to start their businesses by utilizing current digital technology to increase their sustainability and survive in the current competitive conditions.

CONCLUSION

The implementation of PKM activities in order to improve the sustainability of MSME businesses through digital business development in Tegal Parang Village, Mampang Prapatan District, South Jakarta, has a significant impact on improving the managerial skills of MSME participants in facing the current digital transformation. This managerial ability includes the fields of Human Resources, Marketing and Finance. The process of implementing PKM activities is carried out carefully, from preparation to evaluation of the results of this PKM activity. The activity can run smoothly to the compiled activity plan. The participants were actively involved and enthusiastic in discussions, questions, and answers.

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