Utilization Of E-Commerce In Efforts To Increase Sales Of Micro Small Medium Enterprises (Msmes) In Kelurahan Kampung Empat, Tarakan City

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Abstract

Currently, information technology has become a necessity that organizations or companies must own to improve each service produced. The growing evidence of this and the easy role of information technology and information systems among organizations for large businesses and many Micro, Small, and Medium Enterprises (MSMEs) can survive in the face of increasingly fierce competition today.Tarakan City Statistics in 2020 recorded as many as 13,427 MSMEs spread in Tarakan City. These data indicate an increase in the number of SMEs in Tarakan City. The number of new businesses emerging requires these business actors to survive and compete to maintain the sustainability of their business.The outputs produced in this PKM activity include 1) Increased knowledge and ability of the community regarding online-based technology, especially the online shop for Micro, Small, and Medium Enterprises (MSMEs) in the Kampung Empat area Tarakan City. 2) Micro, Small, and Medium Enterprises (MSMEs) have online stores that they can manage independently. 3) Micro, Small, and Medium Enterprises (MSMEs) can be more motivated to understand the use of existing technology. Business people can increase their business activities (buying and selling), either their products or outside products from online stores.

***Keywords:** E-Commerce, Micro, Small and Medium Enterprises (MSMEs).*

I. INTRODUCTION

The increasing progress of technology shows the current era of globalization. One of the recent technological developments is very much felt in the development of information technology in supporting organizational processes. Currently, information technology has become a necessity that organizations or companies must own to improve each service produced. However, information technology must be balanced with strengthening the information systems used in the organization (1). Combining the power of information technology with information systems will undoubtedly improve the organization's achieving its goals to the fullest. The growing shreds of evidence and the easy role of information technology and information systems among organizations not only for large businesses but now many Micro, Small, and Medium Enterprises (MSMEs) can survive in the face of increasingly fierce competition today (2). Tarakan City Statistics in 2020 recorded as many as 13,427 MSMEs spread in

Tarakan City. These data indicate an increase in the number of SMEs in Tarakan City. The community's high interest to switch professions to become business actors directly when the Covod 19 pandemic is taking a long time. This situation finally requires many people to be able to survive during the pandemic. Many new businesses have sprung up.

Until now, in Tarakan City, there are still many MSMEs whose management systems are still conventional. The majority of MSMEs in Tarakan City are still found who do not use computers. Computers help do financial reports and are helpful for product design, product marketing, and others. The goal is to increase the added value of the MSME products.Researcher to explained that Micro, Small, and Medium Enterprises (MSMEs) have a vital role in Indonesia's economic growth. Data from BPS shows that in 2006 the total population of MSMEs reached 48.9 million business units or constituted 99.98 percent of the whole business units in Indonesia (3). The resilience of MSMEs in facing the economic crisis has also proven to be better than large companies. Currently, only 6.42 percent of MSMEs use computers, and 11.00 percent use the internet. Increasing MSME income and product competitiveness, as well as partnerships, are one of the right ways. However, this business is still not an option for MSMEs. Limited information is one of the obstacles to establishing partnerships in large companies. Only 6.77 percent of MSMEs have established partnerships with other companies (3). Currently, one of the biggest challenges that MSMEs must face to survive and compete in maintaining their competitive advantage is that MSMEs are required to keep up with the development of information technology that continues to develop at this time.

The vital role of social media in helping to increase sales and expand market share in maintaining the sustainability of businesses managed by MSMEs is currently shown by the many shifts in the management of MSMEs from conventional methods to more advanced ways, namely by combining the roles of technology and information (1).The use of online transactions or e-commerce is now commonly done by business people. E-commerce will describe how selling a product produced by the company through internet media creating a website that then carries out advertising activities, product promotions, and other services, which are the essential part of the e-commerce system (4). Currently, the online shopping system or e-commerce has become more sophisticated. This can be shown by looking at a company that can create an online web and provides many products in one online store. The online store can make transactions, both ordering and determining the method of shipping the product package that has been selected and the payment method desired by the buyer (5). All buying and selling transactions are carried out online. The online media will help a company carry out all production processes, from planning, packaging, and distribution of customer products. Furthermore, e-commerce media is an innovative means for a large-scale company to Micro, Small, and Medium Enterprises (MSMEs) in supporting the system used in developing the business it runs .

II.   METHODS

This activity aims to provide solutions to realize the wishes of Micro, Small, and Medium Enterprises (MSMEs) to promote their products in digital media. The answers are as follows:

1) Provide an understanding of digital marketing to Micro, Small, and Medium Enterprises (MSMEs) in understanding the importance of digital marketing in promoting MSME products.

2) Create an online store in one of the e-commerce/marketplaces and manage it

3) Provide training on the preparation of effective persuasive messages so that potential buyers are more interested in buying MSME products

The output of this community service activity is expected to be able to provide effective solutions for the development of Micro, Small and Medium Enterprises (MSMEs) in Tarakan City through digital marketing activities as follows: 1) Increased community knowledge and capabilities regarding online base technology, primarily online micro, small and medium enterprises. (MSMEs) in the Kampung Empat area of Tarakan City. 2) Micro, Small, and Medium Enterprises (MSMEs) have online stores that they can manage independently. 3) Micro, Small, and Medium Enterprises (MSMEs) can be more motivated to understand the use of existing technology. Business people can increase their business activities, either their products or from outside products they get from online stores.

The method used in this community service activity uses several stages, which can be explained as follows:

1)   Providing materials by introducing digital marketing and e-commerce for Micro, Small, and Medium Enterprises (MSMEs) in Tarakan City.

a.   Introducing the internet as a new medium of communication

b.   Introducing digital marketing and e-commerce

2)   Training for Micro, Small, and Medium Enterprises (MSMEs) regarding creating e-commerce stores and social media accounts that are becoming a trend in today's business promotion media.

a. The training team will teach you how to build a shop in e-commerce

b. The training team will teach how to create social media accounts and manage these accounts.

c. Provide training on the use of effective persuasive messages to increase awareness of potential buyers

d. Provide training on how to manage the e-commerce store

3)   Conduct practical message training. This ability must be possessed by Micro, Small, and Medium Enterprises (MSMEs) because attractive images and messages will increase potential consumers' interest to buy these products.

4)   The continuous education stage is carried out to increase the effectiveness of digital promotional media by providing an evaluation of promotional activities carried out by Micro, Small, and Medium Enterprises (MSMEs).

III.   RESULT AND DISCUSSION

This Community Service, which was held to introduce digital marketing and e-commerce for Micro, Small, and Medium Enterprises (MSMEs), was held on Thursday, December 03, 2020, at the MSME Partner House in Kampung Empat Village, Tarakan City. The targets in this activity are Micro, Small, and Medium Enterprises (MSMEs) and several residents totaling 30 participants who attended the mentoring program. This activity was carried out in accordance with the standard Covid-19 health protocol.The following is a series of implementation of community service activities in Kelurahan Kampung Empat, Tarakan City:

1)   Opening and Introduction

2)   Providing materials by introducing digital marketing and e-commerce for Micro, Small, and Medium Enterprises (MSMEs) in Kelurahan Kampung Empat, Tarakan City.

3)   Introducing the internet as a new medium of communication and introducing digital marketing and e-commerce to Micro, Small, and Medium Enterprises (MSMEs) present.

4)   Training for MSME actors regarding creating shops in e-commerce and social media accounts that are becoming a trend in current business promotion media to the ongoing education process for Micro, Small, and Medium Enterprises (MSMEs).

Fig 1. Documentation Implementation of Community Service Program by the University of Borneo Tarakan with MSMEs actors in Kelurahan Kampung Empat, Tarakan City.

IV.   CONCLUSION

The mentoring program and socialization and training, applied to partners, are only limited to implementation. Therefore the conclusions from the results of this application are:

1)   The infrastructure and tools owned by partners can be used to create online sales services using free e-commerce web.

2)   Own products and those obtained from other parties can be used as material to fill sales content in the application.

3)   Training on the use of web-based e-commerce applications can provide the ability to organize consumer orders. It can make it easier for users to display the status of each item in online transactions by applying them in training activities.

4)   Implementation of e-commerce applications to partners accompanied by assistance, namely training in using, processing applications, making advertising designs from products so that partners can independently use e-commerce applications capable of providing knowledge for partners/actors of Micro, Small, and Medium Enterprises (MSMEs) in market products globally and not bound by time.

V.   ACKNOWLEDGMENTS

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