

Digital Marketing Training to Increase Business Competitiveness for Village-Owned Enterprises (BUMDes) in South Buton Regency

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ABSTRACT

Since the widespread usage of the Internet, digital marketing has developed at an exponential rate. This level of use is driven by the availability of cell phones at low costs. However, the use of digital marketing by businesspeople, such as village-owned firms, is not generally acknowledged (BUMDes). Most BUMDes in South Buton Regency believe that digital marketing is a location for transactions to take place, which is far from the truth because digital marketing is the use of all resources on the Internet to deliver information about BUMDes' goods. BUMDes' resources include not just marketing websites but also social media platforms controlled by BUMDes. Social media utilized for digital marketing relies not just on social media created specifically for BUMDes but also on social media held by BUMDes workers. As a result of the increased reach of product promotion, product sales from BUMDes in South Buton Regency grow.

A. Introduction

The economic growth of a region depends on a development strategy that is based on human potential, institutions, and local resources. Furthermore, development must connect the primary sector with future processing in order to increase product added value and marketing competitiveness (Syahza et al. 2021). Local economic competition in Indonesia, globally through the Asean Economic Community (AEC), has the problem of expanding the role of the rural economy through BUMDes as a way to break the cycle of rural poverty and develop institutional reforms for AEC. The BUMDes institution aims to use the concept of commercialization while maintaining human values, openness, and responsibility. AEC involvement in the rural sector creates both possibilities and risks. Rural commercialization, which was the focus of government policies from the 1950s to the 2000s, failed to produce significant results because it was not consistent with rural characteristics. AEC, which implies that markets are everywhere, including in rural areas, poses a danger to rural communities (Kusumawanti, Susanti, and Izana 2017).

As an opportunity, BUMDes must be able to generate institutional and social capital by building networks among villagers, village government, central government, academics, and investors, as well as fostering trust between stakeholders by establishing rules of the game that benefit local communities. In other words, the market with the concept of commercialization through AEC does not deal directly with individual rural communities but must deal with institutions through BUMDes by forming strong social capital while ignoring the role of village leadership as agents of change. In Indonesia, regional development plans begin at the grassroots level, so the central

government wants the village government (the lowest level of government) to have business entities as a source of funding to support community economic growth (Firmansyah 2018).

BUMDes is a company owned by the village government. However, BUMDes is still in its early stages and requires assistance from several stakeholders. Internally, the biggest obstacle to the growth of BUMDes is poor business and institutional management, while outside, product marketing competition is the main obstacle. While the internal answer to these difficulties is cooperation with other parties, the external option is the utilization of the village's natural resource potential. The involvement of the local government and the community in realizing the innovations carried out in the framework of creating a stable and prosperous society's economy has succeeded in responding to the difficulties that have arisen.

BUMDes has succeeded in presenting an application system that is in accordance with the development demands of small business actors in processing data and information through the development of MSME innovations and digital innovation (Yaározatulo Harefa 2021). Apart from providing services to the local community by setting prices and offering services in accordance with market norms, BUMDes business entities do not cause distortions in the rural economy. Villages have options to improve the community's economy in various ways, one of which is through BUMDes management. In fact, there are still obstacles that must be overcome to realize BUMDes goals. Communication, business unit management, a lack of human resources, suboptimal utilization of local resource potential, and a lack of community involvement are common problems (Wijayanti, Ravenska, and Nugroho 2022).

BUMDes are local businesses that need to improve their competitiveness. Entrepreneurial orientation does not have a direct effect on competitive advantage but has an indirect effect through the entire marketing mix. BUMDes can gain a competitive advantage by cultivating an entrepreneurial mindset that is translated into marketing operations (Winata, Sanjaya, and Astana 2020). According to statistical data released by the Central Bureau of Statistics in 2018, young people have a role in national development, and entrepreneurship is an intrinsic function of young people, especially in encouraging the development of BUMDes in rural areas (Albab and Munandar 2020). With so much potential, the village faces challenges in its development, both in terms of marketing and other supporting factors. This is where the digitalization-based ecosystem comes into play, providing simple and organized access for village growth, particularly in digital marketing. With the help of various parties, facilities, infrastructure, regulations, and all kinds of characteristics can be built to market, introduce, and influence the community.

B. Literature Review

The innovation model was developed to improve MSME performance by optimizing BUMDes functions. This strategy requires MSMEs to set goals to achieve increased performance within three years. MSMEs must be revitalized and collaborated with in order to achieve this goal (Sinarwati et al. 2022). Many food souvenir businesses in Indonesia will not survive or thrive due to business competition caused by a lack of product innovation, finance, entrepreneurial skills, government involvement, and so on (Nofrizal et al. 2019). The status of the souvenir food industry is almost the same as other provinces in Indonesia; various souvenir food businesses experience problems in product innovation, marketing strategies, entrepreneurial skills, and business competitiveness. As a result of these conditions, the food souvenir industry cannot develop. Therefore, it is very important to draw up the most effective plan to develop the food souvenir company and improve the situation in the future.

Implementing a business system is very important for the MSME sector to be able to carry out its business procedures successfully and efficiently. MSME is one sector that requires the

implementation of business systems. However, it should be noted that the requirements for business systems modules change depending on the size of the organization, the stage of innovation, and the industry sector concerned (Siswanto and Novarena 2017). Small-scale culinary businesses need product design and development modules, sales and marketing modules, procurement and production modules, HR management modules, and finance and accounting modules, while retail/store management modules are required. In recent years, the rise of MSME businesses has been linked to technological innovation and entrepreneurship. This initiative received guidance, infrastructure assistance, and funding from the government (Deny 2021). The suggested framework effectively responds to the growing difficulties and possibilities associated with SMEs both on a national and global scale. This will be achieved through investigations into design difficulties, orientation programs, and training to improve MSME management's human resources.

During the COVID-19 pandemic, it was very difficult for the MSME supply chain to enter the market. To develop a balanced supply chain, MSMEs must be able to meet all demands for product distribution. To prepare export-oriented MSMEs, they must first encourage and educate them and establish regulations that support the legality and governance of their exports (Purwaningsih, Muslikh, and Suhaeri 2022). During times of crisis, the government is expected to be able to optimize MSMEs' empowerment, with several alternatives for supporting the success of MSMEs in realizing the sustainability and development of their businesses through easy capital, the availability of raw materials, credit restructuring for MSMEs, paying attention to computer technology infrastructure, and providing training to MSMEs' actors (Affandi et al. 2020). For operational management, leadership, innovation, and financial record keeping to improve company performance, however, innovation has little effect on business performance (Purwanto et al. 2022).

With a marketing mix strategy, service quality and innovation have an impact on competitive advantage and a sustainable local economy (Syapsan 2019). First, service quality has an impact on marketing mix tactics, implying that matching service quality to consumer demand will result in satisfaction. In other words, the higher the quality of the services offered, the greater the client's happiness. Second, service quality has a direct impact on sustainable local economic development, implying that improving service quality to better understand consumer desires can promote sustainable economic development and competitive advantage through marketing mix methods. This suggests that improving service quality in response to client demand will improve the marketing mix strategy, resulting in a more sustainable local economy. Third, the marketing mix strategy has a positive impact on a sustainable local economy, meaning that the more comprehensive the strategy, the better the plan for sustainable economic development and competitive advantage.

C. Method

This community service was carried out face-to-face in the Alsafitri Vocational School Hall, South Buton Regency, for BUMDes administrators in South Buton Regency, which included as many as 57 BUMDes administrators. Furthermore, interactive discussion forums with BUMDes management, where training participants can ask questions regarding digital marketing strategies in the Industrial Age 4.0 (Suherman et al. 2022). This community service was carried out in collaboration with the Research and Development Agency (Balitbangda) of South Buton Regency. The stages of community service are as follows: preparing discussion materials and the necessary equipment.

Furthermore, BUMDes administrators gain knowledge about entrepreneurship during the implementation stage of providing digital marketing training materials to inspire and support the development of an entrepreneurial spirit and character (Sadat 2019). In addition, keep in mind that BUMDes administrators are very familiar with matters related to positive information technology and

the use of digital marketing, so they understand and are better at using this digital platform. These platforms include social networking sites such as Facebook, Instagram, and WhatsApp, as well as online marketplaces such as Shopee and Tokopedia.

D. Results and Discussion

The results of the community service activities carried out in South Buton Regency went smoothly. Following are the results of community service activities:

1. Examination of BUMDes conditions in the South Buton Regency

Based on the situation analysis conducted prior to the implementation of this community service, the main obstacle faced was the lack of human resources, both application managers and product manufacturing employees, which was the reason why business people did not prioritize technology development. The same thing applies to BUMDes in South Buton Regency, whose sales procedures are not yet digitally based. Under such circumstances, business people are not too concerned with creating technology for marketing. However, BUMDes in South Buton Regency have used ICT as a company growth strategy, namely through the inappropriate use of social media. However, BUMDes in South Buton Regency are considered to be less ready to use ICT as business support. Businesses in South Buton Regency BUMDes are also constrained by a labor shortage and limited product production.

An important element in BUMDes development is the ability to collaborate with various parties who can support BUMDes empowerment both organizationally and economically. Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration Number 4 of 2015 Concerning the Establishment, Administration, and Management, and Dissolution of Village-Owned Enterprises, Article 2 indicates cooperation between villages as activities in the economic sector and public services other than BUMDes. Then this was renamed in Government Regulation Number 11 of 2021 concerning village-owned enterprises, and in 2020 it became a joint village-owned enterprise (BUMDes Bersama). It's just that this form cannot be translated optimally at the village level in South Buton Regency. BUMDes still belongs to the village in question and has not run a collaborative program with other villages.

In addition, collaboration can also be done with parties outside the village, for example, the creative community, business institutions, media, and academics. The concept of collaboration, which is the focus of this study, refers to the involvement of other actors outside the village government to collaborate with BUMDes. Basically, this concept is taken from the creative city development concept, which is in the 2020-2024 Ministry of Tourism and Creative Economy Strategic Plan, in the pentahelix collaboration scheme. This form of collaboration can be understood as a BUMDes development model that is focused on the integrated and collaborative development of the five important elements of the Pentahelix, consisting of the community (community/social institutions), government, industry, academia, and the media as a catalyst (Asri et al. 2021).

The recommendations for action in this study with reference to the pentahelix form of collaboration and the contribution of each party to the development of BUMDes in South Buton Regency are as follows:

Table 1. Pentahelix Collaboration for Development of BUMDes in South Buton Regency

Element	Role	Scope of Work	Work unit
Government	Facilitator and Coach	Institutional Assistance, Business Product Development and Governance Strengthening.	South Buton Regional Investment Service

			Office of Cooperatives and SMEs College
Academics	Research and development	Competency Strengthening, Assistance in Preparation of Business Plans and Standardization of Business Products.	University
Business/Industry World	Investors and Entrepreneurial Partners	Empowering Business Groups, Strengthening Village Entrepreneurial Competence, and Village Business Partners.	Stores, Minimarkets and Markets
Creative Community	Accelerator	Institutional and Entrepreneurship Assistance.	Youth Community or South Buton Creative Community
Media	Digital Marketing	Product Promotion through media channels and social media.	Local Media

Source : Development of Village-Owned Enterprises to Encourage New Village Economic Strength (2021)

2. Implementation of BUMDes Digital Marketing Training

Participants in this activity must be able to use and optimize information technology products. This activity includes teaching the use of information technology goods, blogging methods, and digital content production procedures. Activities are carried out using expository techniques (lectures), accompanied by discussions if questions are required from participants. Several times during the training and mentoring activities, participants asked questions about the ins and outs of developing digital blogs and materials, demonstrating their strong curiosity and desire to be involved in participant training. The following is a picture of the activity documentation:



Figure 1. Digital Marketing training by a dedicated team

Participants in this activity must understand the principles of digital marketing, namely the concept of digital marketing and the concept of e-commerce. This activity took place on Monday, June 7, 2021, from 09.00 to 12.30 with 57 participants. Participants took part in the exercise enthusiastically, as seen from their attention to the explanations. After the session, the participants continued to talk with the speakers. As a result, it can be concluded that digital marketing training participants are enthusiastic about participating in community service activities.

E. Conclusion

The new spirit of BUMDes regulation through the Village Law is a deliberate effort to achieve success in the economic and development fields, which are focused on rural communities. The area of South Buton Regency, which consists of various islands, is an obstacle to the accessibility of the community's economic wheels. Therefore, a strategy is needed that encourages the development of

regional economic potential for prosperity, and this policy must start in the village. South Buton Regency has now developed 60 BUMDes in every village in South Buton Regency. Not to mention its potential, which includes plantation products such as coconut, cocoa, and coffee, as well as fishery products such as flying fish and various other preparations, as well as various tourist destinations such as Rongi Hill in Sandang Pangan Village, Jodoh Beach in Lampanairi Village, Kabura-burana Baths in Desa Lawela, and many more.

Community service activities with digital marketing training to increase business competitiveness BUMDes South Buton Regency in marketing development, which was carried out on June 7, 2021, were able to produce community service outputs in the form of increasing the skills of training participants and publication on social media. This community service activity encourages trainees to come up with creative ideas for producing internationally competitive marketing tactics and product photos with selling points.

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