

Improving the Performance of Coffee MSMEs Through the Application of Technology and E-Marketing

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ABSTRACT

Application of appropriate e-marketing technology and techniques to maximize sales and income, as well as help coffee MSMEs achieve long-term financial stability and sustainable performance. The strategy for implementing this service includes a participatory approach involving Ndeso Coffee MSME Owners who are actively involved in each stage through Focus Group Discussions. Furthermore, intensive training and mentoring by increasing in-depth knowledge about technology management and online marketing performance analysis. The results of the service, which are realized in the form of training and mentoring, show an increase in the quality of products produced by Ndeso Coffee MSMEs through the application of technology in the form of roasting machines. The impact of this can be seen in increasing taste consistency, production quantities, efficiency and effectiveness of time and energy. In terms of training and e-marketing assistance, Kopi Ndeso MSMEs already have online shop and social media accounts as media for sales, promotion and product branding. The training and mentoring activities carried out have had a positive impact on Ndeso Coffee MSMEs. Through these efforts, MSME Kopi Ndeso is able to develop and improve the quality of their products, utilize technology more effectively, and build a customer network in the digital realm.

Keywords: Coffee roasting machine, E-Marketing, Kopi Ndeso, MSME



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INTRODUCTION

Micro, Small and Medium Enterprises have become highly appreciated elements in the context of contributing to global economic development, and at the same time, have emerged as an invaluable safety net for economic growth, especially during periods of crisis that have hit the world for more than one year. last decade (Purnomo, 2011). Micro, Small and Medium Enterprises (MSME) activities are one of the business sectors that have high potential for development and sustainability in the national economy. MSMEs act as entities that are able to provide productive employment opportunities, help reduce unemployment levels, and substantially contribute to national economic growth (Cahyono, Harahap, & Sukrajap, 2019; Lukito, 2021). The main characteristics that

differentiate MSMEs are their labor-intensive nature, where they do not require special requirements such as a high level of education or expertise from their workers, and the business capital required is relatively affordable and the technology used tends to be simple. (Ananda & Susilowati, 2017).

Talking about the role of MSMEs, one creative economy sector that is worth mentioning is Coffee MSMEs. This sector has a contribution to improving community welfare, especially in terms of selling coffee products and creating job opportunities for the surrounding community. Coffee MSMEs are an alternative for building a well-established, independent economy and contributing to the national economy (Lukito, 2021). Coffee MSMEs are increasingly receiving attention due to the emerging trend of high quality coffee consumption and consumer needs for sustainable coffee as well as the mushrooming of coffee businesses with contemporary concepts.

Currently, coffee MSMEs have become an integral part of the global coffee industry and play an important role in creating high quality coffee products, because in the millennial era coffee is no longer consumed by "older" people, the lifestyle of coffee consumption has spread to all levels of society, whether old or young. Coffee is not only used as an ordinary drink, but coffee is now a complement to every daily activity such as meetings, reunions, or hanging out with friends (Laksono & Nasikh, 2022; Nasri, Aini, & Sunarti, 2020; Suryani & Kristiyani, 2021). According to dataindonesia.id, Indonesia is one of the fifth largest countries in the world that consumes the most coffee. This shows that the amount of coffee consumed every day has increased along with the increase in people's income. Changes in consumption patterns have an impact on the coffee industry in Indonesia, which has experienced rapid development in recent years. Coffee is no longer just considered a routine drink, but has become a cultural phenomenon that has a big impact on the business sector, such as the number of coffee MSMEs that continue to mushroom.

However, even though the number of Coffee MSMEs continues to grow, up to now they still face a number of problems which include capital management, management, formal legal aspects, limited capital, minimal understanding of production technology, challenges in marketing and product branding, as well as obstacles in developing sources. human power (Hapsari, 2014). Some of these problems are also relevant to Ndeso Coffee MSMEs, where there are issues generally related to production and marketing that require appropriate solutions. This condition emphasizes the importance of the efforts made by the service implementation team in providing technical assistance and training to MSME partners to overcome these challenges and strengthen their businesses in the increasingly competitive coffee sector.

METHODS

The implementation of this service was carried out at the NDeso Coffee UMKM which is located in Kedungmoro Village, Kunir District, Lumajang Regency with the owner named Danar Indrakusuma Sukoco. The implementation of service activities will be carried out from July to December 2023. The method for implementing service activities is carried out through several stages which are explained as follows:

1. Survey

This survey is the initial stage carried out by the team for Ndeso Coffee MSMEs. The aim of this survey is to understand the initial conditions of the business, the challenges faced, as well as the knowledge and skills possessed by MSME owners. The results of this survey will be used as a basis for the implementing team to determine strategic steps to resolve the problems faced by Ndeso Coffee MSMEs

2. Focus Group Discussion (FGD)

After the survey is carried out, the next stage is an in-depth discussion group forum with MSME owners and employees. In this FGD, the implementation team and service partners, namely UMKM Kopi Ndeso, shared experiences, challenges and hopes for the future regarding the development of UMKM and technology that is more detailed and suits their needs.

3. Training and Mentoring

The next stage is training. The focus of training in this service is an introduction to the basic concepts of technology and e-marketing. At this stage, service partners will be given an understanding of the benefits and potential of implementing technology and online marketing strategies. Next, the direct mentoring stage begins to follow up on the results of the training carried out by resource persons and service partners. The team will provide assistance to Ndeso Coffee MSMEs in implementing online marketing strategies, managing social media accounts and promotions. This mentoring focuses on the practical application of the partner's understanding during the training.

RESULTS AND DISCUSSION

This activity began by conducting a survey and holding a group discussion forum involving the service implementation team and partners from Ndeso Coffee MSMEs. The main aim of this activity is to collect accurate and relevant data relating to partner needs within the framework of the service program being implemented. The results of the survey and discussion forum became the starting point for the service implementation team to formulate concrete solutions to overcome the problems faced by partners, especially those related to production and marketing aspects.

In terms of improving production aspects, the service implementation team provides solutions that focus on the introduction of roasting machine technology. This technology is applied to convert coffee beans into coffee powder using appropriate and efficient methods. Furthermore, close collaboration with partners is an important part of ensuring that they are ready to receive and operate the equipment.

The application of this coffee roasting machine technology aims to increase the efficiency and quality of coffee production. By using a roasting machine, the process of processing coffee beans into coffee powder can be done faster, more consistently, and with a roasting level that can be adjusted more precisely. This will produce higher quality coffee products, enable Ndeso Coffee MSMEs to better meet consumer demand, and reduce the time and resources required in the production process. In other words, the application of this technology aims to optimize the production stage and increase the competitiveness of Kopi Ndeso MSME coffee products in an increasingly competitive market.



Figure 1. Roasting Machine Assistance to Partners

Source: data processed by researcher in 2023

The significant impact felt by Ndeso Coffee MSMEs by implementing roasting machine technology is improving the quality of the coffee they produce. Roasting machine technology allows MSMEs

to produce roasted coffee beans with a higher level of consistency, so that coffee flavor and aroma variations can be better maintained. This leads to higher quality and more consistent coffee products in every serving. Apart from that, the implementation of a roasting machine also allows Ndeso Coffee MSMEs to better control the roasting process, so that they can achieve a roast level that suits consumer preferences or certain target markets. As a result, the resulting coffee becomes more competitive and attractive to customers looking for consistent, high quality.



Figure 2. Traditional Roasting Results
Source: data processed by researcher in 2023

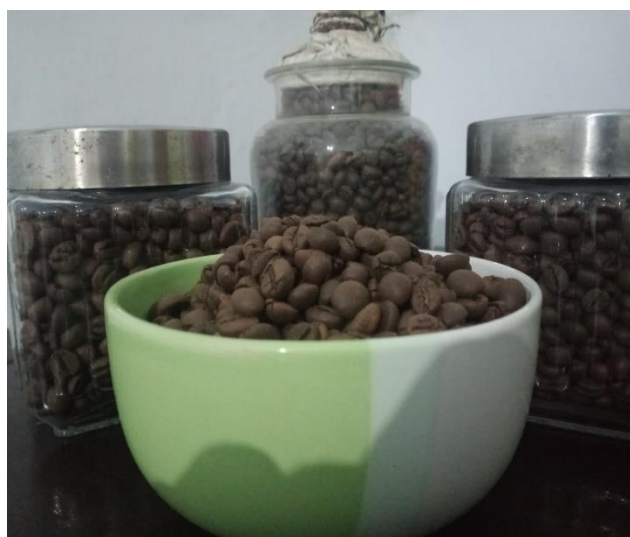


Figure 3. Machine Roasting
Source: data processed by researcher in 2023

Based on the practical results of the coffee bean processing experiments carried out by the partners in Figures 2 and 3, you can see the difference in quality between coffee roasting processing carried out manually and using a machine. In Figure 2 which shows the results of manually roasting coffee, a number of imperfections can be seen in the consistency and level of roasting of the coffee beans. Coffee beans may have varying degrees of roasting, resulting in inconsistent flavors and aromas within a single serving. Meanwhile, in Figure 3, which shows the processing of coffee using a roasting machine, it appears that the coffee beans have been roasted with a much better level of

consistency. A more precisely controlled roasting process produces coffee beans that are more uniform in roast level.

Apart from that, the use of coffee roasting machines has proven to be very effective and efficient in terms of managing labor and production costs. Based on the results of interviews with partners, it was revealed that previously it took them around 1 hour to process 1 kg of coffee beans manually. However, by using a roasting machine, the time needed is only around ± 12 minutes to produce mature coffee with a uniform roast level and consistent aroma. This change also has a significant impact on fuel use, where previously it required gas for 1 hour, but now it takes ± 12 minutes to process 1 kg of coffee beans into mature coffee. These results prove that the roasting machine has advantages in terms of effectiveness and efficiency of labor and costs in accordance with research conducted by Batubara, Widyasanti, and Yusuf (2019) and Manurung, Nugroho, and Apriliyanto (2020).

In an effort to support improving the performance of Ndeso Coffee MSMEs, this is not only done through the application of technology, but the implementation team also provides training in the field of marketing. Through this training, MSME partners are given the knowledge and skills necessary to utilize technology and online platforms to promote their coffee products more effectively. By understanding online marketing strategies, MSME partners can develop their presence in the online market, reach a wider range of customers and significantly increase their product sales. This e-marketing training is a key step in helping Ndeso Coffee MSMEs adapt to marketing trends that increasingly focus on digital platforms. (Widhajati, 2019).

The e-marketing training held has a main focus on managing social media accounts and presence on marketplace platforms which will be created by the implementing team and partners. During this training, participants will be taught how to optimize the use of social media, including account creation and management, as well as effective content strategies. They will also understand how to interact with customers, respond to questions, and manage consumer feedback. Additionally, training will cover how to operate on the marketplace platform, including how to display products, manage orders and maintain a positive reputation there. With this knowledge, Kopi Ndeso MSME partners will have the ability to maximize customer exposure and ease of access to their products in cyberspace, which in turn will increase the potential for sales and growth of MSMEs.



Figure 4. Pelatihan E-Marketing
Source: data processed by researcher in 2023

Furthermore, the e-marketing training was followed up with the creation of a marketplace for Ndeso MSMEs, namely in the form of Shopee and Facebook accounts.

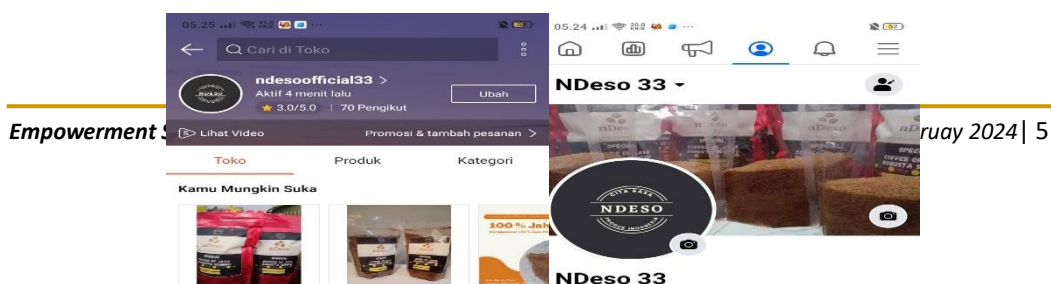


Figure 5. Ndeso Coffee MSME Marketplace Account

Source: data processed by researcher in 2023

The results of the community service activity aimed at increasing sales through e-marketing for the coffee product at UMKM Kopi Ndeso involve several key aspects:

1. Increased Online Visibility: Through e-marketing strategies, UMKM Kopi Ndeso enhances its presence and visibility on online platforms such as social media, websites, and marketplaces.
2. Targeting a Wider Market: By leveraging e-marketing, UMKM Kopi Ndeso can reach a broader market, even beyond their local geographical area.
3. Enhanced Consumer Knowledge: Through relevant and informative content, UMKM Kopi Ndeso can increase consumer knowledge about their coffee products, including production processes, advantages, and proper consumption methods.
4. Improved Consumer Interaction: Through e-marketing platforms, UMKM Kopi Ndeso can interact directly with consumers, receive feedback, answer questions, and build stronger relationships with their customers.
5. Increased Sales: Overall, e-marketing activities are expected to boost sales of UMKM Kopi Ndeso's coffee products by reaching a wider market, raising brand awareness, and strengthening customer relationships. The results of the community service activity aimed at increasing sales through e-marketing for the coffee product at UMKM Kopi Ndeso involve several key aspects:
6. Increased Online Visibility: Through e-marketing strategies, UMKM Kopi Ndeso enhances its presence and visibility on online platforms such as social media, websites, and marketplaces.
7. Targeting a Wider Market: By leveraging e-marketing, UMKM Kopi Ndeso can reach a broader market, even beyond their local geographical area.
8. Enhanced Consumer Knowledge: Through relevant and informative content, UMKM Kopi Ndeso can increase consumer knowledge about their coffee products, including production processes, advantages, and proper consumption methods.
9. Improved Consumer Interaction: Through e-marketing platforms, UMKM Kopi Ndeso can interact directly with consumers, receive feedback, answer questions, and build stronger relationships with their customers.
10. Increased Sales: Overall, e-marketing activities are expected to boost sales of UMKM Kopi Ndeso's coffee products by reaching a wider market, raising brand awareness, and strengthening customer relationships.

CONCLUSION

The training and mentoring activities that have been carried out have had a significant positive impact on Ndeso Coffee MSMEs. These efforts have given them the tools and knowledge needed to develop and improve the quality of their products. By implementing more effective technology, such as roasting machines, MSME Kopi Ndeso can produce coffee with a higher level of consistency, which increases the attractiveness of their products to customers. Additionally, e-marketing training also helps them understand how to utilize digital technology and social media to build a strong online presence and execute effective marketing strategies.

Apart from improvements in technical aspects and product quality, MSME Kopi Ndeso has also succeeded in building a wider customer network in the digital realm. They are now in the process of reaching potential customers outside their local area. Thus, training and mentoring activities have helped Ndeso Coffee MSMEs to develop, adapt to changing times, and compete in an increasingly competitive market.

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