Introducing E-Commerce to Achieve a Productive and Entrepreneurial Village

Fitri Amilia[a), Nurkamilah[b), Gitta Rowindi[c)

a Program Studi Pendidikan Bahasa dan Sastra Indonesia, b)Pendidikan Bahasa Inggris, c)Pendidikan Matematika, Universitas Muhammadiyah Jember, Indonesia
a) Corresponding Author: fitriamilia@unmuhjember.ac.id

ABSTRACT

This community service activity was carried out in collaboration with Universitas Muhammadiyah Jember to provide business development opportunities in the village of Karangduren, Balung District, Jember Regency. There are relatively many business owners or entrepreneurs of various fields such as fish breeding, flowers and plants, catering, snacks production, and handicrafts. It was, therefore, urgent to help the business owners in the village keep up with business developments. The activity carried the theme of introducing e-commerce to aim the entrepreneurial village. Its implementation involved 2 lecturers and students of the Faculty of Teacher Training and Education. It was carried out at the Karangduren Village Hall, participated by 17 business owners. Due to the pandemic, there were restrictions on the number of participants and compliance with the Covid 19 health protocols. To make activities more effective, a module was provided to help participants to deepen their understanding and skills of e-business after the activity. During the activity, some participants practiced creating a WhatsApp Business account and opening a shop in the market place. In addition, the participants also created a catalog listing their product offerings. Based on the results of the interviews, participants gave appreciation for this activity. They expected that through using e-commerce, their business would be better known, especially by using WhatsApp Business and social media and opening a shop in the market place. New knowledge and skills in managing this virtual business should continue so that people can live independently and form new thoughts towards productive and entrepreneurial villages.
Keywords: digital marketing, e-commerce, market place

INTRODUCTION

A partner village was chosen for the conduct of a Community Service activity, namely Karangduren Village, Balung District, Jember Regency, East Java. The initial survey showed that Balung Sub-district is strategic because it is located in the main route for the southern route from Surabaya. This village is inhabited by residents whose economic activities mostly are farming like being farm labors, employees, and entrepreneurs. The total population is 6,546 people with a density of 1,484 people/km². As a strategic village, however, it does not have a website for publishing information or data of the village.

In Karangduren Village, the number of entrepreneurs is quite large. As recorded from all neighbourhoods, there has been 156 entrepreneurs in Karangduren. To improve people's welfare, new breakthroughs are needed such as in managing their businesses. With the attention and support of the village, the community is expected to be able to become a productive and entrepreneurial society. Based on available data, the community has several businesses of various fields such as fish breeding, flowers and plants, catering, snacks production, and handicrafts. However, despite the variety of businesses run by the residents, their business is still running conventionally. Marketing is done in a limited and traditional manner; marketed in their local environment like local traditional market.

Based on these data, a new breakthrough is needed in the development of entrepreneurship in the current technological era. Hajar et al. (2022) highlight the importance of community's understanding especially related to economy empowerment. Entrepreneurs must be digital literate so as not to be left behind. Especially with the challenge of having a digital market that is easily accessed by anyone. Digital technology can be optimized for various entrepreneurial

activities, starting from the fulfilment of raw materials, product manufacture, marketing, to digital transactions.

Based on the aforementioned situational analysis, this community service was carried out. The community service team is responsible for helping the local government to provide and instil knowledge and skills of digital technology-based business management to realize the dream of becoming an independent and entrepreneurial village.

Entrepreneurial villages are characterized by stable economic capabilities at all levels of society. This stability can be seen in their ability to run their own economy. In other words, they work not only as laborers, but as entrepreneurs who are able to create jobs for themselves and others. With this illustration, there is hope and effort to realize Karangduren village as a productive and entrepreneurial village.

The present community service aimed to improve digital competence by introducing e-commerce materials to entrepreneurs in Karangduren Village. From the Ministry of Communication and Information page (Rie, 19), the notion of e-commerce is defined as a process for selling and buying products electronically by consumers and from company to company with computer intermediaries, namely utilizing computer networks (Laudon & Laudon, 1998). There are also those who explain e-commerce as a dynamic set of technologies, applications, and business processes to connect companies, consumers, and society through electronic transactions and the electronic exchange of goods, services, and information (Baum, 1999).

In addition, Soegoto and Eliana (2018) state that the use of digital technology and the internet in electronic commerce (e-business) can be used as a medium of communication, collaboration with business partners, and company management. The use of this technology is proven effective in electronic transactions and buying and selling activities.

Thus, e-commerce can be used in business implementation and development. According to Tashia (2017), there are four important components of e-commerce that must be in place for a good commerce system to run, including; places of sale, sellers and buyers, payment systems, and delivery services. The place to sell acts like an electronic shop. Sellers and buyers are connected in the same connection line. The payment system uses an agreed method such as transfer, pay on site, or others. The delivery service is also agreed upon by both of them. Each element is described in the following paragraphs.

First, the place to sell acts like an electronic store. Currently, there are at least two categories for places to sell; i) online store or online store that connects buyers to sellers and becomes a place for sellers to showcase their products. Examples for online stores that can be easily found today are MatahariMall, Zalora, or buying and selling accounts on Instagram. ii) a marketplace which contains many shops. These two selling places are likened to a market, there are many sellers in one place. This market place concept has covered all aspects of buying and selling transactions in one application. Examples of market places that are widely used by buyers today are Shopee, Bukalapak, Tokopedia, or Gojek and Grab. In Shopee, there are many stores that sell various needs. This market place also has a feature that allows buyers to choose the payment method they prefer and to chat or interact with the seller directly before completing the transaction.

The second component is the availability of sellers and buyers. Considering that this transaction is carried out via the internet, the main characteristic is the distance between the seller and the buyer. For this reason, a liaison between the seller and the buyer is vital for transactions. To ensure security in transactions, both the seller and the buyer have been protected by the state through Article 18 paragraph 1 of the ITE Law which states that electronic contracts must have the same legal force as conventional contracts. This means that there must be a contract between the seller and the buyer that can be executed during the transaction. Sellers and buyers can communicate before terminating the sale and purchase contract. This can be done by communicating via text/chat, or video calling to ensure the condition of the goods in real time. With shoppers getting smarter in today's e-commerce transactions, buyers can see the validity of the shop or seller before proceeding with their purchase.

The third component is the payment system or gateway. This includes the final gateway for seller and buyer transactions. Payment is an indication of the continuation of the buyer's transaction. Therefore, the seller must provide a safe and reliable payment system. Such system is provided in a market place that is connected to a verified digital wallet so that its security can be ensured.

The last component is the availability of delivery services. Nowadays, there have been many shipping services available to help deliver products from all regions in Indonesia. The rates offered also vary so that buyers and sellers can freely choose the most suitable and safe tariff for their products. For example, Pos Indonesia, JNE, JNT, Si Gesit, and others. Products sent can be from very small to large, both fragile and sturdy; all will be delivered safely to their destination. Sellers can also collaborate with the delivery services to pick up the goods so that the seller does not need to deliver to the delivery service.

These four things must be understood by all entrepreneurs who will join the virtual business through e-commerce. These four elements are introduced in the present community activities in Karangduren village, Balung Jember. Based on the description above, the introduction of e-commerce needs to be socialized to the community of business owners. By having an understanding and operational ability of e-commerce, business owners can maximize their business development easily without incurring too large a cost.

The method implemented to address the problems was workshop which could effectively boost community practical knowledge (Siagian, et al., 2021). In this context, the workshop is the introduction of e-commerce, that is divided into stages of e-commerce and technological literacy to support the understanding of the material. Literacy about e-commerce is the main capital to survive in the economic activities of this era. Sellers can understand the big role of technology in increasing the sales turnover of their business.

Furthermore, in providing an understanding of the technology that supports e-commerce, service activity participants are trained directly to open an electronic store and ensure they can operate it after the training is complete. The technology in question is the availability of the internet, as well as market place accounts. Participants were also introduced to ways to cooperate with shipping services that would help them to deliver the products they sell. This includes technological literacy which refers to people's competence in using the internet as a medium in finding and providing information, including electronic messages, and several social media applications in finding and conveying information.

METHOD

In general, this community service activity is carried out using an intervention method. The training begins with brainstorming and material presentation, individual work and/or group work, e-commerce practices, reflection and follow-up discussions. The implementation method was carried out in one service period, or within a period of 3 months. The details of the activity stages are presented in the following section.

a) Program delivery stage

At this stage, the service team explained e-commerce for business development. This stage is accompanied by a module that is easy for all participants to understand. In this activity, the implementation team and participants discussed e-commerce.

Participants in this activity were 17 entrepreneurs appointed by the village head on several considerations and criteria so that the activity material could be understood well and transmitted to fellow entrepreneurs in Karangduren village.

b) Technology application stage

One of outcomes of this activity is application of technology which works as a solution to the community problems. The application of technology in question is the use of applications that support e-commerce, such as the use of social media in virtual transactions, and the use of market places for business improvement. Participants were given the opportunity to choose and plan the use of e-commerce for their business. After having a good plan, they implemented it thus operated it directly.

c) Evaluation Stage

At this stage, Community Service implementers and participants evaluated activities to measure the success of this program. The participants of this program could benefit from the activities.

Based on this method, Figure 1 pictures the targets of this community service activity.

RESULTS AND DISCUSSION

Pre-Activity

Pre-service activities are divided into two activities in the implementing team and activities with partners. Pre-activities in the implementing team include coordinating module writing (Figure 2) with all implementing teams, dividing tasks in module writing, editing content, language, and layout and printing modules. Activities with partners include coordinating activities with partners and preparing various activity materials.

Whilst-Activity

Based on the initial discussion with the head of the local government, the implementation of this community service activity was agreed to be carried out on 16 – 24 February 2022 at the Karangduren Village Hall, Balung District, Jember Regency. The following are the details of the activities.

1) Coordination with the partner

Initial coordination with the village head, Mr. Nurkholik, was carried out in the Village Head's office, at the Karangduren Village Hall, Balung District, Jember Regency (Figure 3). It was necessary to strengthen the objectives, content of activities, expectations of activities, and follow-up activities.

In this moment, Mr. Nurkholik informed the number of MSME actors in Karangduren Village that amounted to 156. Based on the analysis of the needs and objectives of the activity, 17 participants were invited to this activity.

2) Opening

The opening of the activity was carried out in the Karangduren Village Hall Hall, Balung District, Jember Regency. The village head delivered his opening speech and opened the activity officially (Figure 4).

3) Material Explanation

The material was explained alternately by all implementing teams in accordance with the initial coordination. Introductory material for e-commerce was presented by Fitri Amilia, practice in the market place was delivered by Nurkamilah, and the practice of using WhatsApp Business was presented by Gitta Rowindi. It started with brainstorming to prepare the participants before the material was presented (Figure 5). The material was delivered in an interactive manner where participants could directly ask questions and discuss some ideas.

4) Discussion and Q&A

Questions and answers take place during the explanation of the material (Figure 6). There was one who directly asked how to create an email and help recover their forgotten password. During the activity, the participants' difficulties were successfully answered by the team.

5) Practices

To ensure the digital literacy, the participants were given the opportunities to practice using the technology during the activity. There are three kinds of practice. The following is an explanation of each.

a) Using WhatsApp Business

At the event venue, there were 4 participants who succeeded in making the account and using the WhatsApp Business, adding a catalog, and sharing the business link to other WhatsApp users in their contacts. The rest have downloaded but have not completed the activity material due to their device problems.

b) Optimizing Social Media

This activity was to help participants optimize the use of social media. Some of the social media used were Facebook and Instagram. Optimization can be done by distributing catalogs on

Fitri Amilia[a)], Nurkamilah[b)], Gitta Rowindi[c)]

WhatsApp Business as well as daily status updates to attract the interest of social media users. This is a follow-up practice of making WhatsApp Business accounts.

c) Adding Stores in the Market Place

During the practice, two of the 17 participants managed to create a store account on the market place, especially at Shopee. This was constrained because many of the participants did not have a business picture on the device they brought so they could not continue to fill the shop in the market place.

6) Feedback

As feedback on this activity, here are the details.

a) Participants continued the activity of completing their catalog of WhatsApp Business at home with the help of the activity module

b) Participants continued to register their shop in the market place at home

c) The village head hopes that the service team can come back if any participants find obstacles during their independent practices.

d) The village head will re-list the MSME owners who are interested in receiving similar trainings in the future.

Closing

This community service activity received appreciation from the Karangduren Village Head. There is great hope for the success of this activity. He hopes that the community service team can continue providing services in accordance with the needs in Karangduren Village in the following years.

CONCLUSIONS AND RECOMMENDATIONS

This community service activity ran smoothly at all stages from pre-implementation, implementation, to closing. Participants created WhatsApp Business accounts and have also successfully opened a shop on the market place. This activity received a positive response from the participants.

To be successful in the implementation of e-commerce, the following things are needed: (a) the readiness of infrastructure that supports access to online buying and selling; (b) readiness to open access to information to make changes to activities and routines; and (c) readiness of systems that support change in society.

ACKNOWLEDGMENTS

REFERENCES

Baum, David, (1999). E-Commerce. New Jersey: Oracle Corp.

Hajar, S. ., Hasan Ashary, F. ., Hermawan, A. ., Rani, N. ., Monika, I. ., & Stevani, F. . (2022). Community Empowerment to Improve the Village Economy through the Utilization of Tea Leaves in Bahbutong Village, Simalungun Regency. ABDIMAS: Jurnal Pengabdian Masyarakat, 4(2), 1004–1010. https://doi.org/10.35568/abdimas.v4i2.1563

Laudon, K. C. & Laudon, P. L. (1998). Management Information Systems, Fourth edition. Prentice-Hall, New Jersey, USA.

Ludwianto, et al. (2021, September). Kumparan Tech. Retrieved Januari 2022, from Kumparan: https://kumparan.com/kumparantech/kisah-umkm-dimsum-49-sukses-berkat-e-commerce-omzet-melejit-saat-pandemi-1wZsR5Zz8qP/full

Proboyekti, U. (2008). Internet sebagai Pendukung Literasi Informasi. Makalah yang Dipresentasikan pada "Seminar Peran Pustakawanan Dalam Mengembangkan Literasi InformasiPada Era Globalisasi. Online. http://lecturer.ukdw.ac.id/othie/Internet_ILSUPPORT.pdf

Tashia, T. (2017). Sistem e-Commerce dan Perlindungan Konsumen. aptika.kominfo.go.id/2017/06/sistem-e-commerce-dan-perlindungan-konsumen/

Rie. (19, Desember 2014). https://bpptik.kominfo.go.id. Retrieved from https://bpptik.kominfo.go.id: https://bpptik.kominfo.go.id/2014/12/19/645/e-commerce/

Siagian, H. ., William, W., & Fendi, N. E. (2022). Entrepreneurship Workshop in Kampung Nelayan's Community, Medan Belawan District . ABDIMAS: Jurnal Pengabdian Masyarakat, 4(2), 938–942. https://doi.org/10.35568/abdimas.v4i2.1502

Soegoto, E. S., & Eliana, E. (2018, August). E-Commerce and business social media today. In IOP Conference Series: Materials Science and Engineering 407(1), p. 012-034. IOP Publishing.

Undang-Undang Republik Indonesia Nomor 19 Tahun 2016 Tentang Perubahan Atas Undang-Undang Nomor 11 Tahun 2008 Tentang Informasi Dan Transaksi Elektronik
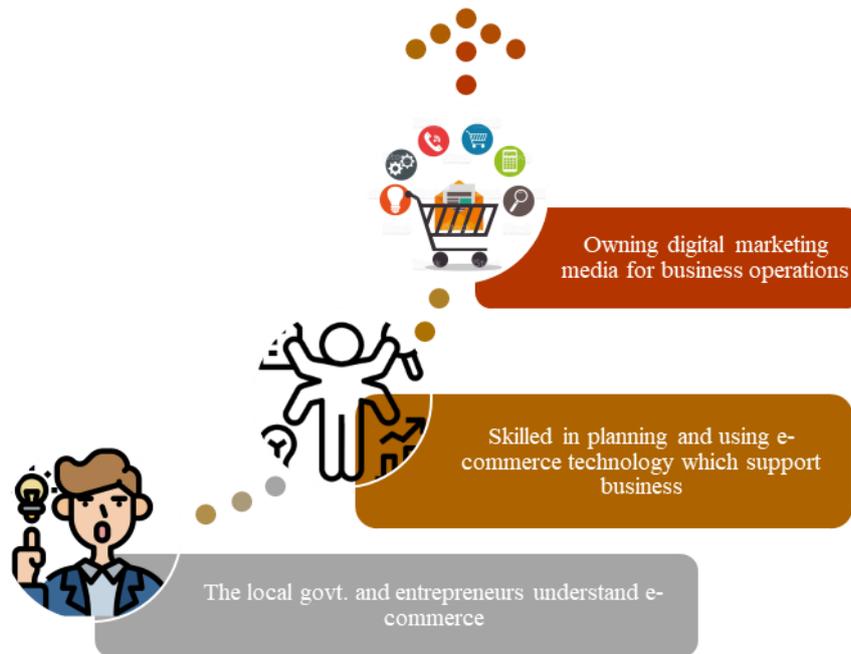
APPENDIX

Figure 1 Targets of Community Service

Figure 2. Activity Module

Figure 3. Pre-activity coordination

Figure 4. The Opening Speech from the Village Head

Figure 5. Brainstorming

Figure 6. Discussion and Practices