

## Development of Increasing Business Competitiveness in Beto yoguci Village, Gresik Regency

### Author

Suaibatul Aslamiyah (ORCID ID. 0000-0002-2434-9595)

### Correspondence

Universitas Muhammadiyah Gresik, East Java, Indonesia  
[Suaibatul.aslamiyah@umg.ac.id](mailto:Suaibatul.aslamiyah@umg.ac.id)

### Abstract

Since March 2020, the COVID-19 pandemic that has hit Indonesia has not ended. The existence of the micro, small and medium enterprise (MSME) sector which plays a very important role in economic development and growth is the most affected by this pandemic. Various problems experienced by MSMEs include decreased sales, capital, hampered distribution, difficulty in raw materials, decreased production and layoffs of workers which pose a threat to the national economy. In addition, MSMEs lack resilience and flexibility in dealing with this pandemic, due to several things such as the low level of digitalization, difficulties in accessing technology and a lack of understanding of strategies to survive in business (OECD, 2020). The purpose of the service activity is to develop the competitiveness of MSMEs through information technology and innovation in Beto yoguci Village, Gresik Regency. The method used is Participatory Rural Appraisal (PRA), namely approaches and techniques for involving the community in thought processes that take place during planning, implementing, as well as monitoring, and evaluating community development programs (Hamid, 2018). The activity was carried out in a hybrid manner, with 24 offline participants at the Beto yoguci Village meeting hall. To make it easier for coaching, in addition to explaining the forms of innovation that can be done during the COVID-19 pandemic, activities are supported by the practice of using information technology with the Shopee E-Commerce platform, starting from downloading in the appstore to uploading products, so that an increase in the ability of participants can be obtained. still survive during the pandemic that is still ongoing today.

**Keywords:** COVID-19; Competitiveness; Innovation; Technology; MSME

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### Introduction

Since March 2020, the COVID-19 pandemic that has hit Indonesia has not ended. The existence of sectors, businesses, micro, small, and medium enterprises (MSMEs), which play a very important role in the development and growth of the economy are the ones most affected by this pandemic. Various problems experienced by MSMEs include decreased sales, capital, hampered distribution, difficulty in raw materials, decreased production and layoffs

of workers which pose a threat to the national economy. In addition, MSMEs as the driving force of the domestic economy and absorber of labor, face a decline in productivity which results in a significant decrease in profit.

Indonesia, which is dominated by MSMEs and is the backbone of the national economy, has been seriously affected by COVID-10, not only in terms of their production and income, but also in the



number of workers that must be reduced due to the pandemic (pakpahan, 2020 MSMEs lack resilience and flexibility in dealing with this pandemic, due to several things such as the low level of digitalization, difficulties in accessing technology and a lack of understanding of strategies to survive in business (OECD, 2020). The existence of the COVID-19 pandemic also has an impact on the uncertainty of the sustainability of MSME businesses due to various government policies in an effort to prevent the spread of the virus.

Gresik apart from being an industrial city, it also has MSMEs spread across several regions. According to the Central Statistics Agency, the number of small business units and miko in Gresik is divided into 18 sub-districts and 330 villages and as many as 13,506 businesses, most of which are affected by COVID-19. The government to prevent MSMEs from getting worse, has carried out several incentives. In addition to capital, go digital assistance through a national digital economy strategy is prepared. The national movement "proud to be made in Indonesia" strengthens domestic market access, as well as strategic partnerships with corporations to accelerate MSMEs to become global players. (Ministry of Finance, 2021).

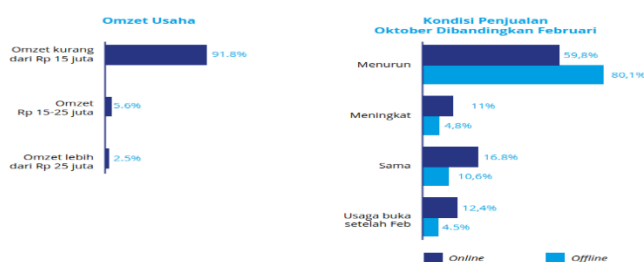


Figure 1. MSME sales turnover and conditions during the COVID-19 pandemic

Efforts to support and awaken MSMEs offline participants at the Betoयोगuci Village meeting hall and 77 online participants. Betoयोगuci Village community empowerment is carried out using the Participatory Rural Appraisal (PRA) method, namely approaches, and, techniques, community involvement, in, processes, thoughts, which, take place, during, planning, implementation, and monitoring.

in Gresik which are part of the collaboration, this service activity is carried out in one of the villages in Gresik district. Based on data obtained from previous services, there are 4 types of MSMEs in Betoयोगuci Village. More clearly about the MSME data in Betoयोगuci Village, it can be seen in the following table (Table 1).

Table 1. Profile of MSMEs in Betoयोगuci Village

No.	Business Category	Amount
1	Foods	54
2	Drinks	4
3	Clothes	7
4	Service	16
<b>Total</b>		<b>81</b>

Source: Processed Data (2022)

This empowerment in Betoयोगuci Village is a continuation of previous empowerment activities. This form of empowerment focuses on fostering the improvement of MSME competitiveness through technology and innovation, which MSME entrepreneurs in the village have not yet mastered. In addition, the COVID-19 pandemic in strategic management is part of the company's external environment that needs to be managed properly, this is related to the opportunities and threats faced by the company in its competitive environment (Pearch and Robinson, 2016:92). Furthermore, the importance of technology for MSMEs is as a tool to add customers and relationships, while innovation is a way for entrepreneurs to retain and attract consumers. Based on this, the purpose of the service activity is fostering the improvement of MSME competitiveness through technology and innovation in Betoयोगuci Village, Gresik Regency.

**Method**

The empowerment activity was carried out in a hybrid manner.

a. Planning

Planning is done by conducting a field survey, the aim is to find out the real conditions in the Betoयोगuci village environment. In addition, they also share with the targets regarding the activities to be carried out with MSME actors.



#### b. Implementation

The implementation of service activities in the form of training on the use of information technology for marketing and product innovation in the form of making processed Bandeng. Bandeng is widely available in the betoyoguci area because of its location which is surrounded by ponds and the most livelihoods as pond farmers, but most of it is sold in the form of raw fish.

#### c. Monitoring

Measures that are used as guidelines in, indicators, success, training, are, target, able, understand, and practice, making Bandeng meat rolls and marketing using information technology, in this case the author chooses to use Shoope. In the Shope application, aspects that are monitored include account creation, product uploads and payments.

#### d. Evaluation

The evaluation stage is carried out with discussion techniques and techniques, giving, solutions. This technique is carried out, with, the way the author conducts, discusses, with, SMEs, related to, the difficulties, which are faced, when, will make Bandeng meat rolls and do sales marketing using Shoopee, and provide, solutions, or, suggestions, against, the difficulties, faced, by, the perpetrators, the Betoयोगuci SMEs when creating and using the application.

### Results And Discussion

The activity was carried out on February 13, 2022. Participants in this service are business owners (MSMEs) who also work as pond farmers and housewives in Betoयोगuci Village, Manyar District, Gresik Regency. Referring to the majority of the population's livelihood as pond farmers and selling fish products in raw form, the authors are interested in helping to increase competitiveness by selling through innovation and information technology. Bandeng as the largest fish harvest in Betoयोगuci Village was chosen as the MSME business that was the target of the activity. This is because the marketing method is still traditional and has not been processed.

The COVID-19 pandemic, which continues to this day, has affected many MSMEs in terms of both turnover and sales (Figure 1). One of the reasons for the decline in sales was the decline in people's purchasing power due to the COVID-19 pandemic, so that this greatly affected the sustainability of MSME businesses, and could

even become a threat to the national economy. COVID-19 as an external factor for MSME businesses requires a strategy for managing opportunities and threats by a company in its competitive environment (Pearch and Robinson, 2016). Especially because the COVID-19 pandemic has changed various sectors and forced all of us to adapt to new habits, without exception, MSMEs are currently starting to use technology a lot. The number of technologies that have started to be widely used and proven to be able to increase sales, it turns out that it has not been widely used by MSMEs in Betoयोगuci Village. Departing from the 2 (two) things above, the service activities carried out in Betoयोगuci Village to increase competitiveness in the midst of the COVID-19 pandemic are Innovation and Technology.

Darmawan (2012), said that information technology is a product of human engineering on the method of delivering information from the sender to the recipient which causes it to be wider, spread faster, and can be stored longer. By doing digital marketing, it will certainly support broader marketing activities and be able to attract consumer interest, which in turn can support business success. With this pandemic, the rapid growth of digital marketing is getting tougher. Therefore, like it or not, this pandemic is forcing MSMEs, especially in the village of Betoयोगuci, to optimize their marketing and productivity in order to be able to continue to survive.

The technical implementation of service activities is carried out using the offline or Offline method which is limited and successfully followed by 24 people, these restrictions were carried out because they were still in the COVID-19 pandemic situation and were carried out at the Betoयोगuci Village meeting hall. As for facilitating service activities, a focus group discussion was formed which was assisted by students with the scope of discussion focused on digital marketing with the Shope application and how to process Bandeng into rolls. However, it does not reduce the essence of service activities. This is evidenced by the enthusiasm of the community to ask questions and stay focused.

#### a. Innovation

Innovation is using creative ideas and turning them into useful products or work methods. In the business sector, innovation is very important, because with innovation, a business can become a leader and even become a competitor to innovate early. Innovation also



plays an important role in attracting consumer interest, so that product innovation becomes a support for the sustainability of a business. The advantages of the business owned will be seen if product innovation is more creative, creative thinking in the business world is needed so that the business is able to compete with other businesses (Iestari, 2019).

Gresik Regency, which is known as an industrial city, is also known as a producer of Bandeng as a source of livelihood for its citizens. More than just money, Bandeng for Gresik residents has the value of tradition, identity, pride and even shows one's status. This can be seen from the number of ponds in Gresik which reach 32 thousand hectares, or 46 percent of the total area of Bandeng ponds in East Java, with production reaching nearly 80 thousand tons in 2019 (Umara, 2021).

Betoyoguci Village is a potential village for Bandeng cultivation (Aggraini, 2016). However, until now this potential has not been optimized properly. This is because the majority of people do not have the knowledge and innovation that causes disparities. The innovation of processed Bandeng is a step to prepare to increase the competitiveness of SMEs in Betoyoguci Village so that they can manage aquaculture products, so that optimal results are obtained in the midst of critical times facing the COVID-19 pandemic.

The technical implementation of the Bandeng processed innovation training is as follows: First in the planning stage, a team consisting of lecturers assisted by students makes a trial of processed Bandeng products which are made into rolls at home first to be recorded in video form and shared during training. The composition of the ingredients needed to make Bandeng rolls consists of:

- 500 g of Bandeng meat that has been separated from the thorns
- 2 pieces of white bread
- 2 eggs
- 2 tbsp oyster sauce
- 1 tsp sesame oil
- 1/2 tsp ground pepper
- 1/2 tsp garlic powder
- 1/2 tsp sugar
- 1 tsp salt
- 2 tablespoons cornstarch
- 4 eggs, make into 4 omelette

If the material is ready, then the method of manufacture is as follows:

- Put all the ingredients into the chopper, then process until well blended and smooth.

- Take a sheet of omelet, put the dough until it meets the surface of the omelet and roll it.
- Do the same with the remaining omelet and Bandeng meat mixture until you get 4 rolls.
- Wrap each one with a sheet of aluminum foil or food grade plastic
- Steam in a hot steamer for 20 minutes, Remove and cool.
- Cut into 1 cm oblique. Can be served as a side dish or given broth as a soup.



Gambar 1.  
Rolade Bandeng Result





Figure 2.  
Video recording rolade bandeng



Figure 3.  
Shopee E-Commerce Training  
Materials



Figure 4.  
Discussion and Q&A with MSME  
owners

The second stage of implementation, on February 13, 2022, training activities for processed Bandeng innovations were carried out. The innovation is carried out by playing video recordings of the process of making Bandeng meat rolls that are already good and the desired results are obtained. The video that was played during the training activities, accompanied by the provision of samples of processed Bandeng made in rolls, was distributed to MSME actors in Betoयोगuci Village who participated in the training. When the video was played and the Bandeng meat roll was given, the team also asked for feedback on the flavors and innovations made and opened a question and answer discussion session.

The three stages of monitoring and evaluation, when MSME business actors listen and feel the processed Bandeng made rolls, they are very enthusiastic and ask questions, some even want to practice and sell it (Figure 5). This is because the custom of processed Bandeng made in Betoयोगuci Village is only in the form of, for example: presto Bandeng, kropok Bandeng, Bandeng brains etc. The existence of processed rolade from Bandeng meat is unique for them, because most rolls are generally made with chicken or beef as the basic ingredients. This innovation of processed Bandeng into rolls can be an alternative food menu that is liked by adults and children who don't like fish, because the smell of fish.

### Information Technology

Business Environment is the Combination of Social, Legal, Economic, Physical, and Political Factors that affect business activities. Significant changes in these factors are likely to create business pressures on the organization. One type of business pressure is technology (Turban, 2012). Information technology is a COVID-19 mitigation and recovery solution that is still ongoing today. Mitigation measures that can be a short-term priority are creating stimulus on the demand side and encouraging digital (online) platforms to expand partnerships. Therefore, the second training conducted in Betoयोगuci Village in an effort to increase business competitiveness in MSMEs was training on the use of the E-Commerce platform from the Shope application.

The technical implementation of the E-Commerce training from the Shope application is as follows: first in the planning stage, the author makes easy-to-understand material in linking the importance of information technology and tutorials on creating a Shope account to expand the marketing network. The material is compiled in the form of power points and will be explained at the training event.

The second stage of implementation, the training was conducted in session 2 after the tutorial on making rolls from Bandeng meat. Before using the Shope application, participants were given a first understanding of digital marketing and E-Commerce as a

result of advances in information technology applied in marketing management to increase efficiency in marketing strategies in the era of globalization without having to be in a physical store. The training was followed by training on the use of the Shopee application, participants were taught to create accounts, upload products, choose delivery services and tips on getting the first order.

The three stages of monitoring and evaluation, when MSME business actors listen to training materials on E-Commerce Shopee they are very enthusiastic and ask questions (Figure 5). The results of the discussion, it is known that some MSME business actors have used the Shopee application, but it is only used to buy, not to sell their products. The choice of Shopee as the method chosen is because this application is widely used by all circles, even children and the general public. The advantages of this application are the many promo programs offered, for example: cashback, free shipping, discounts, etc. However, their doubts are about packaging, so for the next service, they can use the packaging training theme which is easy to apply. Based on the explanation of the two types of training in increasing competitiveness above, SMEs that are currently quiet in terms of sales can make alternative milkfish processed innovations as their new business and can market or sell them on shopee.

### Conclusion

The COVID-19 pandemic, which is still not over, has put pressure on business people, including MSMEs. The decline in the number of sales is the most common problem. Therefore, to overcome and reduce the burden on MSMEs, the authors provide training to increase competitiveness by providing innovation in processed milkfish as a resource that is commonly found in Betoyoguci Village in

the form of training in making Rolade from milkfish meat and digital marketing through E-Commerce with the Shooope application. . As a result, MSME business people are very interested and enthusiastic and understand and can practice the knowledge gained from the training.

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