Standardization of MSME Timber in Tanjung Jaya Village

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ABSTRACT

As one of the villages in the Panimbang Regency, Tanjung Jaya Village provides some promising business potential, especially timber artisan. However, this business opportunity has not been fully utilized by the people of Tanjung Jaya and MSME actors. Therefore, this program aims to develop strategies regarding the standardization of MSMEs Timber professionally and independently to support income and improve the welfare of the people in Tanjung Jaya Village. The implementation method used is interviews with MSME actors. First, the researcher asked MSME actors in Tanjung Jaya Village about managing a business professionally, innovatively, creatively, and independently. Next, researchers will score and triangulate the results of interviews with the Tanjung Jaya community to carry out MSME development strategies. Implementing these activities positively impacts the people of Tanjung Jaya Village to increase business potential, especially in the MSME sector. In the end, this program can support income, improve the welfare of Tanjung Jaya Village's people, and contribute to increasing economic growth in Panimbang Regency.

Keywords: Strategy, Developing, Standardization, MSME, Tanjung Lesung
INTRODUCTION

The Special Economic Zone is a standard tool used in the contemporary economy to promote economic growth. Regional economics is the broad term for the SEZ idea. This idea was conceived in Shannon, Ireland, and expanded to Asia, Latin America, Sub-Saharan Africa, and Indonesia (Hamudy & Rifki, 2020). In 2019 there were 5,400 SEZs, and most of the 94 percent were in developing countries (United Nations Conference on Trade and Development, 2019). The condition of the community in the buffer zone of the Tanjung Lesung Special Economic Zone (SEZ) has several Micro, Small, and Medium Enterprises (MSMEs) that can support the local community's economy. This situation can be seen by the fact that it has become a Special Economic Zone, in which villages and their environment receive priority benefits, including convenience in terms of business permits so they can grow a new economy. SEZs are expected to increase and recover from the economic side with the absorption of Human Resources by supporting local communities and the existence of MSMEs that can grow around SEZs, or in foreign terms, known as buffer zones.

Micro, Small, and Medium-Sized Enterprises (MSMEs) play a vital role in achieving several socioeconomic goals, including increased employment growth, the promotion of exports, and the encouragement of entrepreneurship (Keskgün, Ğentürk, Sungur, & Kğrgğ, 2010). The MSMEs also contribute to economic growth because they can reach every area, including the rural areas. The business aimed to increase the local community's role and welfare. To deliver necessary tourism goods, they must be outfitted with technical, operational, and managerial capabilities (Chia, Lo, Razak, Wang, & Mohamad, 2021). According to Sofyan as cited in Pamungkas, Kusumawati, Herman, and Shanti (2022) supported by the data from the Ministry of Cooperatives and MSMEs of the Republic of Indonesia in 2019, Indonesia had 65.5 million MSMEs. This number has increased by 1.98 percent compared to 2018 of 64.2 million MSMEs. Additionally, MSMEs also increase the 119.6 million people for getting their job or equivalent by 96.92%. Then, MSMEs contribute to the nation gross domestic product (GDP) with a percentage of 60.51 percent above the prevailing price. To GDP above constant prices, the contribution of MSMEs reached 57.14%.

Tanjung Jaya is a village in Panimbang District, Pandenglang Regency, Banten, Indonesia. Tanjung Jaya is also known as the Tanjung Lesung beach tourist area. The Tanjung Lesung Tourism Area is a tourist area on the west coast of Pandeglang Regency. Based on PP No. 50 of 2011 and PP No. 26 of 2012, the Tanjung Lesung area was included in the National Tourism Strategic Area (KSPN) and became a National Tourism Special Economic Zone (KEK). As a Special Economic Zone (KEK), Tanjung Lesung automatically gets special attention from the Central Government and Regional Governments regarding building tourism facilities, infrastructure, and the ease of investing in this area, making the Tanjung Lesung area a Buffer Zone.

The buffer zone around the SEZ area has many benefits. However, this situation is also detrimental to MSMEs. MSMEs are challenging to develop because everything is centered on the SEZ but not in the buffer zone area. The state of infrastructure is decreasing because everything is centered on the development of the SEZ area. Therefore, the buffer zone area should be strategies that can support the development of the SEZ (Suryani & Febriani, 2019). With a total budget of IDR 84.9 billion, the Pandeglang district government said it supported the buffer zone's development. The money was utilized for tourism necessities (souvenirs, cuisine, homestay, permits, Sapta Pesona, business partnerships, agrotourism, guides, and hospitality), building the Panimbang terminal, building the fish market and outlets, and reorganizing the Panimbang market (Nurhayadi, 20218).
The buffer zone is an area adjacent to a conservation area that provides an additional layer of protection while benefiting the surrounding communities. According to Wild and Mutebi (1996), the buffer zone area is believed to have a positive impact, both from conservation areas and surrounding communities, and vice versa. The development of the buffer zone is planned to encourage economic growth in the KEK Tanjung Lesung area. Based on this, the appropriate buffer areas that need to be developed are in Panimbang and Cigeulis, sub-districts. These two sub-districts were chosen because these two areas are the gateway to the Tanjung Lesung KEK, are close to each other, have good access, and have a huge business potential and tourism visits. However, according to the study by Hamudy & Rifki (2020), the Pandeglang Regency's main source of income is currently not the Tanjung Lesung SEZ. Numerous government-sponsored initiatives also do not always raise the standard of living for locals. As a result, local community investment is only made in the buffer zone with limited resources, making it difficult for them to exert significant authority over the region.

LITERATURE REVIEW

The Micro, Small, and Medium Enterprises (MSMEs) in Tanjung Jaya village take advantage of the existing natural resources, such as bamboo, teak wood, coconut shells, tableware, cutting board, coasters, ashtray, miniatures, etc. as the business potential by showing their skills and creativity to create a handicraft product. Handicraft is a unique expression and representation of a culture, tradition, and heritage of a region made with hand. The MSMEs of Tanjung Jaya Village have created handicraft products made of bamboo, and teak wood, which have a high selling value by relying on natural waste. These handicraft products absorb the workforce of the surrounding community to increase income and improve community welfare. The MSME actors also use information technology to develop their marketing strategy. The increased number of competitors are consideration for the MSME actors to innovate in winning the competition. According to Pradiani (2017), the right marketing communication strategy is used to reach the target market and increase sales. Due to the growing rivalry among businesses, businesses must have a strong marketing plan to keep customers from switching to competing goods. In order to meet their long-term goals, businesses might sell their items as something that is available. This is done through marketing strategies. Another strategy definition is a pattern or activity plan detailing how businesses compete, the objectives to be met, and the laws required to accomplish the objectives (Pahlevi & Rahab, 2022).

Internationally, standardization is recognized by the International Organization for Standardization (ISO). Attempting to develop, distribute, and produce a product or service may be made better, safer, more effective, and of greater quality. Serving as a framework for environmental laws, health safety, e-quality, and several other issues. Improving the process time for new items or services accessing the market. Providing superior and more balanced interstate trading facilities. Addressing all issues together makes lives more comfortable, calm, and clear. Participating in technological advancement and managerial best practices. Providing a warranty for general or consumer usage of goods and services. With this uniformity, it is anticipated that marketing management would run seamlessly.

The support environmental management systems offer to develop organizational leadership and responsibilities is another element of these systems. This makes it possible to significantly alter internal procedures to decrease nonconformities, boost preventive measures, and create and manage environmental indicators. According to ISO 14001, environmental management systems are a global standard that must be followed in order to accomplish operational, strategic, and tactical objectives (International Standardization Organizations, 2015). Despite the fact that MSMEs lack the
funding required to invest in the environmental management systems outlined in ISO standards, some of these systems have been tailored to these businesses’ needs and are readily available in commercial settings. By following these rules, a sustainable corporate culture may be created, one that encourages the effective use of resources and the development of strategies for the ongoing development of internal company operations (Vásquez et al., 2021).

Micro, Small, and Medium Enterprises (MSMEs) must be able to compete in the international market so that they do not oppress. Moreover, in this era of rivalry, MSMEs actors should be literate in information technology (IT) to make it easier for them to market their products and services overseas. In the digital era, MSMEs actors will need the information of technology to grow and compete. Additionally, Hartono, Wiranto, Aditama, and Abdulrahman (2018)’s research shows that Internet marketing is a key component of marketing strategies used to enter the US market since online furniture purchase transactions considerably improve firm performance in the US. The study by Yonathan, Setyoviyon, Khair, Mubarrok, and Rosli (2018) demonstrates that their team's suggested solution for using social media for promotion is to employ promotion through social media. Social media is the easiest way to advertise it without traveling to the target country.

Supported by the study conducted by Valeria (2013), in order to keep up with business advances, businesses require technical innovation, market product variants, and quick procedures. Resolving and choosing new methods are essential for continued survival, particularly for MSMEs. To compete in today’s market, MSMEs must develop precise and effective strategies. MSMEs must innovate or develop new items to keep up with the current up and keep consumers interested in the market. Innovation evaluation is done as a way for businesses to adjust to changes in the marketplace. The MSMEs actors in Tanjung Jaya Village, Pandeglang Regency, find it difficult to get the right IT solutions because they do not have special staff who are experts in the dynamic field of IT systems. Varieties of the IT system are another obstacle that makes the MSMEs of Tanjung Jaya Village confused about choosing the right solutions. Therefore, MSMEs actors need guidance in choosing the right IT system based on the type of business and what they need.

According to El-Namrouty and Abushaaban (2013), poor material handling and mobility add zero value to the item. They stated that poor materials management between processing steps lengthens manufacturing cycle times and wastes manpower and space. In the case of motions, this is due to inadequate manufacturing ergonomics, in which operators must strain, lean, and pick up items when such activities might be avoided. All of these issues result in high manufacturing costs.

Next was the delivery from production to customer. Based on the previous observation, the customer has problems with the delayed delivery or payment method that only transfers or cash. Fazlollahtabar (2016) described an assembly line in which late product deliveries resulted in poor overall production system performance. The author developed a parallel autonomous guided vehicle assembly line for a semi-continuous production system to address this issue. Peng and Lu (2017) investigated how delivery performance affects consumer transactions. As a result, these authors discovered that varied delivery performance measures impact consumer transaction numbers and unit pricing. In the event of extra labor hours, Hanson, Medbo, and Johansson (2015) discuss research to see if batch preparation affects the person-hour selection efficiency compared to preparing one kit at a time. These authors said in their study that kitting is connected with additional time for procedures in material feeding. They conducted two trials and discovered that mono preparations took longer than group preparation, reflecting a higher cost, such as more time and capital.
Based on the above condition, Tanjung Jaya Village, Pandeglang Regency's MSMEs actors need various training arrangements to encourage and develop their business strategies through digital marketing. In which the promise of business potential is huge and can also improve the economy if it is properly fostered and developed. This is in accordance with the statement stated by Fulgoni (2015) that the use of digital marketing for business people, especially MSME, is the right choice because digital marketing provides many benefits, such as cost-effective, real-time, easy to attract consumers, build an attractive relationship, and easily determine the target market. One of the pieces of training that can be carried out is MSME incubation, which aims to provide an understanding of the management and development of professional and independent MSMEs, to increase the income and welfare of the community.

**RESEARCH METHOD**

The incubation activity for Micro, Small, and Medium Enterprises (MSMEs) is held in Tanjung Jaya Village, Pandeglang Regency, Banten, Indonesia, for those of the MSMEs who already have a business. The conference incubation for the MSMEs is held with the title name of "Inkubasi Dan Komersialisasi Bufferzone KEK Tanjung Lesung” and the implementation method used is listed below:

**Observation and Interview**
The observation and interview methods are conducted with the communities and the Micro, Small, and Enterprises (MSMEs) in Tanjung Jaya Village, Pandeglang Regency, to see their understanding and knowledge about the handicraft products they have produced as the business opportunities. The interview was done using a semi-structured interview with a list of questions: (1) Do you have a Standard Operational Procedure to do the product? (2) Have you ever had training from government departments or any industry? (3) Have you ever given a tutor or training to your family members that help you? (4) How was the training work in your artisan's products, any difficulties? All the questions are based on the Badan Standarisasi Nasional questionnaire (2014).

**Lectures and Discussion**
The lectures and discussion method were chosen so that the participant of the incubation activity for MSMEs can easily understand the important concept. The lecture method is carried out by presenting a PowerPoint presentation and displaying an attractive picture that is relatively dense, fast, and catchy to attract participants' attention. The aim of implementing the lecture method is to provoke the participants so they may engage in the discussion. The discussion activity discussed the advantage and disadvantages of the marketing system used by the MSMEs and gave the best solutions for developing their marketing activity to sell their handicraft products according to the capital they have spent.

**Demonstration and Practice**
The demonstration and practice methods were implemented to show the marketing process that can support the MSMEs actors in promoting their products, such as by taking advantage of digital technology. The MSMEs actors can use digital marketing because it is a free marketing medium and easy to understand by just using a smartphone. The participant of the incubation for the MSMEs is also asked to directly practice the concept of digital marketing based on what has been taught. Thus, the MSMEs actors can easily find, connects, and transact with the potential buyer. The MSMEs actors can also manage their business anytime and everywhere without needing a third party and become independent micro-entrepreneurs.
RESULTS

Based on the figure below, we can see that the artisan's standardization still did not have the same size. It will make the potential customer confused and hard to choose (Suryani, Hendrawan, & Rahmawati, 2020). Aside from the factors mentioned, various other reasons contribute to marketing failure, such as items that cannot satisfy customers; slow-moving commodities; Erratic purchasing patterns; Changing organizational and marketing strategies; Incorrect attitude and marketing management style; Competition is rising local and global scope. Additionally, its effects on product sales are not shown attractively; Lessening consumer interest in marketed goods; There is a risk that consumers may lose faith in businesses, the company will suffer financial losses or both. Therefore, the progress of the firm is hampered. Standardization is deemed required according to the previous statement. As a result, a study challenge was developed, namely how to manufacture artisan products in order to have a standardizing model for marketing empowering both personal craftsmen's items and company organizations (Franchise Academy Indonesia, 2020).

**Figure 1.** Artisan of wood handicrafts in Tanjung Jaya Village, Pandeglang Regency, KEK

Based on the interview results, it can be seen that almost all MSME actors do not have standardization so that researchers feel the need to provide training in the form of seminars. As a result of the seminar, the participants were enthusiast, asking many questions during break time. Several seminar participants asked the resource persons about the required standardization.
Socialization is the method of teaching or imparting knowledge to individuals about the norms and values of society in order for them to carry them out and develop attitudes and conduct in accordance with the values and standards enforced. This study explores the notion of socialization that the government must convey information about “Cikadu Tourism Village” artisan products marked with an artisan products label or service label.

The seminar went smoothly, and the workshop was held the next day by providing several benefits regarding standardization that must be carried out by several MSME actors who were expected to increase their knowledge and skills in implementing Entrepreneurship in the Micro, Small, and Medium Enterprises sector so that they could produce reliable and professional entrepreneurs in the field. Tanjung Jaya village in particular. The implemented method of practical activities can positively impact the communities and the MSMEs in the Tanjung Jaya Village, Pandeglang Regency. It can also provide a good experience for the participants in running their business using the digital marketing system. This business practice activity is expected to help the communities, especially the MSMEs, to be more creative and innovative in opening
business opportunities that are huge by taking advantage of the existing natural resources around the Tanjung Jaya Village and creating a craft handmade that is accordance with the Standard Operating Procedures (SOP).

The Tanjung Jaya Village, Pandeglang Regency, has a lot of natural resources and human resources that can develop business opportunities, especially in the field sector of Micro, Small, and Medium Enterprises (MSMEs), which can be seen as a very profitable business. Overall, the people of Tanjung Jaya Village can work together to create a handicraft product that has good quality according to the SOP system and has a high selling value. Below are some of the handicraft products made from the raw materials of bamboo, teak wood, and coconut shells produced by the MSMEs in the Tanjung Jaya Village, Pandeglang Regency, such as:

**Figure 4.** Seminar Banners for MSMEs

Advertising to handcrafted items is a type of communication that informs the target audience about a company's product. Promotion is one of the methods used in the development of a business/marketing. According to Mayasari (2009), there are numerous types of marketing promotion: 1. Selling is two-way contact between the vendor and the consumer or potential buyer to offer the goods. 2. Advertising is using media advertising (advertisements, banners, and the like) to expose or advertise a company's products to the general public/consumers. 3. Sales Marketing is a type of promotion that uses exhibits or specific events to familiarize people with the advertised items. 4. Exposure is the establishment of excellent ties with the public, as well as the maintenance of the brand image and products.

**DISCUSSION**

Activities for standardizing MSME actors are beneficial for socializing production costs which are often wasted because they are not following the standards of the final product. MSME actors can also be motivated to provide products and services following the global orientation. The interest and enthusiasm of the communities in responding to the seminar activities and the incubation practice for the MSMEs is quite large. During the discussion sessions, the communities and MSMEs of the Tanjung Jaya Village, Pandeglang Regency, discuss and exchange ideas. We have come up with the idea of combining the handicraft products made by each micro-entrepreneurs into a package. The package
includes a combination of handicraft products made from bamboo, teak wood, and coconut shells that are attractive to offer customers. Thus, every entrepreneur does not need to compete in creating a superior product; instead, they can help each other to encourage creating a good quality of products that is in accordance with the Standard Operating Procedures (SOP) and has the main characteristics of the Tanjung Jaya Village. By taking advantage of the existing natural resources, the MSMEs actors can create a wider job opportunity for the people living in the Tanjung Jaya Village. Other than that, the MSMEs actors can also increase income and improve the welfare of the communities without damaging the environment.

The Tanjung Jaya Village, Pandeglang Regency, is in a Special Economic Zone (KEK) area. As located in the KEK area, the Tanjung Jaya Village has huge business potential, considering that the Tanjung Jaya Village is the gateway to the beach tourist area known as the Tanjung Lesung. The Tanjung Jaya Village can cooperate with the Tanjung Lesung to help them promote handicraft products made by the MSMEs. Tourists who want to visit Tanjung Lesung for their holidays can also enjoy the handmade crafts products made by the MSMEs of Tanjung Jaya Village. Other than that, the MSMEs actors can also directly promote their products to tourists or potential buyers.

CONCLUSION

Based on the incubation activities program held in the Tanjung Jaya Village, Pandeglang Regency, we suggest the Micro, Small, and Medium Enterprises (MSMEs) actors of the Tanjung Jaya Village learn and practice digital marketing. The reason is that digital marketing could help the MSMEs actors promote their handicraft products through websites and social media, such as Instagram, Facebook, and E-commerce (Tokopedia, Shopee, Lazada, Blibli, etc.). Thus, potential buyers who want to buy handicraft products can easily communicate, order, and transact directly. Other than that, by learning and practicing digital marketing, the MSMEs actors can easily manage their business anytime and anywhere.

We suggested that MSME actors in interviews, seminars, and workshops are very enthusiastic, and they want to be committed to advancing their village through better MSME standardization to compete in the global market. Another result of this research is developing suitable information about registered trademarks, copyright functions, SIUP Management, batik standards, and management of the Tanjung Lesung "Cikadu Tourism Village."

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DECLARATION OF CONFLICTING INTERESTS

All authors have declared no conflict of interest.

REFERENCES


