

Model of strengthening local commodity entrepreneurship based on e-commerce: Study at Village owned enterprises Buana Mekar, Karawang

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Abstract

This study was initiated because of the insufficient entrepreneurial skills of coffee farmers and the managers of the Village-Owned Enterprises Buana Mekar in the face of the growing influence of technology-based businesses. Additionally, in the era of globalization, marketing strategies for goods and services are increasingly reliant on online media to reach a wider consumer base. This study aims to design an e-commerce-based marketing strategy for local commodity products. The Village-Owned Enterprises Buana Mekar program seeks to enhance community entrepreneurship competency, create high-quality local commodity products, and promote community empowerment and welfare through the efforts of coffee farmers. This research utilized the descriptive method of the ADDIE model, which involves five phases; 1) conducting a feasibility analysis to assess product viability and determine development requirements. 2) formulating systemic activities, including goal setting, design, and evaluation tools to guide the development process. 3) the emphasis was on designing and producing small-scale product prototypes to ensure a practical and interactive development approach. 4) implementation of the designed products and methods, allowing for testing and refinement. 5) involved a comprehensive evaluation of products and methods at predetermined intervals, facilitating continuous improvement and adjustments as necessary. In conclusion, this study aims to address the challenges faced by coffee farmers and Village-Owned Enterprises Buana Mekar managers by providing a structured approach to developing e-commerce-based marketing strategies for local commodity products. This approach is expected to contribute to the enhancement of community entrepreneurship competency, production of superior local commodity products, and community empowerment and welfare.

Keywords

E-commerce, Local commodity, Entrepreneurship

Introduction

The research highlighted the necessity for superior entrepreneurial skills among coffee farmers and managers of village-owned enterprises, Buana Mekar, through the

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development of technology-driven businesses. In the present era of globalization, marketing strategies for products and services frequently employ online media to reach a more extensive consumer base [1]. The objective of the Village-Owned Enterprises Buana Mekar program is to enhance the entrepreneurial education of coffee farmers, thereby promoting the development of their businesses and fostering community empowerment. This study aimed to provide insights into the optimal methods for achieving these objectives.

The influence of science and technology [2][3][4] extends to various aspects of life including politics [5], economics [6], society [7], and culture [8]. These aspects are interconnected and complementary, and contribute to the ease of human life. Technological advancements in Industrial Revolution 4.0, have had an impact [9]. The development of technology has changed business and trading systems [10], with online businesses expanding to remote villages [11]. The widespread use of gadgets by large entrepreneurs and housewives has become a cultural norm [12].

One notable change brought about by technology in the economic sector is the development of online marketing systems [13]. Buying and selling transactions have become easier and faster through online systems [14], making them accessible to most people who need them. This system has expanded the reach of marketing, making it more cost-effective for entrepreneurs to market their products using technology [15]. The utilization of technological advancements in the economic sector is often facilitated through online buying and selling transactions, making them more convenient and efficient [16].

E-commerce for goods and services is experiencing rapid growth [17], beginning with basic necessities such as clothing and foodstuffs, which can be easily ordered via online applications [18]. Popular online marketing applications such as Lazada, Shopee, Blibli, and Bukalapak cater to primary to tertiary needs, whereas product delivery services such as JNE, JnT, Go Jak, and Grab ensure timely delivery to customers. This development enables producers and consumers to fulfill their daily needs, expand market reach, and reduce costs. Online marketing is highly beneficial for Indonesian MSMEs [19].

The ongoing Covid 19 pandemic has necessitated people to stay at home and work remotely [20]. E-commerce provides a means for consumers to purchase the necessary goods and services for the comfort of their homes [21]. The use of e-commerce technology [22] has both business-to-consumer and business-to-business applications, and has proven to be a valuable tool during the pandemic in meeting daily needs [23].

The research focuses on community education and empowerment through the village-owned enterprise known as Buana Mekar in Mekarbuana village. This program aims to address challenges and promote product marketing through e-commerce [24] with the ultimate goal of enhancing local commodity entrepreneurship and increasing sales turnover for coffee farmers. The institutionalization of village-owned enterprises aligns

with government policies aimed at alleviating rural poverty and empowering communities through independent entrepreneurship.

Village-owned enterprises, particularly Buana Mekar, are viewed as the key drivers of rural economic development and play a vital role in empowering communities. The establishment of Buana Mekar sought to optimize village assets, create business opportunities, generate employment, and increase village income. This economic institution, which emphasizes self-reliance and togetherness, is designed to reduce free-riding and transaction costs in local economic endeavors.

To address the current challenges, this study proposes strengthening entrepreneurship and utilizing e-commerce strategies for marketing Buana Mekar's products, with a particular emphasis on online platforms and email marketing. The overall objective is to enhance the community's entrepreneurial competency, produce superior local commodity products, and improve the welfare of the community through the village-owned enterprises' Buana Mekar program. The study will encompass three main aspects: describing the current state of local commodity business development, designing an education program for strengthening local commodity entrepreneurship, and applying e-commerce-based marketing strategies for these products.

Methods

The following tasks were undertaken: 1) conducting a feasibility analysis and determining development requirements for a product; 2) devising systematic activities to establish objectives and create evaluation instruments; 3) realizing product design on a small scale through development; 4) applying designs and methods to actual conditions during the implementation phase; and 5) conducting evaluations at predetermined intervals throughout the project, with the ultimate goal of producing a model design to enhance local commodity entrepreneurship through e-commerce for the village-owned enterprises Buana Mekar program. This approach was adopted to achieve the desired outcomes.

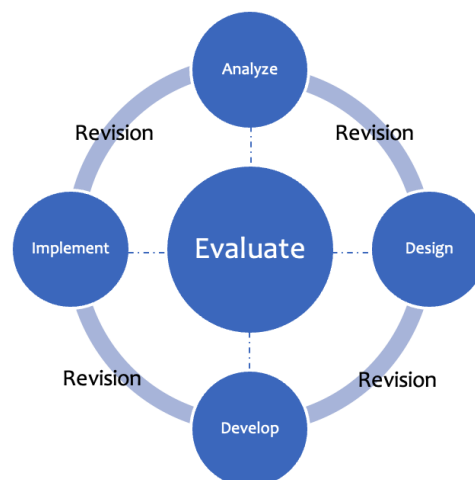


Figure 1. The ADDIE model

The ADDIE model [25][26][27], a systematic approach to designing training systems, divides the entrepreneurship training planning process into a series of logical steps (Figure 1). These steps are then organized into a sequence, with the output of each step serving as the input for the next step. The ADDIE instructional model comprises of five distinct phases: analysis, design, development, implementation, and dynamic evaluation.

Results and Discussion

Analysis

Conduct a thorough assessment of the feasibility and requirements of product development, serving as the central activity for evaluating the creation of instructional materials for entrepreneurship training. This analysis encompasses three crucial areas: 1) performance evaluation; 2) scrutiny of fundamental concepts, principles, and procedures inherent in entrepreneurship training materials; and 3) assessment of entrepreneurship training objectives. The primary objective of this stage is to determine the necessity of creating teaching materials specifically designed for entrepreneurship training purposes. Various analyses have been conducted to achieve this goal, including

Performance analysis

At this early stage, the obstacles encountered in entrepreneurship training became evident. The process of analyzing training participants entails a comprehensive examination of their characteristics and abilities based on their knowledge, skills, and development. This analysis aimed to assess the competency levels of various training participants. The outcomes of the analysis of critical and creative thinking skills among training participants can be used to create teaching materials for entrepreneurship training. At this stage, several key factors must be taken into account: 1) the characteristics of training participants in terms of entrepreneurship training, 2) the existing knowledge and skills of training participants in relation to entrepreneurship training, 3) the cognitive abilities or competencies that training participants require in entrepreneurship training, and 4) the forms of teaching materials development that are necessary for training participants to enhance their cognitive skills and competencies.

Needs analysis

The development of a training program begins with identifying the training needs of the target audience. This process involves gathering information about the audience's problems and requirements to prioritize activity programs and accelerate their implementation. Effective training can bring about positive changes in participants; however, it is essential to conduct a thorough analysis to achieve this goal. The purpose of a training needs assessment is to determine the performance requirements and necessary knowledge, skills, and abilities of an agency's workforce to meet these requirements. A comprehensive training needs assessment can help direct resources to enhance business productivity. The assessment should consider the resources needed

to fulfill the organization's mission, improve productivity, and deliver high-quality products and services. A needs assessment is the process of identifying the disparity between the required and current performance. When discrepancies exist, it examines the causes of the discrepancy and explores methods for eliminating or bridging the gap. A comprehensive needs assessment should consider the consequences of not addressing these gaps.

Training participant analysis

The evaluation of training participants included a thorough examination of their attributes related to their knowledge, abilities, and development. This study aimed to ascertain the proficiency levels of the various training participants. The results of the assessment of critical and creative thinking skills can serve as an illustration for the development of educational materials for entrepreneurship training. The crucial aspects to be obtained in this phase are: 1) the characteristics of training participants regarding entrepreneurship training, 2) the existing knowledge and abilities of training participants in entrepreneurship training, 3) the thinking abilities or competencies that training participants must possess in entrepreneurship training, and 4) the types of instructional materials that need to be developed to enhance the thinking skills and competencies of training participants.

Resource analysis

The objective of this training needs analysis is to amass and evaluate data to pinpoint the essential components of effective training. Given the significance of this investment, it is imperative to carefully weigh all relevant factors to guarantee profitable returns. Consequently, it is vital for organizations to carry out an extensive analysis of their employees' training requirements to attain the desired outcomes of their training initiatives. Adopting a comprehensive strategy for assessing human resource training needs enables companies to offer tailored training that optimizes benefits for trainees.

Analysis of training objectives according to facts, concepts, principles, and procedures of entrepreneurship training materials

Assessing learning goals is a critical step in determining trainees' abilities. During this process, important factors such as predetermined entrepreneurship training objectives and their attainment must be considered.

This stage serves as the basis for creating educational resources for entrepreneurial training. Furthermore, an evaluation of the facts, concepts, principles, and procedures for entrepreneurship training materials was conducted at this stage. Material analysis of facts, concepts, principles, and procedures is a method for identifying appropriate materials for the development of entrepreneurship training teaching materials. At this stage, the analysis was performed using a literature study method. The purpose of analyzing facts, concepts, principles, and procedures for entrepreneurship training materials is to identify the primary topics to be taught and arrange them in a systematic

manner. This analysis can serve as a foundation for developing entrepreneurship training objectives.

Design

Develop a systematic approach to establish objectives, design materials, and evaluation tools. The design phase consists of planning the creation of instructional materials in five stages: formulating entrepreneurship training teaching materials, designing entrepreneurship training scenarios, selecting teaching material competencies, initial planning of entrepreneurship training tools based on training material competencies, and developing entrepreneurship training materials and evaluation tools using an entrepreneurship training approach.

The design phase encompasses various plans for the development of teaching materials, including:

1. Evaluating core and fundamental competencies to determine training materials based on facts, concepts, principles, and procedures, as well as allocating time for entrepreneurship training and identifying indicators and assessment instruments for training participants.
2. Creating entrepreneurship training scenarios or activities using an entrepreneurship training approach.
3. Selecting teaching materials based on competencies.
4. Undertaking initial planning for entrepreneurship training tools based on subject competencies.
5. Designing entrepreneurship training materials and learning evaluation tools using an entrepreneurship training approach.
6. Creating testing strategies/methods and entrepreneurship training media.

The design phase involves the comprehensive development of instructional materials, including delineating precise learning objectives, devising appropriate instructional strategies, organizing content, and assessment procedures. It is essential that the design exhibits coherent and structured flow. Assessments should provide insights into learners' advancement toward achieving the aims of entrepreneurship training.

Development

The purpose of this project is to develop and revise teaching materials for entrepreneurship training with a focus on achieving specific training objectives. The ADDIE Model was used as a framework for the development process, encompassing product design, strategy development, and media selection. The initial stage involves creating a framework for entrepreneurship training strategies that culminates in the development of a strategy development product for the training model. The primary objectives of the project are to produce or revise an entrepreneurship training model that meets predefined goals, and to select the most appropriate training media, considering factors such as participatory training strategies and the use of e-based marketing media.

The development process consists of two main stages: strategy development for the entrepreneurship training model and the selection of appropriate training media. The use of the ADDIE Model ensures a systematic and effective approach for creating teaching materials that align with the goals of entrepreneurship training. The ultimate goal of this project is the creation of E-commerce-based coffee entrepreneurship training, including a review of its design and functionality (Figure 2).

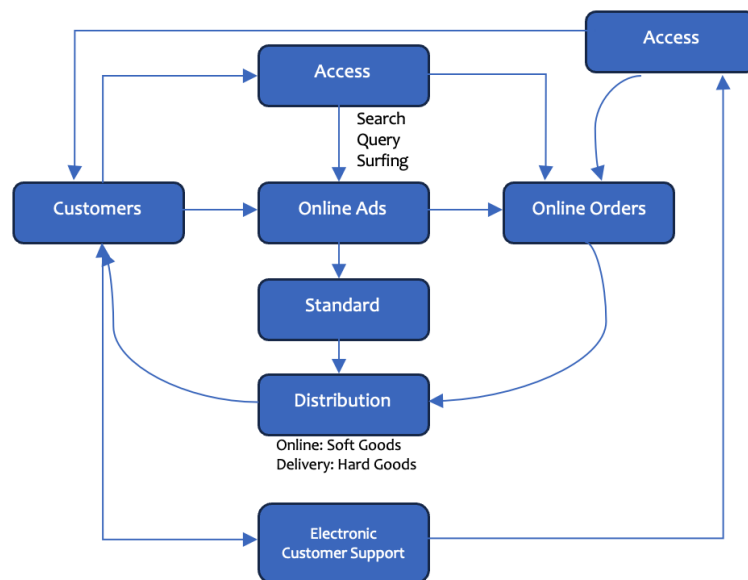


Figure 2. E-commerce mechanism

Implementation

The implementation stage involves applying teaching materials created in real classroom situations. The main objectives of this stage include guiding training participants toward achieving the goals of entrepreneurship training, ensuring problem-solving occurs to overcome previous learning process challenges, and increasing participants' training abilities at the end of the training. This stage involves implementing the design of teaching materials in actual conditions and delivering materials in line with entrepreneurship training. An initial evaluation was conducted after the implementation to provide feedback for future training models.

Evaluation

Evaluation is vital in the development of teaching materials for entrepreneurship training. Its purpose was to assess the effectiveness of the training and identify areas for improvement. The evaluation process was conducted in two stages: formative and summative. Formative evaluation takes place at the conclusion of each face-to-face meeting, whereas summative evaluation is conducted after the completion of the entire activity.

The evaluation results were utilized to provide feedback on the development of teaching materials and make necessary revisions. The objective of the evaluation was to determine the attitudes of the training participants toward entrepreneurship training, assess the impact of the training on their abilities, and measure the benefits to village-

owned enterprises resulting from the increased competency of the training participants.

Discussion

The primary objective of a training program aimed at enhancing local commodity entrepreneurship through e-commerce is to improve the knowledge, attitude, and skills of the learning community in managing their businesses. This impact model seeks to strengthen local commodity entrepreneurship through e-commerce and to empower the community. It aims to enhance economic independence and family well-being, which are important indicators of family economic empowerment, as well as address poverty and backwardness. Community organizations are essential in achieving empowerment, and any outsider must be mindful of the local ecology and psychological condition of the community.

Conclusion

The current study proposes a structured, multi-phase method for implementing a model aimed at boosting local commodity entrepreneurship through e-commerce. The suggested approach consists of five crucial phases, each of which plays a vital role in the development process. The first phase entails conducting a feasibility analysis to assess product viability and determine development requirements. The second phase involves formulating systemic activities including goal setting, design, and evaluation tools to guide the development process. In the third phase, the design and production of small-scale product prototypes are emphasized, ensuring a practical and iterative development approach. The fourth phase highlights the real-world implementation of the designed products and methods, which allows for testing and refinement. Finally, the fifth phase involves a comprehensive evaluation of products and methods at predetermined intervals, facilitating continuous improvement and adjustments, as necessary. This phased approach is designed to create a robust model for enhancing local commodity entrepreneurship within the Village-Owned Enterprises Buana Mekar program. The systematic and sequential nature of the strategy aims to ensure the effective and well-planned execution of the e-commerce-based entrepreneurship model. This comprehensive strategy not only increases the likelihood of success but also provides a framework for adaptability and continuous improvement in response to real-world conditions and evolving needs within the local community. This study underscores the importance of a methodical and adaptable approach to maximizing the positive impact on local commodity entrepreneurship.

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