

POTENTIAL EMPOWERING MSME ENTREPRENEURS IN DUPA TO SUPPORT PRODUCTION AND MARKETING ENHANCEMENT IN SANGEH VILLAGE, ABIANSEMAL DISTRICT

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Abstract:

This Community Partnership Program (PKM) aims to empower Dupa Ayu Bagus Angkar MSMEs located in Sangreh Village, Abiansemal District, Badung Regency, Bali, in addressing various business challenges. The program identifies key issues the MSMEs face, including inadequate production facilities, suboptimal digital marketing, and manual financial management. Through a solution-based approach, the program includes training in digital marketing and financial management using Microsoft Excel and providing production tools such as digital scales and fragrance dispensers. The program's outcomes show improvements in production capacity, optimization of digital marketing strategies, and enhanced financial management for Dupa Ayu Bagus Angkar MSMEs. As a result, the program is expected to increase the competitiveness and sustainability of MSMEs in an increasingly competitive market and positively impact the local economy in Bali.

Keywords: Empowerment of MSMEs, Production, Marketing.

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INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are deeply intertwined with the lives of Indonesian people, serving as major support and dominating the country's economy. The MSME industry in Indonesia faces increasingly complex situations amid a dynamic business environment. Competition has become fiercer with the influx of free trade, which automatically brings competition from all directions, including domestic, regional, and global. According to Law No. 20 of 2008, MSMEs are productive enterprises owned by individuals or legal entities that meet the criteria for micro, small, and medium enterprises based on net worth and annual sales turnover. MSMEs play a vital role in providing employment, fostering innovation, and creating added value across various economic sectors.

Bali, one of the islands in Indonesia, spans 153 km in length and 112 km in width, approximately 3.2 km from the eastern part of Java Island. Geographically, Bali is located at 8°25'23" South Latitude and 115°14'55" East Longitude, giving it a tropical climate similar to other parts of Indonesia. Bali consists of 8 regencies and 1 municipality: Badung, Bangli, Buleleng, Gianyar, Karangasem, Klungkung, Tabanan, Negara, and Denpasar. Micro, Small, and Medium Enterprises (MSMEs) significantly drive economic growth in Bali. Currently, the contribution of MSMEs is evident not only in regional revenue but also in the national income of Indonesia as a whole. MSMEs in Bali are known for various leading products including handicrafts, textiles, food and beverages, and cultural products with high added value. This potential makes them attractive to both local and international markets. According to data from the Bali Provincial Office of Cooperatives, Small, and Medium Enterprises in 2022, there are 439,382 MSMEs in Bali. In facing increasingly intense competition in the business world, business operators in Bali need to have innovative strategies. According to Purwanto, strategy analysis includes the "strategy triangle," which consists of: Customers, Competitors, and the Company. Most businesses or enterprises, including small to medium-sized ones, focus their production and operational activities solely on product creation. However, companies should also consider business strategies to maintain and develop existing enterprises to remain competitive. Data on MSMEs in Bali Province for the year 2022 can be seen in Table 1.

Table 1. Data on MSMEs in Bali Province for the Year 2022

Balinese MSME information data for 2023

No. B25.517/916/UKM/DisKopUKM

No	Regency/City	Sector	Classification			Transformation			
			Micro	Small	Medium	Amount	Formal	Informal	Amount
1	Badung Regency	Trading	8.827	1.038	203	10.137	10.137	4.251	14.388
		Agricultural Industry	311	52	5	368	245	154	399
		Non-Agricultural Industry	6.626	2.619	564	9.809	2.154	1.221	4.375
		Various Services	993	415	46	1.454	1.483	1.054	2.537
		Total	16.757	4.124	818	21.699	15.019	6.680	21.699
2	Bangli Regency	Trading	21.518	1.519	159	23.196	6.370	16.826	23.196
		Agricultural Industry	4.882	293	380	5.555	610	4.945	5.555
		Non-Agricultural Industry	5.093	322	168	5.583	268	5.315	5.583
		Various Services	9.122	623	172	9.917	526	9.391	9.917
		Total	40.615	2.757	879	44.251	7.774	36.477	44.251
3	Buleleng Regency	Trading	43.239	3.843	961	48.043	11.798	36.245	48.043
		Agricultural Industry	7.309	650	162	8.121	1.763	6.358	8.121
		Non-Agricultural Industry	3.379	300	75	3.754	1.338	2.416	3.754
		Various Services	5.805	516	129	6.450	2.808	3.642	6.450
		Total	59.731	5.309	1.327	66.368	17.707	48.661	66.368
4	Denpasar City	Trading	9.226	845	545	10.616	10.396	220	10.616
		Agricultural Industry	15.076	512	230	15.818	15.508	310	15.818
		Non-Agricultural Industry	814	189	54	1,057	978	79	1.057
		Various Services	1.980	256	22	2.258	2.045	213	2.258
		Total	27.096	1.802	851	29.749	28.927	822	29.749
5	Gianyar Regency	Trading	20.250	8.817	1.419	30.486	8.906	22.147	31.053
		Agricultural Industry	6.294	3.483	117	9.894	1.756	4.301	6.057
		Non-Agricultural Industry	19.168	7.274	1.080	27.522	8.238	20.491	28.729
		Various Services	4.315	3.049	400	7.764	2.806	7.021	9.827
		Total	50.027	22.623	3.016	75.666	21.706	53.960	75.666

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6	Jembrana Regency	Trading	54.952	21	-	54.973	3.466	51.507	54.973
		Agricultural Industry	4.855	5	-	4.860	400	4.460	4.860
		Non-Agricultural Industry	3.928	2	-	3.930	303	3.627	3.930
		Various Services	3.375	45	-	3.420	714	2.706	3.420
		Total	67.110	73	-	67.183	4.883	62.300	67.183
7	Karangasem Regency	Trading	31.735	17	8	31.760	4.701	27.059	31.760
		Agricultural Industry	962	3	1	966	966	-	966
		Non-Agricultural Industry	13.644	19	12	13.675	546	13.129	13.675
		Various Services	4.306	6	4	4.316	308	4.008	4.316
		Total	50.647	45	25	50.717	6.521	44.196	50.717
8	Klungkung Regency	Trading	23.490	104	16	23.610	-	-	23.610
		Agricultural Industry	12.000	-	-	12.000	-	-	12.000
		Non-Agricultural Industry	2	-	-	2	-	-	2
		Various Services	180	-	-	180	-	-	180
		Total	35.672	104	16	35.792	-	-	35,792
9	Tabanan Regency	Trading	26.144	-	-	26.144	2.726	23,418	26,144
		Agricultural Industry	16.059	-	-	16.059	895	15,164	16,059
		Non-Agricultural Industry	1.770	-	-	1.770	475	1,295	1.770
		Various Services	3.984	-	-	3.984	1.023	2,061	3,984
		Total	47.957	-	-	47.957	5.119	42.838	47,957
10	Overall	Trading	239.381	16.204	3.311	258.896	58.500	181.673	263.783
		Agricultural Industry	67.748	4.998	895	73.641	22.143	35.692	69.835
		Non-Agricultural Industry	54.424	10.725	1.953	67.102	15.300	47.573	61.875
		Various Services	34.060	4.910	773	39.743	11.713	30.996	41.889
		Total	395.612	36.837	6.932	439.381	107.656	295.934	439.382

Source: Bali Provincial Office of Cooperatives, Small, and Medium Enterprises

Bali is a small island where the majority of the population practices Hinduism. Bali is internationally known as the "Island of a Thousand Temples." In Hindu religious practices, particularly in Bali, offerings are essential for rituals. Common offerings consist of fire, water, and flowers. Fire

offerings typically use incense (dupa). As a religious tool for Hindus, incense symbolizes fire and is burned to produce fragrant smoke. According to Sudirga [6], incense with burning fire serves several functions: it leads ceremonies, acts as a medium connecting worshippers with the deity, and witnesses the ceremonies in one's life. Hindu communities in Bali burn incense as part of their worship or prayer routines every morning, noon, and evening, resulting in a high demand for incense, especially among the Balinese.



Figure 1. Owner of Dupa Ayu Bagus Angkar MSME

One of the MSME incense producers in Bali, specifically in Sangeh Village, Abiansemal District, Badung Regency, Bali Province, is Dupa Ayu Bagus Angkar. Dupa Ayu Bagus Angkar is a home industry that sells various types of incense with a wide range of aromas. This business was established by Mr. I Gusti Made Bagus Darmata in 2020. Dupa Ayu Bagus Angkar uses raw, unperfumed joss sticks sourced from suppliers in Java. The raw incense is then processed by adding fragrances. The fragrance is added manually by dipping the raw incense into a container filled with the desired aroma. After dipping, the incense is dried. Once dried, the incense is packaged in plastic and prepared for sale in various packaging sizes. The finished incense is marketed through resellers and stores across Bali Province.



Figure 2. Packaging Process at Dupa Ayu Bagus Angkar



Figure 3. Products of Dupa Ayu Bagus Angkar

According to Winarni [7], common problems MSMEs face today include lack of capital, difficulties in marketing and raw materials, insufficient skills in production processes, weak financial management, and an unfavourable business climate. Dupa Ayu Bagus Angkar MSMEs also experience these issues, where both production and marketing processes are challenging. This MSME faces significant problems in marketing, production, and financial record-keeping. These issues must first be resolved to empower Dupa Ayu Bagus Angkar MSMEs optimally. To support the enhancement of production and marketing for MSME Dupa Ayu Bagus Angkar in Sangeh Village, Abiansema District, it is necessary to formulate a concrete action plan addressing product marketing strategies, production support infrastructure, and financial record-keeping. A deep understanding of the challenges and opportunities faced by MSMEs, combined with real efforts to strengthen their capacity and competitiveness, makes discussing empowerment strategies for MSMEs like Dupa Ayu Bagus Angkar in Bali highly relevant. Through a holistic and strategic approach, MSMEs can become a stronger and more sustainable backbone of the economy in Bali and throughout Indonesia.

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METHODS

In implementing the Community Partnership Program (PKM) with Dupa Ayu Bagus Angkar MSME, we employed several solution-based methods, including:

Stage 1: Data Collection and Analysis

- Activity: Conduct site surveys and in-depth interviews with the business owner.
- Objective: To gather data on the problems faced by the MSME.
- Steps: Identify key issues, collect information related to production infrastructure, digital marketing, and financial management.
- Result: Detailed data on the conditions and challenges of Dupa Ayu Bagus Angkar MSME

Stage 2: Plan Development

- Activity: Develop a specific and measurable service plan.
- Objective: to formulate strategies to address the identified problems.

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c. Steps: Set objectives, targets, and service strategies. Formulate action steps required for each identified issue.

d. Result: a structured and clear service plan

Stage 3: Plan Implementation

a. Activity: Execute the service plan.

b. Objective: to provide training, assistance, and support to the business owner.

c. Steps: Conduct digital marketing and financial management training, and provide technical support and necessary tools for Dupa Ayu Bagus Angkar MSME..

d. Result: The business owner gains the knowledge, practices, and tools needed to improve their business.

Stage 4: Evaluation

a. Activity: Evaluate the outcomes of the service plan implementation.

b. Objective: To assess the effectiveness and efficiency of the service provided.

c. Steps: Collect data on changes that occurred after the service implementation. Analyze the impact of the training, practices, and support provided.

d. Result: An evaluation report indicating success and areas needing improvement.

Stage 5: Reporting and Development

a. Activity: Present the evaluation report on the service implementation.

b. Objective: To provide feedback to relevant parties and develop future development plans.

c. Steps: Compile the service report, discuss findings with the business owner and other stakeholders, and develop follow-up plans based on evaluation results

d. Result: A comprehensive final report and a development plan for continuous improvement.

By following these steps, it is hoped that the Community Partnership Program (PKM) will provide sustainable and measurable solutions to the challenges faced by Dupa Ayu Bagus Angkar MSME in Sangheh Village, Abianseml District.

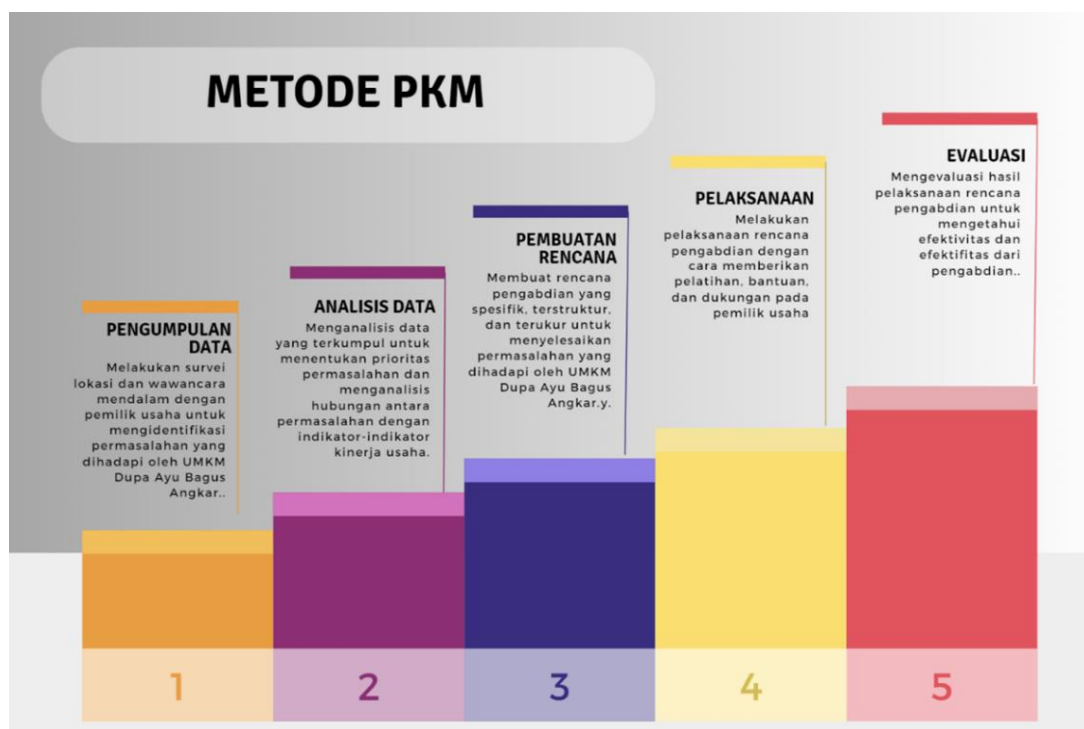


Figure 4. PKM Implementation Methods

RESULT AND DISCUSSION

The activities undertaken in this Community Partnership Program (PKM) began with initial coordination with Mr. I Gusti Made Bagus Darmata, the owner of Dupa Ayu Bagus Angkar MSME. From this initial meeting, we gathered data through interviews with the partner, which was then analyzed to determine the activities to be conducted and the technology and knowledge (IPTEK) to be developed. This effort aimed to address the challenges faced by Dupa Ayu Bagus Angkar MSME.



Figure 5. Data Collection Meeting with the Partner

After collecting the data, we analyzed the problems faced by the partner, which are as follows:

- Production Facilities:** UMKM Dupa Ayu Bagus Angkar currently lacks essential production facilities, specifically a fragrance pump and a digital scale.
- Digital Marketing:** UMKM Dupa Ayu Bagus Angkar has not yet fully utilized digital marketing.
- Financial Management:** The financial management of UMKM Dupa Ayu Bagus Angkar is still done manually and lacks systematic organization.

Upon identifying these issues, we designed activities intended to address the problems experienced by the partner. The activities were conducted on June 22, 2024, at the production site and store of UMKM Dupa Ayu Bagus Angkar, located in Sangeh Village, Abiansemal District, Badung Regency, Bali. The event was attended by 10 participants, including the owner and staff members.

During the event, we provided a timeline of activities that included training on digital marketing. The objective of this training was to enhance the participants' understanding of various digital promotion strategies that could be employed to expand the market and increase sales for UMKM Dupa Ayu Bagus Angkar. In addition to theoretical instruction, participants had the opportunity to engage in hands-on practice with various digital platforms such as Instagram, WhatsApp Business, and e-commerce platforms like Shopee. During the practical sessions, participants were taught how to create ads on Instagram and how to analyze the insights from these ads. With a better understanding of digital marketing, it is hoped that participants will be able to more effectively use social media and e-commerce platforms to develop their business, increase product visibility, and reach a broader target audience.



Figure 6. Social Media and E-Commerce Practice



Figure 7. Digital Marketing Training

In addition to providing training and practical sessions on digital marketing, we also conducted a session on financial management. In this session, we not only covered the basic concepts of financial management but also included hands-on practice using Microsoft Excel. The primary goal of this session was to facilitate participants in recording their business finances.

By using Microsoft Excel, participants learned how to record and manage their business expenses and income in a more detailed and systematic way. Through this training, we aimed for participants to develop skills that would allow them to better understand the financial flow in their business, enabling them to make more informed and timely decisions. This approach is expected to help participants in budgeting, monitoring profits and losses, and maintaining the financial stability of their business. Thus, through a combination of theoretical training and practical exercises, we strive to provide participants with comprehensive tools to manage their business more effectively and efficiently. As an integral part of this development program, we have not only focused on knowledge and skills but also on providing infrastructure that supports the operational activities of UMKM Dupa Ayu Bagus Angkar. Key equipment provided includes digital scales and fragrance dispensing pumps, as well as other supportive tools designed to enhance production efficiency and quality.



Figure 8. Financial Management Training

The digital scales provided are crucial for measuring raw materials with high precision. In industries like incense production, accuracy in ingredient measurements significantly impacts the final product's quality. With these digital scales, participants can ensure that each component of the raw materials is measured accurately, helping to maintain product consistency. The use of digital scales also reduces potential manual errors common with traditional measurement methods, thus speeding up the production process and minimizing waste.

Additionally, we supplied fragrance dispensing pumps, which are essential in the incense production process. This pump facilitates the even mixing of fragrance materials, a critical factor in determining the final aroma of the incense. With this equipment, the dispensing and mixing of fragrances can be done more efficiently and precisely, ensuring each incense stick has a consistent aroma quality. This not only enhances product quality but also strengthens the brand image among consumers who value consistency and quality.

We believe that providing this infrastructure is a long-term investment that will help UMKM Dupa Ayu Bagus Angkar increase their production capacity. With the support of modern and efficient tools, participants can focus more on product development and marketing aspects and be better prepared to face challenges in a competitive market. Through this program, we hope to drive sustainable growth and improve the welfare of UMKM Dupa Ayu Bagus Angkar and its surrounding community.



Figure 9. Handing Over Infrastructure and Equipment to UMKM Dupa Ayu Bagus Angkar

CONCLUSION

The Community Partnership Program (PKM) implemented at UMKM Dupa Ayu Bagus Angkar has successfully identified and addressed various challenges faced by the partner. Through outreach activities and provision of infrastructure, we have achieved:

- Increased Production Capacity:** The provision of digital scales and fragrance dispensing pumps has enabled the UMKM to enhance accuracy and consistency in incense production, resulting in improved product quality.
- Optimized Digital Marketing:** The training on digital marketing, including hands-on practice with platforms such as Instagram, WhatsApp Business, and Shopee, has provided a better understanding of promotional strategies and ways to reach a broader audience.
- Enhanced Financial Management:** With training in financial management using Microsoft Excel, participants have become more proficient in recording and managing finances, allowing them to develop a more informational and strategic financial system.

Overall, this program aims to assist UMKM Dupa Ayu Bagus Angkar in overcoming their challenges and strengthening their market position. However, the success of this program requires ongoing evaluation and adjustments based on evolving needs.

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