

Digital Adoption Assistance for the Wood Craftsmans Community Towards Upgrading MSMEs

Pendampingan Adopsi Digital Bagi Komunitas Pengrajin Kayu Menuju UMKM Naik Kelas

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Abstract

The government has launched the MSME Level Up program, which is a government program to facilitate MSMEs to move up a class in terms of digital adoption in order to expand marketing access, business efficiency, increase sales transactions and increase the competitiveness of MSMEs. Pekanbaru City has 1,034 registered MSMEs which are engaged in producing various products from wood. This PKM activity has succeeded in providing education and assistance to MSME Furniqa and MSME KadoKekayuan partners regarding Digital Adoption, Basics of Digital Media, Creating Digital Content, Digital Benchmarking, Advertising on Google and Meta (Instagram, Facebook, Tiktok), Maximizing Digital Marketing (Digital Simulation Marketing Templates), Getting to Know Analytics (Google and Meta), Measuring the Effectiveness of Advertising Campaigns, and Optimizing Search Engine Optimization (SEO) through content. As an evaluation, the level of success of activities and understanding of partners has been measured by obtaining results >80%.

Keywords: Business Analytic, Digital Adoption, Digital Content, MSMEs Upgrade, Wood Craftmen.

Abstrak

Pemerintah telah mencanangkan program UMKM Level Up yang merupakan program Pemerintah untuk memfasilitasi UMKM naik kelas dari sisi adopsi digital dalam rangka memperluas akses pemasaran, efisiensi bisnis, meningkatkan transaksi penjualan dan meningkatkan daya saing UMKM. Kota Pekanbaru memiliki 1.034 UMKM terdaftar yang bergerak pada bidang menghasilkan berbagai produk dari bahan kayu. Kegiatan PKM ini telah berhasil melakukan edukasi dan pendampingan kepada mitra UMKM Furniqa dan UMKM KadoKekayuan tentang Adopsi Digital, Dasar Media Digital, Membuat Konten Digital, Digital Benchmarking, Beriklan di Google dan Meta (Instagram, Facebook, Tiktok), Memaksimalkan Pemasaran Digital (Simulasi Digital Marketing Template), Mengenal Analytic (Google dan Meta), Mengukur Efektifitas Kampanye Iklan, dan Optimalisasi Search Engine Optimization (SEO) melalui konten. Sebagai evaluasi telah dilakukan pengukuran tingkat keberhasilan kegiatan dan pemahaman mitra dengan memperoleh hasil >80%.

Kata kunci: Adopsi Digital, Analisis Bisnis, Konten Digital, Pengrajin Kayu, UMKM Naik Kelas.

1. INTRODUCTION

The Covid-19 outbreak, spanning approximately three years in Indonesia, has significantly impacted multiple sectors, notably the Micro, Small, and Medium Enterprises (MSMEs), which have been particularly hard-hit. (Rosita, 2020). According to Bank Indonesia, 87.5% of MSMEs experienced repercussions from the Covid-19 pandemic, with 93.2% reporting a downturn in sales. Conversely, approximately 12.5% of MSMEs unaffected by Covid-19 witnessed sales growth through online marketing strategies and expanding product offerings. (Saputra, 2021). The Covid-19 pandemic has instigated shifts in work dynamics, necessitating increased reliance on technology and fostering digital transformation across all sectors, including MSMEs. (Indonesia, 2021). The government recognizes the critical importance of giving significant attention to MSMEs, as they comprise 99.9% of the business sector in Indonesia, contributing 60.3% to the overall Gross Domestic Product (GDP) and employing 97% of the workforce and 99% of total

employment. (Betty, 2021). Indeed, the government has initiated the MSME Level Up program, aimed at assisting MSMEs in elevating their digital proficiency to enhance marketing reach, operational efficiency, sales transactions, and overall competitiveness.

Based on data from the Indonesian Ministry of Cooperatives and Small and Medium Enterprises, Pekanbaru City has 105,445 registered MSMEs (UKM, 2023) and as many as 1,034 data on MSMEs which produce various products used by the community in the form of furniture products and various equipment used by offices and households that come from wood. This is a potential aspect for Pekanbaru City if empowerment and strengthening is carried out for MSMEs in this sector and community. Several previous publications related to digital adoption for MSMEs such as Maimunah et al (Maimunah et al., 2021) carrying out community empowerment activities with the title Assistance in Wood Craft Production Management in MSMEs in Lancar Jaya Magelang. This PKM activity is one of the digital adoptions in the form of a recording application that is applied to the production management section. Meiliana et al (Meiliana et al., 2022) carrying out community empowerment activities with the title Transaction Recording Using the Strawberry Application in Tempe MSMEs in Triharjo Village, South Lampung. This PKM activity is one of the digital adoptions in the form of a financial transaction recording application which is used to facilitate the preparation of financial reports. Pamungkas et al (Pamungkas et al., 2022) carrying out community empowerment activities with the title Development of Digitalization of Pokdarwis MSMEs Post the Covid-19 Pandemic in Kelawi Village, South Lampung. PKM activities provide training in making souvenirs using laser engraving tools and provide digital adoption in the form of education on marketing souvenir products through E-Commerce, but this is only limited to an introduction to "product branding". Manullang et al (Manullang et al., 2022) carrying out community empowerment activities entitled Training on the Use of E-Commerce for MSMEs in Kayu Bato Village, Jayapura City. PKM activities carry out digital adoption for MSME players by providing education about Facebook social media and Facebook Marketplace which can be used to market MSME products.

Based on the background above, we are interested in carrying out Community Service activities which will provide education, training and assistance in digital adoption for the wood craftsman community in Pekanbaru City towards moving MSMEs to the next level.

2. METHOD

The method for implementing the activities carried out in this Community Service (PKM) activity is described as follows:

1. Diverse Instructional Presentations:

This approach was selected to impart vital concepts essential for participants' training comprehension and mastery. It was chosen with the understanding that utilizing lectures alongside visual aids such as images, animations, and displays can efficiently deliver a substantial amount of material in a concise, rapid, and easily digestible manner. The content encompasses various topics, including Digital Adoption, Fundamentals of Digital Media, Digital Content Creation, Digital Benchmarking, Advertising on Google and Meta platforms (Instagram, Facebook, TikTok), Enhancing Digital Marketing (through Simulation of Digital Marketing Templates), Familiarization with Analytics (Google and Meta), Evaluation of Advertising Campaign Effectiveness, and Improving Search Engine Optimization (SEO) Through Content Optimization.

2. Display:

This approach was selected to visually illustrate work processes and stages. The display involves the instructor conducting demonstrations in front of the participants, each equipped with a computer. This setup enables participants to directly witness the methods and techniques for utilizing the tools associated with each presented material.

3. Application:

This method involves assigning tasks to training participants to practice utilizing the tools introduced in each material.

4. Evaluation

Evaluation of the community service activities carried out is as follows:

- a. Evaluation Criteria
 - i. Understand the lectures and demonstrations from the presenters.
 - ii. Can do exercises/practice in using digital applications and tools in business.
- b. Goal Achievement Indicators
Fluency in practicing the use of digital applications and tools in business.
- c. Criteria for Assessing Activity Success Levels
The success benchmarks are assessed by the presenter based on various criteria in comparison to the activity participants. This evaluation comprises two parts: assessment of the material presentation and demonstrations by the presenter, and assessment of the participants' comprehension and application of the presented material.

3. DISCUSSION AND RESULT

The understanding of Small and Medium Enterprises (SMEs) is not always the same in every country. This depends on the concept used, based on Article 1 of Law of the Republic of Indonesia no. 20 of 2008 (JDIH BPK RI, 2008). The definition of MSMEs is: (1) Micro enterprises are productive ventures owned by individuals and/or independent business entities that satisfy the micro enterprise criteria outlined in this legislation. (2) Small enterprises are economically active businesses operating independently, undertaken by individuals or business entities that are not subsidiaries or branches of corporations owned, controlled, or affiliated with them, directly or indirectly, meeting the small enterprise criteria specified in this law. (3) Medium enterprises are self-sufficient economic entities conducted by individuals or business entities that are not subsidiaries or branches of corporations owned, controlled, or incorporated with them, directly or indirectly, as defined by the law. If you look at the size of your net worth and turnover, the criteria for MSMEs according to Law no. 20 of 2008 are:

1. Micro businesses have maximum assets of IDR 50 million and maximum turnover of IDR 300 million.
2. Small businesses have assets of IDR 50 to 500 million and turnover of IDR 300 million to 2.5 billion.
3. Medium Enterprises have assets of IDR 500 million to 10 billion and turnover of IDR 2.5 to 50 billion.
4. MSME criteria can also be seen in terms of the number of workers. Micro businesses have a workforce of less than 10 people, small businesses have a workforce of less than 30 people, and medium businesses have a maximum workforce of 300 people.

Wood is a natural resource derived from forests, serving as a readily processable raw material for manufacturing goods in accordance with technological advancements. It possesses multiple distinctive properties that are unmatched by other materials. In this context, wood refers to material acquired through the harvesting of trees in forests, with consideration given to which tree parts are primarily utilized for particular purposes, whether it be for carpentry, industrial applications, or as fuelwood (Siddik, n.d.). Wood exhibits several drawbacks including its heterogeneous nature, characterized by natural flaws such as varying fiber directions forming cross-sections, spirals, diagonals, knots, and others. It possesses a significant capacity for expansion and contraction due to its hygroscopic nature, rendering it less durable. When subjected to prolonged loads, it tends to deflect considerably. Additionally, wood is highly flammable and susceptible to fungal attacks if the drying process is inadequate. It is also prone to infestations by insects and wood beetles. These defects in wood translate into deficiencies or

challenges in its utilization and processing. Flaws present during the initial growth stages persist as defects in the wood post-harvesting.

The initiative titled "Community Service Activities (PKM): Supporting Digital Adoption for Pekanbaru City's Woodworking Community to Enhance MSMEs" involves collaboration with two MSME partners engaged in the production of household equipment using wooden raw materials. These partners include Furniqa MSMEs, which utilize rubber wood, and KadoKekayuan MSMEs, working with pine wood, commonly referred to as Dutch teak wood. Both entities operate at the micro-business scale. The implementation of this program unfolds across two phases: a structured material presentation session and hands-on mentoring sessions directly in the field. The material presentation is divided into three sub-stages: Digital Adoption, Digital Marketing, and Digital Business Analytics. Additionally, field assistance is provided by student team members for approximately three months to aid partners in integrating digital business practices.

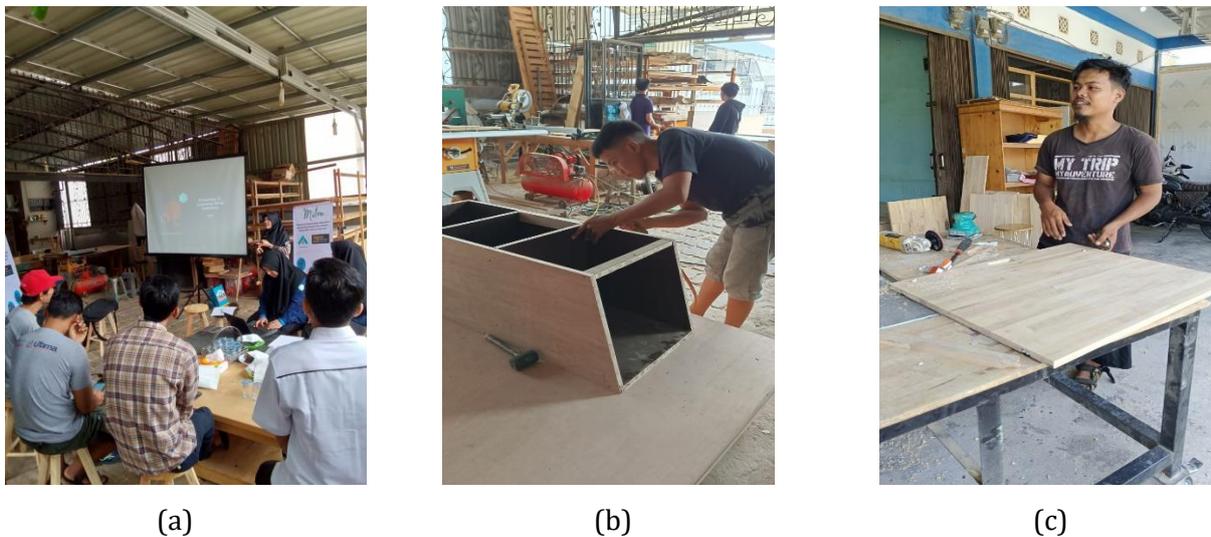
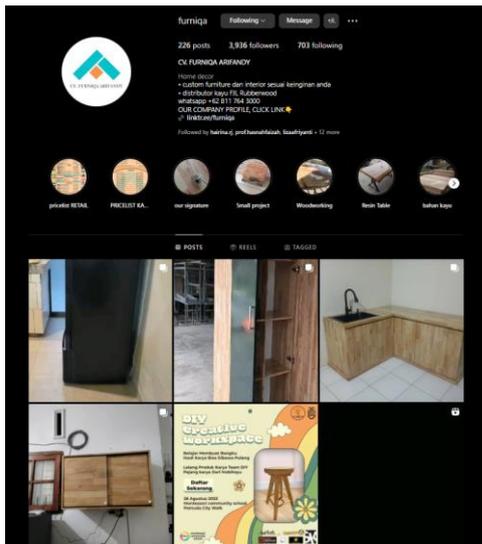


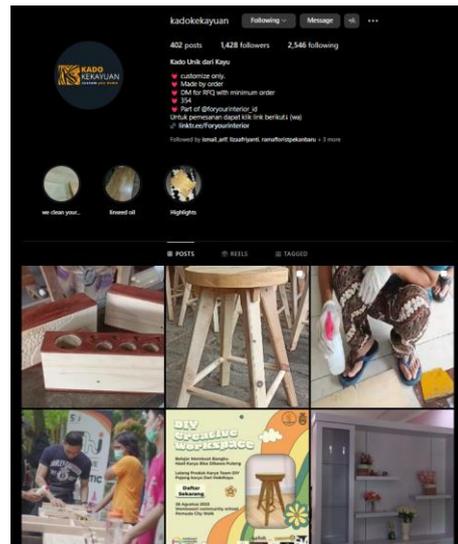
Figure 1. Activities at Partners (a) Material Delivery (b) Wooden Gift Production Activities (c) Furniqa Production Activities

Challenges encountered throughout the PKM process include coordinating a mutually convenient schedule for both partners to participate in the material delivery sessions together, as well as alternating preparations at each partner's location for the activity. Furthermore, discrepancies arise in the speed and comprehension levels among the staff/employees at the partner organizations responsible for implementing digital adoption. Limited personnel dedicated solely to management tasks, with some individuals even juggling multiple roles, add to the complexities. Additionally, disparities in cloud storage capacity for documentation and content archives, as well as variations in the specifications of digital devices owned by the partners, present further obstacles.

Nevertheless, despite these constraints, concerted efforts have been persistently made to pursue the objectives of this PKM project. At present, both Furniqa MSMEs and KadoKekayuan MSMEs have embraced and are actively implementing digital adoption within their operations. The PKM team has played a pivotal role in facilitating the establishment of online shops for the partners, along with the creation of various social media platforms for promotional, marketing, and online sales purposes. Proficiency in generating engaging content, managing online storefronts, and conducting digital analyses and business evaluations has been imparted.



(a)



(b)

Figure 2. Instagram Social Media for Partners (a) Furniqa (b) KadoKekayuan

In this service activity, one of the expected achievement targets is increasing partners' knowledge regarding digital adoption in supporting business progress. Knowledge measurement was carried out using a questionnaire survey method. The stages of measuring the increase in partner knowledge are carried out in several stages consisting of pretest and posttest. The questions are composed of 30 items and are divided into three segments, namely: Digital Adoption, Digital Marketing, and Digital Business Analytics. Each segment has 10 questions. These pretest and posttest questions were given to 10 employees at partners.

Table 1 Pretest, Postest and Evaluations

Participants	Digital Adoption				Digital Marketing				Digital Business Analytics			
	Pre Test	Post Test	1st Evaluation	2nd Evaluation	Pre Test	Post Test	1st Evaluation	2nd Evaluation	Pre Test	Post Test	1st Evaluation	2nd Evaluation
Participant 1	35	60	70	90	50	60	70	75	40	50	60	80
Participant 2	40	70	85	90	60	65	70	70	45	55	60	75
Participant 3	55	70	75	80	75	75	75	85	30	60	66	85
Participant 4	50	75	80	85	50	55	60	70	35	65	65	80
Participant 5	30	75	75	80	55	60	65	70	20	50	55	75
Participant 6	50	80	75	85	60	65	70	70	40	45	55	85
Participant 7	70	85	85	90	75	70	75	80	50	55	60	80
Participant 8	65	80	90	90	80	80	80	80	45	60	65	90
Participant 9	70	85	90	90	75	75	80	80	50	55	65	85
Participant 10	70	80	85	90	55	55	65	70	25	35	50	80

4. CONCLUSION

The Community Service Activity (PKM) titled "Digital Adoption Assistance for the Wood Craftsman Community in Pekanbaru City Towards Enhancing MSMEs" has been executed effectively and seamlessly. The instructional content covered various aspects including Digital Adoption, Fundamentals of Digital Media, Digital Content Creation, Digital Benchmarking, Advertising on Google and Meta platforms (Instagram, Facebook, TikTok), Enhancing Digital Marketing (through Simulation of Digital Marketing Templates), Familiarization with Analytics (Google and Meta), Evaluating Advertising Campaign Effectiveness, and Optimizing Search Engine

Optimization (SEO) through Content. Practical guidance and direct assistance have been provided to partners as well.

Based on the evaluation conducted post-activity, the following conclusions can be drawn:

1. The service team, serving as presenters and assistants, received an excellent rating (95%) from participants for their preparation, organization of tools and materials, arrangement of the venue, material demonstrations, utilization of demonstration tools, responsiveness to audience inquiries, and on-site assistance. Partner respondents, however, provided a Good rating of 5%.
2. Regarding the delivery of materials, particularly concerning the clarity and depth of the content, effectiveness of demonstrations, and the benefits perceived by partner respondents from the provided materials and assistance rendered to individuals/institutions, partner respondents awarded a Very Good rating of 73% and a Good rating of 27%.
3. In the segment covering Digital Adoption, encompassing fundamentals of digital media and content creation, 89% of partner respondents expressed a thorough understanding, while 11% indicated a lack of comprehension.
4. For the Digital Marketing segment, which includes digital benchmarking, advertising strategies on Google and Meta platforms, and strategies to maximize digital marketing, 93% of partner respondents reported a comprehensive understanding, with 7% expressing confusion.
5. In the Digital Business Analytics section, covering Analytics (Google and Meta), Evaluation of Advertising Campaigns' Effectiveness, and Optimization of Search Engine Optimization (SEO) Through Content, 85% of partner respondents acknowledged a thorough understanding, while 15% indicated a lack of clarity.

Furthermore, partners recommend community service activities which are the implementation of digital applicable products that can be directly used by partners to help their business activities, such as administration applications, warehousing applications, financial applications and so on.

THANK-YOU NOTE

Thank you to the Research and Community Service Institute (LPPM) Universitas Islam Negeri Sultan Syarif Kasim Riau for providing assistance/grants to carry out this activity through BOPTN in 2023.

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