

Expansion Of Middle Small Micro Business Marketing For Creative Industry Of Bags Towards Export Market Products Based On Web Services

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Abstract Bag industry is one of the creative industries that contribute greatly to the level of national economic growth. This is evident from the development of the bag craft sector in Kudus, which during the last five years the trade contract experienced a positive growth of 2.8%. This is in line with the increase in exports of handicraft products over the past five years which grew by 4.6%. The total export of bags in Kudus reached USD 1.1 million with the main export destinations to Saudi Arabia, Dubai and Malaysia. Exports of bag craft products in Kudus next year are targeted to increase by around 7% -8% or reach a value of around USD 1.6 million-USD 2 million. The performance of the bag craft market in Loram this year, according to Kudus data in figures, reached 14.74 percent with export value reaching 0.8 million US dollars. The export value of bag crafts in Kudus is still very small, even less than 1 percent compared to the demand for world bag crafts. Even compared to a number of districts / cities, Kudus district was also still far behind. This condition seems

contradictory if you see the potential of Kudus to regional handicraft products that are very large. The purpose of the program is to develop export products in the creative industry that is to improve business management capabilities which include production management to produce export products and marketing management for export so as to be able to carry out exports and compete in the global market, the use of information technology in supporting export marketing. Specific targets are to improve product quality, quantity and variety, use of information technology to improve global market

access, and display or showrooms for all school bag products produced. The methods and stages in the development of MSME exports are identifying problems, especially in the marketing field, developing products by combining variations in order to obtain product differentiation and diversification based on the results of research, applying information technology applications that are appropriate to the conditions of MSMEs by preparing web services starting from program preparation. fill interesting content both types and variations of products, prices, sales systems, as well as provide training to operators. The results achieved are the showroom display of all products produced, variations in product consumption are one of the mainstays of SMEs produced by the holy community with the potential to export. The uniqueness of this bag craft is its shape which also has a part which is a place for holy books (Al-Qur'an) is also a place for prayer tools, because it is crafting this bag with the target markets of countries that are predominantly Muslim.

Keywords: MSMEs, exports, information technology, markets.

I. INTRODUCTION

Export opportunities for small, micro and medium enterprises (MSMEs) in Indonesia in the era of globalization are an integral part of national development, especially in supporting economic growth targeted by the government. This is evident from the development of the bag craft sector in Kudus, which for five last year the trade contract

experienced a positive growth of 2.8%. This is in line with the increase in exports of handicraft products over the past five years which grew by 4.6%. The AMKM has been proven to be able to withstand the economic crisis because it is able to contribute substantially to GDP and the absorption of labor force. The development of the bag industry as an effort to increase added value, is aimed at expanding employment and business opportunities, providing quality bag products at competitive prices in both domestic and foreign markets. Development of the bag industry continues to be developed, until 2014 Kudus Regency has 1,675 bags business units in 9 districts (Kudus Dalam Angka 2013). Small Business Medium bags incorporated in the bag craft industry cluster. The two largest bag industry clusters are in Jati subdistrict, covering three villages, namely Loram, Jipang Pakis, and Jati; and Kota Subdistrict includes the village of Pedurenan, Pegunungan, Ploso. Thus the bag is a cultural continuity product that continues to be developed and preserved and has become one of the leading economic sectors of Kudus Regency which is able to provide a large contribution in the opening of employment (from upstream to downstream). However there are some obstacles experienced by small micro-businesses namely (Deputy for Assessment of UKMK Resources Th 2006): 1) the contribution of SMEs in export activities is still relatively low compared to large businesses; 2) factors that become obstacles for SMEs in export activities are: a) accessibility to productive resources which include: financing and marketing, business networks and technology; b) product specifications which include: design, packaging, color and shape; c) production capacity which includes: capital availability, availability of machinery / equipment and mastery of technology, availability of raw materials, and availability of skilled labor; d) completeness of documents which include product certification, letter of credit, and NPWP; and the cost of export activities which include: components of stealth costs, licensing and transportation, as well as the risk / guarantee of products according to guarantees. The Export Product Development Program (PPPE) carried out by the Muria Kudus University Team involved two SME partners namely Az-Zahra owned by Mr. H. Niam and Elva Jaya owned by Mr. Nurhadi, both located in the village of Loram Kulon, Kudus district. The two partner SMEs are potential enough to enter the export market because over the past 3 years the domicile market has developed quite rapidly, especially the last one year after the program has been running there has been a significant increase in sales, which is approaching 20%. From the aspect of production management,

some equipment has been added and repairs to production sites, product variations are increasing, especially for school bag products. From the aspect of marketing management which includes products, distribution and promotion prices, it seems that almost all weak aspects mean that the management has not been maximized in supporting marketing activities. Two partners for export product development programs have made product development innovations, but the products that have been produced are not exhibited in a display space that can be accessed by potential buyers, every time a new buyer is searched for products so that they are less attractive. or by another method, but the price is determined based on a rough calculation or looking at the market price for the product produced, so that the expected profit is not visible or unknown. The sales system is carried out through agents at the district level, especially in Central and East Java, as well as direct sales through orders. While the aspect of promotion is not done well but it occurs because of communication between buyers ("the system of contagion"). So that marketing communication has not been done maximally, whereas with the advancement of information technology that can be utilized it will accelerate communication with buyers. In this case the web service is very important because the web has many functions, namely communication, information, entertainment, transactions. Whereas according to the type, it can be used as a marketing or e-commerce tool. Marketing development at this time cannot leave web usage. To meet this need, hardware and software, human resources, programs and networks are needed. Based on the analysis of these conditions, export product development program activities have the main objective of collaborating with partners to jointly overcome the problems of implementation of information technology to support export marketing, product development both differentiation and diversification and always shown to prospective buyers through the web.

II. SOURCES OF INSPIRATION

The main problem faced by small and medium micro enterprises is the expansion of marketing through product development and web servicebased marketing communication. The product development that has been done so far still depends on existing products, the variations are still limited, there are no superior products. And products that have been made or existing products have not been displayed neatly and attractively. The absence of implementation of information technology in supporting marketing, so that marketing information is still limited and ineffective.

III. METHOD

The approach method used to overcome export marketing problems is: 1. Discussion of product development in terms of shape, variation, accessories, color and material usage. The partners are given various designs / models of product development bags, especially school bags to be made starting from design drawings, cutting materials, sewing and finishing. After being evaluated to identify deficiencies in the display. If it is in accordance with the design, it is made mass to be sent to the agent and uploaded to web service targeting foreign consumers. 2. Making web programs for both partners, Az-Zahra and Elva Jaya. This activity starts with the procurement of hardware and software, then fills the content for each partner, especially about the products produced and how to sell them. 3. Training for personnel who will operate the web from each partner, both to update content and respond to communication with customers. 4. Assistance in export marketing, bag product development and web operations. This activity is in the form of assistance to partners in preparing and developing products, pricing, marketing communications, operating the web as well as managing product displays and carrying out sales.

IV. MAIN WORKS

The main work for Micro, Small and Medium Enterprises, the creative bag industry that is a partner in the implementation of the Export Product Development Program is an effort to overcome the problems of export marketing, especially related to product development, access to export markets, marketing communications. 1. Development of export products which include activities: a) repair of production sites to be clean, comfortable, bright and environmentally friendly, b) manufacture of superior products, c) arrangement of warehouse materials and finished products, d) arrangement of production equipment in accordance with factory layout which includes: material placement, cutting, sewing, finishing and wrapping and storage



2. Development of market access and marketing communication which includes activities: a) making space and display equipment for all sample products that have been created and developed, b). making a web service program for both partner products as a means of communication in supporting export marketing, c) mentoring and discussion for production management, human resource management, marketing management, and administration, d) web operator training, e) export marketing assistance.



V. WORK REVIEWS

Activities which are the main works of the export product development program include: a. With the arrangement of production layout, the employees become more enthusiastic in working because they feel comfortable, clean, neat, so that they increase production, more time, effort. With the condition of a good production space and neatly arranged equipment, the owner also feels responsible for doing good maintenance. Product development carried out went well because the key to product development lies in design drawings and image cutting, then sewing for the initial model before being made in bulk. Here is the role of the owner to monitor production. b. Development of market access is carried out primarily for exports. So far, market access has been done by contacting parties who have previously made export relations, but still have problems because they HEADIre limited to certain parties. Therefore, in overcoming this problem web services are made that can be accessed widely, so that market access is unlimited. For that we need adequate hardware and software to implement web service operations. After there is a web service, it is necessary to have personnel who have to operate the web service, especially to always update the content. In addition, it also provides responses to incoming information both in responding to questions about purchases and other information. To support broadcast communication, a neat and attractive product display was created and uploaded on a web service



VI. CONCLUSION

From the PPPE program that has been implemented, the following conclusions can be drawn: a. The PPPE program is very helpful in the development of the UMKM Tas in the village of Loram, Kudus Regency, b. The second year activities can increase the comfort of the workers in producing bags, d. Activities until August 2018 show a significant increase in production.

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