

Online Marketing and Packaging Innovation to Increase Purchase Intention in MSMEs “GIG’S BATIK” Yogyakarta

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ABSTRACT

The community service program was carried out at MSMEs Gig's Batik in Yogyakarta. The purpose of this activity is to increase consumer buying interest in Gig's Batik so that it will have an impact on improving business performance. Methods of implementing activities through training and counseling. The results of community service are increased knowledge and skills of partners in developing promotional content through social media (Instagram and TikTOK), increased consumer interest in Gig's Batik products as indicated by the increased number of followers on social media, and increased consumer demand to package batik products in packaging. innovations produced during community service activities.

INTRODUCTION

The introductory section is here; You can provide logical and phenomenological reasons for doing or the background of your service process. You are also required to provide a clear explanation of your community service contribution. It could be present in the description of a niche sample (capturing a unique sample), theory enrichment, or an interesting result (novelty if available). A brief and direct introduction to the subject matter is very important in this service process. Micro, Small and Medium Enterprises (MSMEs) play an important role in national economic growth because they open up employment opportunities, boost the national economy and reduce the poverty rate. According to data from the Coordinating Ministry for Economic Affairs of the Republic of Indonesia, the growth of MSMEs in 2023 is growing rapidly where currently there are 65.4 million which are able to absorb a workforce of 114.7 million people or around 56% of the workforce in Indonesia. In addition, MSMEs also contribute more than 60% of the country's GDP. One of the MSMEs sectors that is growing rapidly, especially in Yogyakarta, is Batik. Based on data from the Ministry of Cooperatives and SMEs in the City of Yogyakarta, it is explained that the number of batik SMEs in 2021 is 227,677 units and will increase to 329,719 units in 2022. This development has encouraged tighter competition in Batik MSMEs in the City of Yogyakarta.

One of the Batik MSMEs in the city of Yogyakarta is Gig's Batik. Gig's Batik is an MSMEs engaged in the fashion sector, especially Batik, which was founded in 2000 in Yogyakarta by Mr. Wegig Triharjanto. Gig's Batik is located in Kwarasan, Nogotirto, Gamping District, Sleman Regency, Special Region of Yogyakarta. The number of workers at Gig's is eight people, but if there is a large capacity order for batik, Gig's Batik will employ additional workers on a daily basis. Business management at Gig's batik is still simple which is divided into four work units namely: "Canting", stamping, sewing, administration and marketing. In carrying out its business, these units coordinate with each other. The batik products produced are very diverse, such as: handmade batik, printing batik, stamped batik, Sogan batik, and other batik. Gig's Batik also accepts batik orders for individuals and organizations. Gig's Batik also accepts orders for hampers and souvenirs for certain events. Although Gig's Batik produces various types of batik, it still has its own characteristics, namely contemporary classic batik which combines several classic batik motifs so that these classic batik motifs can become modern batik motifs. The quality of the products produced by Gig's Batik is good and has various types.

The selling price of Gig's Batik itself is also quite affordable. The price is adjusted to the price of the material used in making batik. Every month or even every week, the type of cloth used by Gig's Batik, which always experiences price increases, has an impact on the selling price. Gig's Batik implements a price and promotion strategy by providing price discounts and quantity discounts. For example: If you purchase more than 1 to 5 units, a discount of IDR 5,000 per unit will be given. To attract consumer interest, Gig's Batik also accepts orders according to the consumer's budget. Here are a number of examples of batik produced by Gig's Batik:



Picture 1. Contemporary Batik from Gig's Batik



Picture 2. The production process at Gigs Batik

In marketing its products, Gig's batik still tends to use conventional marketing through exhibitions. From the exhibition activities, there are usually a number of consumers who make direct purchases or place orders for batik products. Even though Gig's batik already has social media in the form of Instagram for online marketing, it has not been used properly. The majority of Gig's Batik's marketing area is the domestic market and most are marketed in Java, Bali, Sulawesi and Kalimantan. In general, there are several obstacles faced by MSMEs in adopting an online marketing business, namely limited resources, technology, infrastructure, MSME competence and the inability to adapt to technological changes (Wibawa et al., 2022). online marketing at Gig's Batik has not been used optimally due to limited human resource capabilities in creating interesting content and a lack of knowledge to operate existing applications on social media for online marketing.

Besides online marketing, another factor that can influence consumers in purchasing products is product innovation (Lahindah et al., 2018). Product innovation plays an important role in the competitiveness of SMEs. Innovative SMEs seek to meet demand and market needs, especially customer needs, and gain competitive advantage through increased demand, higher revenue, more customers and increased market share (Castillo-Vergara & Pérez-de-Lema, 2020). Innovation has an impact on the performance of MSMEs and also their business sustainability. The importance of innovation capabilities in helping entrepreneurs in MSMEs to sustain their businesses and improve their competitive strengths (Hanaysa et al., 2021). Product innovation at Gig's Batik in the form of adding product variants has been well developed. However, product innovation in the form of product packaging has not been well developed. Product packaging has not functioned optimally as a promotional tool at Gig's Batik.

During the pandemic, there was a drastic decline in orders and sales at Gig's Batik. Currently, Gig's Batik is slowly starting to revive even though it has not been able to achieve optimal sales. In carrying out its business activities, **Gig's Batik still encounters a number of problems**, such as: (1). Lack of interest from potential customers to buy batik products at Gig's Batik. Besides that, Gig's Batik is also not yet popular among the public. One of the reasons for this is because the marketing or promotional activities carried out by Gig's Batik have not been optimal. Gig's Batik tends to carry out conventional marketing activities and has not optimally utilized online media for product marketing and promotion. utilization of social media as an online marketing medium, and (2). The product packaging used is still very simple and unattractive. Besides that, Gig's Batik uses packaging made from materials that are not durable.

IMPLEMENTATION AND METHODS

The method of implementing community service activities consists of four stages:

1) Observation.

This method is carried out by making direct observations at Gigs Batik MSMEs to identify a number of problems faced by partners in running their business. At this stage a two-way discussion is carried out to determine the solution program of activities to solve MSMEs problems. During this observation process, interviews were also conducted with the owner of Gig's Batik.

2) Program Outreach

This activity is carried out by socializing the program that will be carried out to overcome problems. The program is designed according to the conditions and capabilities of Gigs Batik MSMEs so that it is expected to be implemented properly.

3) Program Implementation

At this stage it is carried out through the method of transferring knowledge and technology. Gigs Batik MSMEs are given online marketing education and training including creating interesting content via Instagram and TikTok. Partners participate in providing the facility for training. In addition, MSMEs are also given knowledge about the importance of packaging innovation as a marketing tool. In this activity, examples of packaging innovations for batik products were given.

4) Advocacy and Monitoring

This activity is carried out after the implementation of the program which is intended to assist and monitor the sustainability of the program with the hope that Gigs Batik MSMEs can consistently implement the program.

Community service implementation was carried out within 2 months (July - August 2023) located at Gig's Batik (Kwarasan, Nogotirto, Gamping District, Sleman Regency, Special Region of Yogyakarta). The activity participants consisted of 10 Gig's Batik employees including the owner. Partner participation is shown through their willingness to facilitate activity facilities and infrastructure, provide batik products that will be used as content in online marketing media, provide Instagram and TikTok accounts, and provide materials needed to create packaging innovations. This community service activity is aimed at overcoming problems faced by partners (Gig's Batik), mainly the lack of interest in buying consumers to buy Gig's Batik products. Even though the products produced are quite diverse and of good quality and affordable prices. However, consumer buying interest is not as expected. Based on the results of observations and interviews with Gig's Batik owners, there are a number of factors that cause a lack of consumer buying interest, namely ineffective online promotions and product packaging that is less attractive and has not been used as a marketing tool.

Solutions to overcome these problems are: (1). Providing education in utilizing social media for online marketing and developing content for online marketing through Instagram, YouTube and TikTok, and (2). Collaborating with other handicraft MSMEs in producing innovative and unique packaging. The objectives of this community service are: (1). Provide education regarding the importance of using online media to support marketing activities. In addition to improving marketing and promotional content on social media, and (2). Introducing product packaging innovations to make them more attractive to consumers. The specific target of this community service activity is to increase the attractiveness of potential consumers to purchase batik so that it has an impact on increasing partners' income. This attraction is driven through attractive online marketing content and product packaging innovation.

RESULTS AND DISCUSSION

1. Training for Online Marketing Content Development

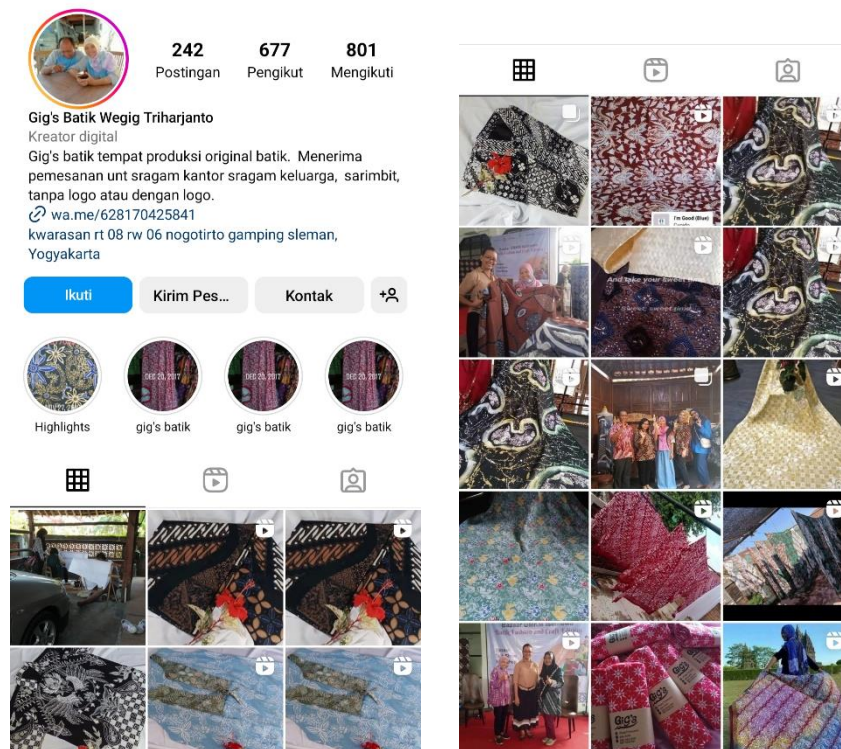
The first program that was carried out was improvement to Instagram and Tik Tok content owned by Gig's Batik. Improvements to Instagram content are by making design templates for Instagram feeds so that they look attractive and informative as well as providing education on how to edit design templates to partners. While improvements to Tik Tok's content are by making content related to information on the location of Gig's Batik, gallery contents and the process of making batik. This activity was carried out using counseling and training methods which were attended by Gig's Batik members. Members can practice directly designing online marketing content on Instagram and TikTok. Improvements to online marketing content are aimed at increasing consumer interest in finding information about the products offered by Gig's Batik and ultimately encouraging consumers to make purchases.

MSMEs that utilize online marketing in their business activities can help businesses compete more effectively and MSMEs can operate side by side with larger companies. If MSMEs implement online marketing correctly, it will have a positive impact on improving the financial performance or business performance of MSMEs (Zhen et al., 2022). The benefits of using social media marketing in the development of MSMEs is one of the main factors influencing the continued use of social networks by small and medium enterprises. business, increase product sales, communicate with consumers and develop a broader market network (Khamaludin et al., 2022). The existence of this online marketing training has brought changes to the appearance of social media (Instagram and Tiktok) which are used as online marketing tools at Gig's Batik. The display is more attractive, complete and informative. This change also had an impact on increasing the number of Instagram followers from 612 to 677. The location of Gig's Batik, which originally only included an address, was developed after the training by displaying a Google map and a video location on TikTok. Initially, the Instagram profile was not directly linked to the owner's WhatsApp, now it is connected directly, making it easier for potential customers to communicate with Gig's Batik. The Instagram account can be accessed via: **gigs_batik** and The TikTok account can be accessed via the link: <https://www.tiktok.com/@gigsbatikjogja? t=8e7O3MQtVZq& r=1>

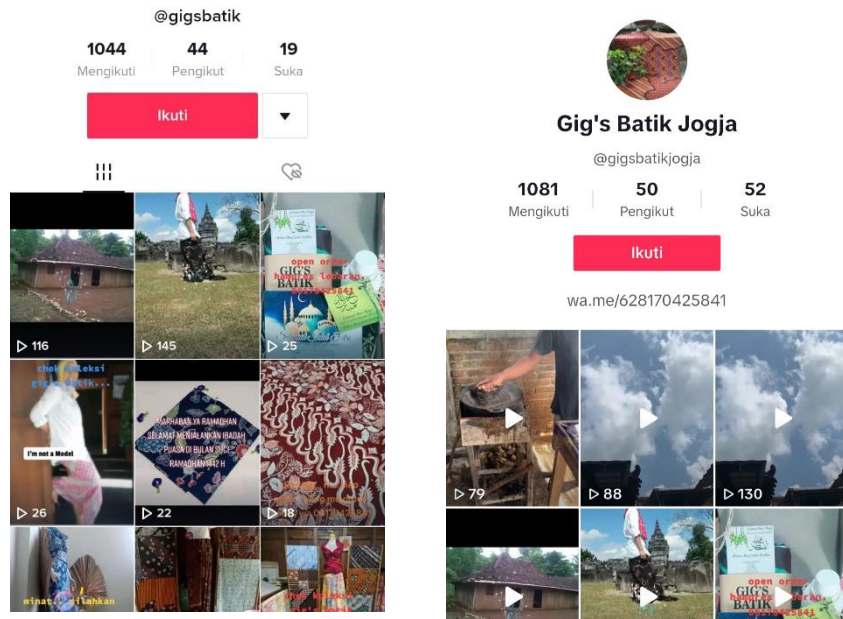
Documentation of the results of the training implementation can be shown in the following figure:



Picture 3. Gig's Batik Instagram display before any content improvements



Picture 4. Gig's Batik Instagram display after content improvements



Picture 5. Gig's Batik TikTok display before and after any content improvements



Picture 6: Mentoring activities at Gigs Batik

2. Providing Education on Packaging Innovation

This activity is intended to increase entrepreneur awareness of the importance of product packaging in marketing activities. Often entrepreneurs think that product packaging only functions to wrap or protect the product and make it easier for consumers to carry or use the product. Basically, packaging has some essential functions such as the containment and protection of products, promoting products and facilitating the use and storage of products (Alhamdi, 2020). Packaging can be an effective marketing tool because the packaging design can attract consumers, besides that the packaging contains the brand name, logo and seller's identity which makes it easy for consumers to differentiate from other products (Govender, 2015).

The lack of awareness of the importance of product packaging also occurs in Gig's Batik SMEs. The packaging used at Gig's Batik includes primary packaging in the form of a transparent sealing plastic that wraps the batik and secondary packaging in the form of a plastic bag or goody bag. The packaging used is less attractive and does not yet contain promotional elements. Besides that, sometimes Gig's Batik also uses traditional packaging made from natural fibers which are not durable and easily moldy. The package price per unit is Rp. 20,000, - thus increasing the selling price of the product. To overcome these problems, education is given about the importance of packaging as a means of promotion. In this activity not only providing counseling but partners are also given examples of unique packaging and lower prices. The packaging is a handicraft made of sand and the unit price is Rp. 10.000,-. The developed packaging is also given labeling which contains the brand name, brand mark and WhatsApp Gig's Batik number. The existence of this packaging innovation is expected to be one of the attractions for consumers to purchase products. The designed packaging can also be reused as a place for souvenirs or to store various accessories. Packaging innovations developed at Gig's Batik are as follows:



Picture 7. The packaging used by Gig's Batik (before implementing Community Service Program)



Picture 8. Packaging made from natural materials that are not durable (before implementing Community Service Program)



Figure 9. Packaging innovation using handicrafts made of sand box (after implementing Community Service Program)



Figure 10. Discussion on the Importance of Packaging Innovation

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the implementation of community services, it can be concluded as follows:

1. The existence of technological developments and changes in consumer buying behavior from conventional to online models has led to the importance of online marketing for MSMEs.
2. Development of content on online marketing media is needed to attract consumer buying interest and as a means of marketing communication for MSMEs.
3. Product packaging is one of the important elements in marketing because it can function as a promotional tool. For that packaging needs to be designed attractive and informative.

The recommendations given for the development of Gig's Batik are as follows:

1. It is necessary to update content continuously and creatively on online marketing media so that it is always attractive to followers and can ultimately have an impact on increasing product demand.
2. It is necessary to develop a variety of packaging according to the needs and tastes of consumers. Gig's Batik needs to continuously develop packaging that is unique, environmentally friendly or green and reusable packaging. With the development of this packaging, it is expected to increase product sales.

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