

Small and Medium Enterprise Capacity Building through Production Equipment

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Abstract

The partner of this community service program is Small and Medium Enterprise (SME) called MARENDRA PYA, a home-based pia-making business in Wringinanom, Gresik. Established in 2006, this business faces challenges in production capacity and marketing strategy, especially utilizing digital platforms. This activity aims to improve the production efficiency and human resource capacity of MARENDRA PYA through the procurement of production equipment and digital marketing training.

The stages of implementing the activity begin with procuring an automatic mixer that increases production efficiency. The procurement of an automatic mixer involves workshops around the partner's residence. The second activity is an online marketing workshop through platforms such as Instagram, Shopee, and Tokopedia. The last activity is to design the business logo. The implementer is the owner of MARENDRA PYA since the business is controlled by the owner himself.

The results of this community service program has increase 30% in production capacity and significant improvements in packaging design. This program has succeeded in providing MARENDRA PYA with the tools and knowledge to expand market reach and improve production processes, ensuring sustainability and competitive in the long term.

Keywords: production capacity, SME (Small, and Medium Enterprises), capacity building, community service.

Introduction

Small, and Medium Enterprises (SME) play a crucial role in driving economic growth and development, particularly in regions with high levels of local production. One such SME is MARENDRA PYA, located in Wringinanom, Gresik. Established in 2006 as a home-based business, MARENDRA PYA specializes in the production of pia, a traditional Indonesian

pastry. Over the years, MARENDRA PYA has grown into a well-known brand within the local community, consistently offering high-quality products with premium ingredients and traditional production techniques.

However, as the business has grown, MARENDRA PYA has encountered several challenges in scaling its operations. The primary challenges include the need to increase production capacity and improve marketing strategies. Currently, the production process is still heavily reliant on manual labor, particularly in mixing and preparing ingredients, which limits productivity. Besides, marketing efforts remain confined to traditional methods with minimal online presence, relying solely on WhatsApp for customer communication. This restricts the business's ability to reach a broader audience and take advantage of the expanding e-commerce market.

In response to these challenges, this community service program aims to assist MARENDRA PYA in enhancing production efficiency and marketing capabilities. This project aligns with the National Research Master Plan (RIRN) 2017-2045, particularly in the fields of social humanities, arts, culture, and education, with a specific focus on entrepreneurship and SME. Furthermore, the program supports the Merdeka Belajar Kampus Merdeka (MBKM), a program introduced by the Indonesia's Ministry of Education, Culture, Research and Technology. This initiative will provide students with opportunities to apply their academic knowledge in real-world situations while contributing to the growth of the local economy. The main objective of this program is to empower MARENDRA PYA by providing solutions to the operational challenges it faces, thereby enabling the business to increase its production capacity and ultimately achieve sustainable growth.

Methodology

This study employs a qualitative approach, focusing on Participatory Action Research (PAR) to enhance the operational capacity of MARENDRA PYA. The methodological framework is divided into three main phases: assessment, intervention, and evaluation.

Assessment Phase

In the initial phase, a comprehensive needs analysis was conducted through interviews and direct on-site observations to identify the key challenges in production and marketing. The research team collaborated with the business owner to assess the production process, equipment usage, and marketing strategies. The collected data included production schedules, sales figures, and customer demographics. This phase was crucial in defining specific points of intervention.

Intervention Phase

Based on the findings from the assessment, several interventions were designed and implemented:

Production Enhancement: An electric mixer was introduced to speed up the manual mixing process, which had been identified as a bottleneck in production. Training sessions were conducted to ensure proper usage of the mixer, with the aim of reducing production time and improving consistency.

Packaging and Branding Improvement: A redesign of the product packaging was proposed to make the brand more appealing and professional. The new design focused on incorporating traditional aspects of the product while enhancing its modern appeal.

Digital Marketing Support: Workshops were conducted to train the business owner on digital marketing strategies, particularly utilizing platforms like Instagram and Shopee to enhance online visibility. Content creation techniques and customer engagement methods were integral components of the training.

Evaluation Phase

The final phase involved monitoring and evaluating the effectiveness of the interventions. This included measuring production output before and after the introduction of the electric mixer, as well as assessing the impact of the new branding and digital marketing on customer reach and sales. Surveys and feedback from customers were collected to gauge satisfaction with the new packaging and improved online presence. Data analysis focused on identifying increases in production efficiency and sales growth.

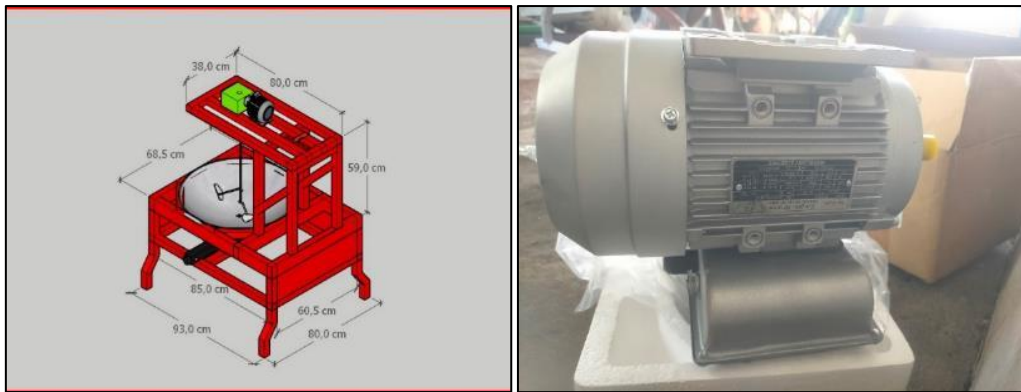
Results and Discussion

The implementation of the community service program at MARENDRA PYA successfully achieved several significant outcomes that aligned with the established targets.

Increase in Production Capacity: In terms of enhancing production capacity, we also monitored the creation of equipment that we ordered based on the partners' requests, such as the mixing and cooking tools for the pya filling. Additionally, we provided guidance in the production of the pya itself.



Picture 1: Discussion on the Creation of Equipment and the Mixing Tool Production
Source: Self-Documentation



Picture 1: 3rd Design of Mixing and Cooking Mixer



Picture 2: gea box and stove

Design of New Stickers and Packaging: The creation of the new stickers involved editing the previous design, and our team assisted with the printing process as well as applying the stickers to the filled containers. With guidance from the supervising lecturer and the college grant support team, MARENDRA PYA transitioned from using cardboard for packaging to a new, modern, and attractive packaging design. This design better reflects the brand identity and has received positive feedback from customers.



Picture 3: Pia in clear jar packaging with sticker design and custom sticker application as requested by the partner

Training and Support: The partner has received hands-on training on the use, maintenance, and troubleshooting of the newly purchased automatic mixer. This ensures that the partner can utilize the equipment optimally over the long term.



Picture 4: Meet up with MARENDRA PYA and handing over of the mixing and cooking equipment for pia filling



Picture 5: Equipment training and sharing about digital marketing

The results of this community service initiative indicate that the enhancement of production capacity and digital marketing has had a significantly positive impact on the development of MARENDRA PYA. The increase in production capacity through the acquisition of the

automatic mixer not only assists the partner in meeting higher demand but also improves the quality of the products produced.

Innovation in packaging design has successfully enhanced the product's appeal in the market, aligning with efforts to strengthen the MARENDRA PYA brand. The use of digital platforms for marketing has also opened new opportunities for this SME to reach a broader market that was previously difficult to access through conventional marketing alone. The success of this initiative is also attributable to the active participation of the partner and support from various stakeholders, including the guidance provided by the implementation team. Regular evaluations and effective communication between the partner and the implementation team have ensured that each stage of the activities proceeded as planned. However, several challenges remain to be addressed, such as the need for sustainable production capacity enhancement and the development of more integrated marketing strategies. Therefore, ongoing support and regular monitoring programs are necessary to ensure the sustainability of the results achieved.

Conclusion

This research successfully addressed the operational challenges faced by MARENDRA PYA through the implementation of interventions that enhanced production capacity and marketing strategies. The introduction of the electric mixer significantly reduced manual labor and increased production efficiency. This intervention enabled the business to meet rising demand while maintaining product consistency. Furthermore, the redesign of the packaging enhanced the product's marketability, providing a more professional appearance that aligns with customer preferences.

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