

Development of Promotional Activities and the Creation of Personal Selling Standard Operating Procedure (SOP) of UMKM Pecel Madiun Bu Pardi

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Abstract - This study is conducted in the form of business coaching on Micro, Small, and Medium Enterprises (MSMEs). This study found problems regarding the lack of technology use and utilization, especially social media and Standard Operating Procedures (SOP) implementation in terms of the MSMEs personal selling. Marketing campaigns are still carried out conventionally by using Word of Mouth (WoM) and Google Maps reviews. This study aims to support MSMEs in developing promotional campaigns and working on personal selling SOP of this MSMEs. This is done by creating social media accounts of the MSMEs, so it can proceed to put products through platforms in the digital market using the internet. There are four steps taken in this digital marketing process: improving product photos, optimizing the Instagram display, and designing digital advertisements. Building the SOP in personal selling is done by finding potential customers, making approaches, following up, and maintaining them. This business coaching process is expected to support this MSMEs and other MSMEs to optimally increase productivity.

Keywords - Business Coaching, social media, digital marketing, personal selling SOP

I. INTRODUCTION

MSMEs or Micro, Small, and Medium Enterprises are businesses that are involved in people's entrepreneurial activities. MSMEs are generally managed individually or as a business entity. This type of business is in the scope of small or micro-businesses [1]. The population of Indonesia is very dense, as people try to find ways to maintain their lives by building businesses amid dwindling job opportunities. Local communities would try to open small or micro-businesses to support their daily lives.

MSMEs are important topic to research, because they are growing very rapidly in Indonesia. This is shown in the SMEs business's contribution to around 60% of the national GDP (Gross Domestic Product) and creating multiple job opportunities in Indonesia. The trade, hotel, and restaurant sectors are the largest contributor to GDP in the 2010-2011 period [2].

A culinary theme that is increasingly popular and currently growing is healthy food culinary. People are starting to pay more attention to what they consume, so that drives many restaurants or eateries that provide dishes based on 'healthy food', in both modern and traditional style.

One of the business actors engaged in the culinary field of healthy food is Pecel Madiun Bu Pardi. And, this paper presents a case study of Pecel Madiun Bu Pardi business. Services are made in a shophouse located in the middle of Bogor City.

Pecel Madiun Bu Pardi, a business engaged in the food industry. Like other MSMEs, Pecel Madiun Bu Pardi also experiences various big challenges. Firstly, Pecel Madiun Bu Pardi already has a promotional campaign. However, it did not work as expected due to poor planning and execution. This situation will certainly reduce the opportunity for this MSME to get an expansion of target consumers and be less able to compete in the digital era nowadays. Secondly, marketing improvements are to be made by following standard operating procedures (SOPs) and filling the existing data gaps. The procedure would work if it is executed and structured properly.

Therefore, this paper's question is to find ways to support Pecel Madiun Bu Pardi MSME in implementing optimized promotional activities and constructing SOPs.

II. LITERATURE REVIEW

A. Marketing Communication

Marketing communication according to [3] is divided into two main components, communication and marketing. Communication is the process of delivering information and ideas from one individual to another. While marketing is an activity to convey values of a product or service that is owned by an organization to consumers. Reference [4] states that marketing communications can affect brand equity and drive sales, profits, and shareholder value

B. Social Media Promotion

The use of social media in marketing communication must comprise communication tactics and strategies [5]. Some of the social media commonly used by Indonesians including Instagram, Facebook, Twitter, Youtube, and so on. For marketers, these widely used social media are considered as a potential marketing communication tool that allows its user to share information more easily.

Based on the previous study by [5], marketing communication tools through social media are further categorized into customer engagement, viral marketing, buzz marketing, online word of mouth, peer influence, and online communities.

Customer engagement is a relationship that exists between a company and its consumers, where they contribute to the company's brand [6]. Customer engagement will induce consumers with an indirect sense of involvement in the marketing for the company.

Viral marketing is one of the most effective marketing promotion strategies by creating viral ads so that they spread instantaneously. The results shown are mostly very effective in increasing the company's sales. Social media is considered to be the main medium in this type of strategy because it's swiftness and convenience [7].

Buzz marketing is a marketing strategy carried out by marketers to increase engagement with consumers and sales by using WoM [8]. Marketers would try to reach opinion leaders and influencers to share recommendations for products used online. With social media, product exposure would be wider and conveyed more effectively to target consumers [9].

Online community is multiple individuals who interact with each other in an online group. Online communities could build ideas from customers who are contributing to the innovations made by the company. Another advantage is the possible increase in the capability of a company, because of the indirect dialogue between the company and consumers that it could bring through. This will give consumers an important role in the innovation of a company [10].

C. Personal Selling

Personal selling is a form of communication that is carried out directly from the seller to prospective consumers to introduce new products of the company, so the consumers will have insights about these products. The expected outcome is that the target consumer would try to make a purchase. Direct selling is one of the most effective ways to provide choices to consumers, which will lead to buying action. There are multiple stages involved, including preparation, investigation, approach, presentation, overcoming obstacles from potential customers, closing sales, and taking action [11].

D. Standard Operating Procedure (SOP)

Standard Operating Procedure (SOP) according to [12] is a set of steps that must be taken to get a quality and consistent product. To get a product with good quality, steps in an SOP must be implemented accordingly to complete the work process. SOPs could be used to control the quality of a product. SOPs should be constructed and simulated with systematic and structured standards, so as to improve existing weaknesses. SOP aims to increase efficiency and profitability, improve consistency and reliability in service production, and reduce errors in every business area.

III. METHODOLOGY

In conducting business coaching research methodology, a framework is needed as a guide in conducting this research. The framework starts with data collection to the last activity in business coaching. The purpose of this research is to form an action plan through a solution that will be used following the problems currently faced by Pecel Madiun Bu Pardi.

Business coaching uses qualitative methods in conducting qualitative research, emphasizing the use of the researcher's own self as an instrument. This qualitative research includes a series of interpretation techniques that can portray, describe, and interpret social phenomena that occur in the society. This technique is used in this research data collection and analysis.

Primary Data obtained through data collection based on interviews done by asking multiple questions to the owners of MSME, employees, and some attending customers during the working hours. This interview is conducted so that researchers can determine strengths, weaknesses, perceptions of the owner, and the motivation of the owner in conducting their business activities. Data collection was also carried out in a documentation manner to support the results of observations and interviews as research evidence

Secondary data is obtained from information in the form of sales reports, raw material supplier reports, industrial information in the food and beverage sector, and existing management systems to support the completion GAP analysis and pareto that occur in the MSME environment.

The next process after the required data has been collected is about a discussion with the owner about the problem that occurred in MSME and how to solve it. Based on the analysis of the previous section, this research will focus on the application of online promotions through social media advertising and the preparation of product sales SOPs.

IV. (EXPECTED) FINDINGS AND DISCUSSION

In this paper we use several analyzes such as Business Model Canvas (BMC), Pecel Madiun Bu Pardi's strengths and weaknesses analysis with Porter's Five Forces approach, SWOT and TOWS analysis, and Pareto analysis. The final stage in this research is a business coaching process carried out by providing proposed solutions to the problems currently faced by Pecel Madiun Bu Pardi.

A. Business Model Canvas (BMC)

Business Model Canvas (BMC) is a method designed to create a business plan that can be used by business actors. BMC consists of three main elements, namely product, value, and market [13]. Pecel Madiun Bu Pardi MSME has been operating according to its existing BMC. The business model canvas can be illustrated through nine basic blocks that can show a rational view of how companies make money. The nine blocks comprise key business areas such as customers/consumers, supply, infrastructure, and financial feasibility.

Key Partners - Raw material suppliers - Suppliers of plastics and cans - Shop owner	Key Activities - Producing East Java food and drink - Service for customers - Financing and accounting	Value Proposition - Strategic place in the middle of the city - Offers East Javanese food and drinks that are hard to find in Jabodetabek - Authentic pecel seasoning - An affordable price	Customer Relationship - Order by phone and WhatsApp - Electronic word of mouth	Customer Segments - Behavioural - Customers who miss their hometown food - Customers who want to gather with family - Personals who eat healthy food - Demographic - People with an age range of 30-40 years - Psychographic - People who like culinary and want a comfortable place - Geographic - Jabodetabek area - Consumers in Bogor City
Cost Structure - Fixed Costs: building rental fees, land payments, employee salary - Variable Costs: PAM fees, electricity bill costs, purchase of raw materials			Revenue Streams - Proceeds from the sale of food and beverage products on a dine-in basis - Proceeds from the sale of packaged snacks and bottled drinks on site	

Fig. 1. Business Model Canvas Pecel Madiun Bu Pardi MSME.

B. SWOT Analysis

SWOT analysis is a matrix used to analyze several main factors of certain activities, including business and natural resource management. SWOT analysis includes an analysis of the strengths, weaknesses, opportunities, and threats of a business [14].

STRENGTHS - A special mix of pecel sauce - Strategic location in the middle of the city - One of the best East Java restaurants in Jabodetabek - Healthy food and suitable for vegetarians	WEAKNESSES - Ignorance of consumers with some menus in restaurants - Some raw materials are taken from East Java - Limited market segment - Not yet optimized social media
OPPORTUNITIES - Business development is still big - Location in the city center - Get into basic needs - A pandemic situation that makes people order food online	THREATS - Limited raw materials - Lack of recruited MSME employee candidates - Competitors promote aggressively

Fig. 2. SWOT Analysis Madiun Bu Pardi MSME

C. TOWS Analysis

TOWS analysis is used to assemble and match external and internal factors consisting of four strategies, including SO (Strengths-Opportunities), WO (Weakness-Opportunities), ST (Strengths-Threats), and WT (Weakness-Threats).

	STRENGTHS - A special mix of pecel sauce - Strategic location in the middle of the city - One of the best East Java restaurants in Jabodetabek - Healthy food and suitable for vegetarians	WEAKNESSES - Ignorance of consumers with some menus in restaurants - Some raw materials are taken from East Java - Limited market segment - Not yet optimized social media
OPPORTUNITIES - Business development is still big - Location in the city center - Get into basic needs - A pandemic situation that makes people order food online	- S3 - O1, O4 Creating a new variant menu with a ready-to-cook concept. - S4 - O3 Create online advertisements on social media and start utilizing existing e-commerce for sales.	- W1 - O4 Inform the food sold directly and through various information media. - W2 - O1, O2 Deliver social media content and work with food influencers to attract new consumers.
THREATS - Limited raw materials - Lack of recruited MSME employee candidates - Competitors promote aggressively	- S1, S3, S4 - T3 Maintaining the quality that is now a strength - S2 - T1 Looking for substitute raw materials in the Jabodetabek area - S2 - T2 Opening job vacancies for people from the area around MSMEs	- W2 - T1 Looking for substitute raw materials in the Jabodetabek area. - W3, W4 - T3 Increase promotions to compete with existing competitors

Fig. 3. TOWS Analysis Pecel Madiun Bu Pardi MSME

D. Pareto Analysis

Based on the results from the analysis and interviews, weighting and level of importance are carried out on the problems faced and the ability of UMKMs to solve existing problems. The results of these weights are used to determine priority problems that are resolved during the business coaching process. There are five gaps faced by UMKM Pecel Madiun Bu Pardi, namely optimization of promotion on social media, SOPs, financial recording systems, sales channels, and HR management.

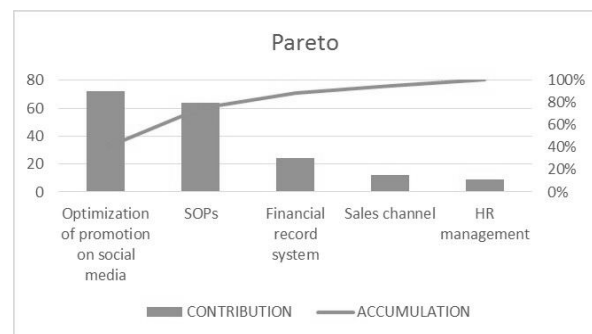


Fig. 4. Pareto Analysis Pecel Madiun Bu Pardi MSME.

Promotion implementation through social media

Social media nowadays is becoming a platform that has changed people's lifestyles. Almost everyone inevitably already has a cell phone and social media accounts, including Instagram, Facebook, Twitter, and others. In accordance with the theory and analysis that has been done, the implementation of promotion through social media at the UMKM is categorized as important, especially in this pandemic era. Based on the results of discussions between coaches and coachee, the strategy to be implemented as a solution to this problem is improvements social media utilization activities,

including face displays, product photos, and stories.

Based on interviews with coachee and adjusting theories about making improvements in social media, the authors make the following social media (Instagram) design recommendations:



Fig. 5. Instagram Design of Pecel Madiun Bu Pardi MSME

Implementation of personal selling SOP

Furthermore, to help the effectiveness of marketing activities which are also carried out in business coaching activities, the coach also proposes that the coachee implement personal selling o potential customers.

Because personal selling is a new thing that will be done by Pecel Madiun Bu Pardi MSMEs, it is necessary to have a standard in carrying out this activity so that the stages can be carried out according to the procedure. As for Standard Operating Procedure (SOP), according to [12], is a set of steps that must be taken to get a quality and consistent product. To get a product with good quality, steps in an SOP must be implemented accordingly to complete the work process.

The points of description from the SOP at each stage of personal selling of UMKM Pecel Madiun Bu Pardi are as follows, (1) Prospecting and Qualifying, (2) Approaching the Prospect, (3) Making the Sales Presentation, (4) Consulting Session, and (5) Following Up and Servicing the Account.

The final result of the personal selling SOP or draft that has been finalized, each content and stages, will be disseminated to the marketing team. The explanation will start from the importance of this SOP, how to understand this SOP, what are the responsibilities of each part of the marketing team, to explaining all the stages in the form of diagrams and documents. It is important to apply this SOP as a guideline in personal selling activities in order to maintain the consistency in the quality of personal selling activities.

V. CONCLUSION

Based on the analysis of the condition of MSMEs in Pecel Madiun Bu Pardi and the results of the implementation carried out during the business coaching

period as a result of collaboration between the coach and the coachee, it can be concluded that the problems that have been improved are following the research objectives, it can be summarized as follows: the optimization of social media carried out by improving Pecel Madiun Bu Pardi's social media appearance, using the book Instagram Power by Jason Miles. Jason Miles revealed that front-end appearance is the main thing, including product photos.

Then to develop a personal selling SOP, the theory used can be adapted to the MSME business process. In the SOP, there are several main process stages, starting from prospecting and qualification, approaching consumers, making presentations, consulting sessions on needs, and customer follow-up. This SOP can help MSMEs Pecel Madiun Bu Pardi carry out personal selling activities consistently.

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