



Digital Transformation Socialization in Supporting the Micro, Small Medium Enterprise (MSMEs) of Bulak Village

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Abstract. MSMEs have an important role in the village economy. They create jobs, contribute to infrastructure development and increase employment income. MSMEs are also able to take advantage of local potential, such as natural resources and cultural wisdom, to develop products that are relevant to the needs of the local community. MSMEs play a role in distributing development results. Digital transformation is a global phenomenon that refers to a massive shift from analog to digital systems and processes. This is a fundamental change spurred by the rapid development of information and communication technology. Bulak Village is a village located in Kendal Regency, Central Java. This village has the potential of MSMEs that can be developed through the sustainability of the digital era. However, many Bulak residents still do not understand how to use technology as a facilitator of their business. It is necessary to socialize about digital transformation for MSMEs owner in Bulak village so that MSMEs become wider in marketing their products. The Method are The method used in this socialization activity is an offline seminar method involving various elements Starting from academics, thematic village activists, MSMEs actors in the village and the community common. The seminar participants who attended were very enthusiastic in listening to the material presented by the speakers. After delivering the material, some participants gave questions that were still confused regarding the use of digital platforms to the speakers. This activity was held by a team of students from Walisongo State University's real work lecture.

Keywords: Digital, Transformation, Socialization.

Abstrak. UMKM memiliki peran penting dalam perekonomian desa. UMKM menciptakan lapangan pekerjaan, berkontribusi dalam pembangunan infrastruktur, dan meningkatkan pendapatan lapangan kerja. UMKM juga mampu memanfaatkan potensi lokal, seperti sumber daya alam dan kearifan budaya, untuk mengembangkan produk yang relevan dengan kebutuhan masyarakat setempat. UMKM berperan dalam mendistribusikan hasil pembangunan. Transformasi digital merupakan fenomena global yang mengacu pada pergeseran besar-besaran dari sistem dan proses analog ke digital. Hal ini merupakan perubahan mendasar yang dipicu oleh pesatnya perkembangan teknologi informasi dan komunikasi. Desa Bulak merupakan desa yang terletak di Kabupaten Kendal, Jawa Tengah. Desa ini memiliki potensi UMKM yang dapat dikembangkan melalui keberlanjutan era digital. Akan tetapi, masih banyak warga Bulak yang belum memahami bagaimana memanfaatkan teknologi sebagai fasilitator usahanya. Perlu adanya sosialisasi tentang transformasi digital bagi pelaku UMKM di Desa Bulak agar UMKM semakin luas dalam memasarkan produknya. Metode yang digunakan dalam kegiatan sosialisasi ini adalah metode seminar offline dengan melibatkan berbagai unsur mulai dari akademisi, pegiat desa tematik, pelaku UMKM di desa dan masyarakat umum. Peserta seminar yang hadir sangat antusias menyimak materi yang disampaikan oleh para narasumber. Usai penyampaian materi, beberapa peserta memberikan pertanyaan yang masih membingungkan terkait pemanfaatan platform digital kepada para narasumber. Kegiatan ini diselenggarakan oleh tim mahasiswa Kuliah Kerja Nyata Universitas Negeri Walisongo.

Kata Kunci: Digital, Transformasi, Sosialisasi.

1. BACKGROUND

MSMEs play a very important role as guardians of economic stability and potential sectors. Small and medium enterprises have a very high involvement in improving the welfare of the people and the workforce. For business actors, MSMEs are businesses or businesses run by individuals, households, and small business entities. According to senior economist, Prof. Ina Primiana, MSMEs are small-scale business activities that encourage the development and economic movement of Indonesia. On the other hand, M. Kwartono Adi explained the definition of MSMEs more specifically, namely as a business entity that has a profit or profit of no more than 200 million based on the calculation of annual profit. A business or business can be referred to as an MSME if it meets the criteria for micro businesses. According to legislation Number 20 of 2008, MSMEs are differentiated based on each type of business, namely micro, small, and medium enterprises (Al Farisi & Iqbal Fasa, 2022).

MSMEs are the largest category of companies in Indonesia's economy and show resilience in facing various shocks related to the economic crisis (Qadisyah et al., 2023). A set of laws and regulations regulates business requirements that must be met by Micro, Small, and Medium Enterprises. The definition and standards of Micro, Small, and Medium Enterprises (MSMEs) stipulated in Law Number 20 of 2008 are based on several factors. The 1945 Constitution stipulates a national economic system that is increasingly fair, developed, and balanced. This structure is further strengthened by TAP MPR NO. Moreover, Law Number 9 of 1999 has established the definition of MSMEs, and considering the ever-changing development landscape, it has been replaced with Law Number 2 Article 1 of 2008 concerning Micro, Small, and Medium Enterprises.

MSMEs have an important role in the village economy. They create jobs, contribute to infrastructure development and increase employment income. MSMEs are also able to take advantage of local potential, such as natural resources and cultural wisdom, to develop products that are relevant to the needs of the local community. MSMEs play a role in distributing development results. MSMEs are expected to be able to provide benefits for national resources, including in the utilization of labor in accordance with the interests of the people and the achievement of maximum economic growth. A business opportunity is a source of income that provides additional income to the community who is able to capture potential business opportunities that can be developed into a real business activity. Therefore, people's income increases and unemployment decreases so that people's welfare increases (Siregar & Jaffisa, 2020).

Digital transformation is a global phenomenon that refers to a massive shift from analog to digital systems and processes. This is a fundamental change spurred by the rapid development of information and communication technology. In Hadiono K and Santi R, (2020) explained that digital transformation, in general, can be interpreted as a radical process that occurs in an organization in utilizing technology, human resources, and business processes that cause the business performance of the organization to change drastically. In a business context, digital transformation means integrating digital technologies into all aspects of business operations, from production to marketing. The presence of digital technology is a new opportunity for the development of MSMEs especially to market its products. MSMEs that implement digital marketing have a higher average sales than before using digital marketing. Media that used include Facebook, Instagram, whansaap, live treaming on Facebook, and existing online shop media such as Tokopedia, Lazada, Shopee and others (Azzahra, 2021).

Bulak Village is a village located in Kendal Regency, Central Java. This village has the potential of MSMEs that can be developed through the sustainability of the digital era. However, many Bulak residents still do not understand how to use technology as a facilitator of their business. It is necessary to socialize about digital transformation for MSMEs owner in Bulak village so that MSMEs become wider in marketing their products. In addition to a wide reach, digital transformation can also help MSMEs actors to market a variety of products produced anywhere without limits. So that sales are increasing and the community's economy is becoming more lively and flower. Through digital transformation, MSMEs actors can take advantage of technology to assist with various marketing, bookkeeping, production, and report creation. The purpose of this service activity is to provide socialization, education and understanding of digital transformation for MSMEs because of the foundation to strengthen the community's economy, especially in Bulak Village.

2. METHOD

The method used in this socialization activity is an offline seminar method involving various elements Starting from academics, thematic village activists, MSMEs actors in the village and the community common. This activity was held by a team of students from Walisogo State University's real work lecture. The seminar was guided by competent speakers who are graduates of business economics majors This socialization activity was carried out to provide education and understanding Regarding digital

transformation to the people in Bulak Village in particular and society in general. Education and understanding are carried out through Seminar where the speakers explained directly about digital transformation along with examples of digital marketing media.

3. RESULT AND DISCUSSION

The MSMes Of Bulak Village

Agriculture

Bulak Village is located in a rural area with fertile soil and a climate that supports agriculture. This makes it ideal for the cultivation of food crops. Agriculture is a major sector as it provides a major source of livelihood for many villagers and supports their daily lives. Rice cultivation is one of the main agricultural activities in Bulak Village. Rice is a very important staple food, and its cultivation process involves several stages that require special attention and skills. Overall, rice cultivation in Bulak Village is not only a major economic activity but also an important part of the daily life of the community. This agricultural business supports local food security, creates jobs, and makes a great contribution to the welfare of the village.

Handicrafts

Crafts offer a rewarding alternative and utilize local skills. The following are some types of handicrafts produced in Bulak Village One of the typical handicrafts in Bulak Village is broom making. These brooms are usually made from local materials such as skewers or other plant fibers available around the village. The process of making brooms starts from selecting the right materials, which are then processed and assembled into ready-to-use brooms. Brooms from Bulak Village are famous for their good quality and long durability. These products are generally marketed in the local market and are often the go-to for everyday needs due to their affordable price and functionality. In addition to brooms, Bulak Village is also known for the convection industry, especially in the manufacture of jeans. It is a type of handicraft that utilizes quality sewing and design skills, and has the potential to make a significant contribution to the local economy. Jeans from Bulak Village are known for their trendy designs and neat stitching quality. This product is not only marketed in the local market but also shipped to various regions outside Kendal, including Greater Jakarta and its surroundings. This shows that the handicrafts of these villages have managed to penetrate the wider market and gain recognition outside their

territory. Overall, the handicrafts in Bulak Village reflect the diversity and creativity of the community. The products produced not only meet local needs but also have the potential to penetrate a wider market, introduce superior products from villages to consumers in different regions, and strengthen their position in the handicraft industry.

Smoking Fish

Bulak village has local trading businesses such as smoked fish, smoked fish is one of the typical products of Bulak Village which is marketed through local trade. Smoked fish from Bulak Village is often sold in traditional markets, where this product can be found along with other local products. This provides an opportunity for the local community to buy quality smoked fish. In addition to being sold in the local market, smoked fish can also be distributed to a wider area, including major cities or other regions, expanding the market and increasing income for smoked fish producers.

Digital Transformation Socialization

The socialization of village community empowerment in digital transformation is carried out to provide village communities with an understanding of digital transformation for MSMEs as a foundation to strengthen the community's economy, explore the potential that exists in the village, and be able to plan the necessary activities to improve the welfare of the village community (Basuki, 2024). The socialization activity was carried out directly face-to-face (offline) and packaged in the form of a seminar with a total of 40 participants from the general public with the theme "Together Exploring Village Potential with Digital Technology".

Table 1. of participants of the Digital Transformation Seminar

No	Name	Sum	Presentase
1	Male	18	45%
2	Female	22	55%
Total		40	100%

The participants of the digital village seminar consisted of 18 male participants and 22 female participants with backgrounds from academics, village officials, and the general public. The activity was carried out offline so that the village community better understood the material presented by the resource persons. To attract participants to attend the seminar, a Flyer was made which was uploud on Instagram social media MIT Thematic KKN Post 15 and the Flyer was shared to the Bulak Village Whatsapps group.



The speakers delivered material on the meaning of digital transformation, the use of technology in daily life, the introduction of e-commerce and its opportunities for MSMEs, how to utilize digital platforms for MSMEs product marketing, the use of online banking applications (M-Banking), digital security and privacy, as well as case studies of successful villages in using digital technology for MSMEs product marketing. The seminar participants who attended were very enthusiastic in listening to the material presented by the speakers. After delivering the material, some participants gave questions that were still confused regarding the use of digital platforms to the speakers. On average, MSMEs that use social media as a marketing medium (Puspitarini & Nuraeni, 2019) are social media that connects producers and consumers with internet facilities, resulting in higher sales than direct marketing to consumers.



Picture 1. Presentation of material by speakers

After making a presentation, the speaker provides an opportunity for participants to ask questions about things that are still not understood. The following questions and answers were given at this socialization :

How to start and open a business through digitalization?

This question refers to the practical steps to leverage digitization to start a business. The answer includes several key steps : a) Market Research: It is important to conduct market research to understand the needs and preferences of consumers and competitors.

Digital tools such as online surveys and data analytics can be used to gather relevant information. b) Create a Business Plan: Develop a business plan that includes a digital marketing strategy, revenue model, and operational plan. Digital aspects such as e-commerce, social media, and SEO need to be considered. c) Build an Online Presence: Create a professional, search engine optimized website and consider using e-commerce platforms where relevant. d) Utilize Social Media: Use social media platforms for promotion and interaction with customers. The choice of platform should be tailored to the target audience. e) Use Digital Tools for Operations: Implement software for financial management, inventory tracking, and communication, such as accounting and CRM. f) Digital Marketing: Use digital marketing strategies including paid advertising, email marketing, and content marketing. Evaluate campaign results for further adjustments. g) Learn and Adapt: Update strategies based on the latest trends and technological developments to stay relevant in the market.

What does digitization do for rural people?

This question examines the benefits of digitization for rural people. The answer includes several key functions. The first is Information Access. Enabling villagers to get information about news, education, and health services more easily. The second is Economic Improvement. E-commerce platforms open up new market opportunities for village farmers and artisans, increasing income and access to a wider market. The third is Public Services. Ease access to public services such as civil registration and land registration through digital platforms. The fourth is Education and Training. Providing access to online training and courses, helping villagers to improve their skills without having to leave the village. The fifth is Communication and Connectivity. Improve communication between villages and cities, and strengthen social networks through technologies such as the internet and mobile phones. The sixth is Health Services. Telemedicine and health apps allow access to medical consultations and health information without traveling far, particularly useful in remote areas.

A discussion of the questions raised in the socialization on digital transformation shows that digitalization offers significant benefits. Whether in the context of starting a business, or in village applications, digitalization plays a key role in improving efficiency, accessibility, and quality of life. A good understanding and implementation of digitization will support the achievement of these goals more effectively.

4. CONCLUSION

MSMEs are something that cannot be separated from life, because they are part of economic development everywhere. Villages are areas that must always be developed for business potential. Not only that, further understanding is needed about effective ways to do MSMEs. With the holding of this digital transformation socialization, it is hoped that villages, especially Bulak Village, can reach technological advances. And with this socialization, the village knows whether its residents understand that there are other ways to sell. Recommendation for the village, it is necessary to follow up on residents who have MSMEs and help if they find it difficult to use technology as a means of doing business. Recommendation for future researchers, can develop research.

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