

## Comptance Of Communication As An Effort To Improve Marketing Of MSMEs in West Java

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**Abstract.** This research was conducted to analyze government programs related to improving the quality of micro, small and medium enterprises (MSMEs). The SME quality improvement program carried out by the government included, new entrepreneurship programs (WUB) under the regional government of West Java through related agencies. These programs are coaching programs for MSMEs. Through a number of trainings conducted to improve the quality of SME actors. The problem is that the level of quality improvement of SME actors does not change too much. The number of SME actors at the start up level is still high, which means that MSMEs in West Java are still vulnerable in running their businesses. To examine this phenomenon, researchers use descriptive methods, by digging up information from SME actors who have participated in WUB activities and then describe them in the form of evaluations that are linked to the theory. Data was obtained through interviews with the designers of the MSMEs development program, coaching members. The results of this study first indicate that WUB is an activity of community empowerment from the government in the SME actors. The WUB program has a good concept, but in the field the results are not maximized. Various MSMEs development activities from the government have similarities and overlap, including WUB. This is due to the lack of restrictions in recruiting participants. Secondly, the guidance shows that the focus of development in the field of marketing and management is not enough to develop MSMEs. There needs to be a focus of development on communication skills in supporting marketing communication for MSMEs.

### 1. Introductions

The number of Micro, Small and Medium Enterprises (MSMEs) in Indonesia continues to increase each year [1]. Until 2015 reached 56.9 million MSMEs [2]. Of the many numbers of MSMEs, the largest and the highest number are micro and small businesses and they are grouped at the start-up level [3]. However, the large numbers make them have a positive impact on a country's economic growth [4]. The benefits of the presence of MSMEs include providing employment [3], fostering the economy of the people, raising the potential of the region to increase regional income potential [1].

The problem is, not all MSMEs can easily run their business [5]. Capital problems [6], marketing [7], technology continues to haunt them [8]. Likewise, MSMEs players in West Java reached 9.1 million in 2013, with the fourth largest regional income from the national level [9]. The government took part in helping resolve these problems.

the provincial government of West Java holds a coaching program for MSMEs to improve competitiveness. The coaching program was given the name "new entrepreneur" (WUB). WUB is a form of government policy to help the development of MSMEs in the form of coaching [10]. This policy is intended for MSMEs who are still at the start up level. Because at the start-up level is a stage that is still vulnerable in the course of building a business [11]. So that a policy is needed to help expand the business of MSMEs. The problem is that this program has not helped to improve the quality of MSMEs [12]. This means that evaluation is needed for the policy, so as to provide better output. It is evident from the results of the study that there are similar problems experienced by MSMEs [1]. This shows that SME actors have not been able to get out of the problem.

This research was conducted to analyze the development program by the government on SME players, which aims to develop MSMEs to be more effective, and to help SME players get out of trouble. This study was examined qualitatively by the narrative method describing the experiences of MSMEs participating in the activity.

## 2. Literature Review

### 2.1. "New Entrepreneurship" Policy

The "New Entrepreneurship" (WUB) program is a policy organized by the West Java provincial government on the basis of law number 35 of 1992 concerning cooperatives; Law Number 20 of 2008 concerning MSMEs; the regulation of West Java Governor number 79 of 2015 concerning the printing of one hundred thousand new entrepreneurs in West Java; the main tasks and functions of cooperative training centers and small and medium micro enterprises in West Java province; technical instructions for printing one hundred thousand new entrepreneurs; and, the budget implementation document (DPA) of the West Java provincial SKPD number 1.15.01.36.5.2 dated January 7, 2016 [13]. The WUB policy is intended for entrepreneurs with business ages ranging from 0 - 5 years [10]. The purpose and objective of the first WUB policy, provides an overview of the implementation of training, apprenticeship and entrepreneurship mentoring / mentoring. Provide clarity of curriculum, syllabus, lecture / resource material and entrepreneurial training methods. Third, guarantee the consistency of the implementation of entrepreneurship training carried out in accordance with the targets and targets set [13]. The target of a hundred thousand young entrepreneurs is determined by the provincial government of West Java within 13 departments (i.e. Cooperative and Small and Medium Enterprise, Industry and Trade, Manpower and Transmigration, Marine Affairs and Fisheries, Animal Husbandry, Plantation, Forestry, Culture and Tourism, Energy and Human Resource, Sports and Youth, Education, Health Department) for the period of five years from 2014 to 2019 [10].

### 2.2. MSMEs in West Java

The number of MSMEs in West Java in 2013 reached 9,042,519, spread throughout the region of West Java [9]. Products produced by UMKM players include Textiles ind., Leather and soles 95 (21.6%), woods and others forest prd 78 (17.8%), papers and printed stuff 29 (6.6%), steel industries 61 (13.9%), building and non steels 36 (8.2%), transprt., machinery, and tools 30 (6.8%), handcraft 64 (14.6%), others 44 (10, 0%), total 437 (99.5%) [14]. Various problems must also be faced by MSMEs in developing their business [9]. Among them are capital, human resources, product quality and marketing.

## 3. Method

This study was studied qualitatively using descriptive methods. This method is used to describe the evaluation analysis of WUB activities, through in-depth interviews of WUB participants and observing activities from WUB development activities. There were ten MSMEs who followed the WUB policy in the West Java Provincial KUKM Office to obtain information.

## 4. Result

### 4.1 Analysis of WUB activities

WUB activities under the West Java provincial government are carried out in various services. Like the cooperative and UMKM services, the fisheries and maritime service, the livestock service, the tourism service, the cooperative training center. Activities carried out in each service have the same pattern.

The WUB training to participants began with providing training materials on Managerial Entrepreneurship. The main direction in the training process is to encourage entrepreneurs to develop ideas for entrepreneurship by developing creativity in the formation of products, trade strategies or business, material provided around the mindset to shape their entrepreneurship, business ideas and starting a business that will be run, learning the challenges of the target or appropriate market segmentation in the development of entrepreneurship. this is intended to provide knowledge, insight, skills to have business competence, entrepreneurship, and business. Then the activity ended with an exhibition, exhibiting products from WUB participants [13].

WUB training is a concept of community empowerment, which in its implementation carries the concept of direct community involvement in the WUB program. The provision of various basic materials on entrepreneurship is the provision of ability to run their business in the future. And the WUB program is an ongoing program by continuing to guide MSMEs. This shows that WUB carries the concept of community empowerment through its four key activities, namely, people-centered, participatory, empowering, and sustainable [15].

Based on the field observations, most of each WUB participant did not only participate in one WUB program, they participated in similar activities in other agencies. This is done to meet the needs they cannot get, namely access to capital. The problem is, all WUB activities have the same form of activity, because they have the same legal basis. Each agency has designed the WUB program adapted to the characteristics of the business field that is undertaken by each participant [16]. But because of lack of socialization, as well as the target audience that must be achieved, making MSMEs participants can become WUB participants in several departments. In addition, there are a number of MSMEs participating in WUB development with economic objectives. In carrying out the WUB coaching program, each participant will be given money in lieu of transport costs, and this is used as their reason for following the WUB development. this is different from the results shown in the Irvianty, Essy study; Mirzanti, Isti Raafaldiri who explained the existence of complaints about the problem of funding the transportation of members. Even though every MSMEs participant who participated in the WUB development was already recorded, but it was proven that there was always a gap for SME Actors to follow the coaching again, only to get the cost of replacing transport.

Basically, WUB is appropriate in terms of government policy [10]. But the obstacles faced in the field are, there are still practices that are not yet in accordance with the policy, so that it seems forced. Lack of firmness from each agency to recruit WUB participants, make a gap for MSMEs to be able to join the WUB training program many times. This is the basis that the MSMEs coaching activities overlap. In fact, if supervision is much more stringent and specific in accordance with official studies, then this program will provide great benefits for every MSMEs actor.

#### 4.2 Communication Competencies for MSMEs

This is a basic training in management and marketing. Based on the analysis of WUB participants, the material provided was good enough as a provision for an entrepreneur. The material provided WUB participants to overcome the major problems commonly faced by MSMEs [12]. As we know that the dominance of SME problems faced by the majority is related to management and marketing [17]. The problem that was felt by the participants was the time provided for the delivery of material to relatively short participants. This caused confusion in receiving material for the participants. with the uneven level of education of WUB Participants, more time should be needed to provide material. So that all material is well received.

As we know, the perception that appears to many MSMEs at the start up level in running their business is the need for capital assistance [18]. So that on average the WUB participants follow the program the aim is to get capital assistance. Actually the provision of material can explain that the main problem for starting a business is a creative idea and entrepreneurial spirit. With good management, capital problems can be overcome. The problem is that the time provided is only three days with full material, making the WUB participants not get the understanding as expected. Their perspective in running a business remains the same, it requires a lot of capital. This shows that in each empowerment program a large role for communication is needed, to describe empowerment programs [15]

The holding of the exhibition in the WUB activities, was the final result where each participant was invited to practice the material related to marketing and form market segmentation. Unfortunately, the participants did not understand, because the participants thought that the exhibition was the place where they sold their products, without analyzing whether the exhibition was a market share that matched their products. Finally, most MSMEs view the exhibition as a place to sell, not a place to attract potential customers and as an investment of their business [19]. A new problem arises when the WUB participants in the exhibition session, many have not been able to fully understand the specifications of the product, so that they cannot explain their products well. This is due to the weak ability of business presentations for WUB participants. While in an exhibition, business presentation skills are needed to attract potential customers [20]. In addition, in the exhibition some participants also realized that marketing messages such as brands, taglines, and product education are important things to introduce their products. But not many WUB participants understand this yet. This is due to the perspective of those who only sell products and earn even a small profit. Precisely good business is built if we can build customer loyalty. This perspective has not been developed in the minds of WUB participants. In building customer loyalty we must be able to manage customers in the context of relationship marketing (CRM) customers.

#### 5. Conclusion

Based on these studies, it can draw the conclusion that, first, the WUB program is a community empowerment program from the government to create and improve the quality of MSMEs in West Java. But there are still something that must be addressed, especially in the selection of WUB participants. In addition, the implementation process of WUB itself should be made more focused and provide mentor time and facilities in accordance with the number of participants. Second, the need for the role of communication to socialize the WUB program so there is no miss communication between participants and implementers. In addition, communication also needs to be given to participants, given the importance of the role of

communication for MSMEs when conducting business presentations, even composing marketing messages. Competence of communication is supporting for marketing communication for MMSMEs in west java.

This research is expected as an input and evaluation for relevant government agencies in developing community empowerment programs for the development of MSMEs. Given the importance of the role of the MSMEs progress in improving the regional economy. It is hoped that in the future this research can continue to focus more on the application of the importance of communication competencies for MSMEs.

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