

Initiation of SDM Development of Creative Economy Through Development of Digital Economy-Based Clinics

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Abstract. MSMEs as one of the sub-sectors of the economy, will not want to have to follow the developments of the times. The research raises the question of how to empower MSMEs through the digital economy clinic and the aim of the research is to describe the utmost efforts to empowering MSMEs by strengthening the digital economic strategy. Research data collection measurement of social phenomena, through observations, interviews, documentation, books and records. This result is an initiative to be able to form the digital economy clinic as the primary centre of the needs of enterprises, licensing, economics and business based on information and technology that is expected to initiate the form and picture of the development of institutional services oriented to the public in terms of improvement of the economy, MSMEs and Information Technology through the clinic of digital economy. Training of MSMEs through Digital Technology Economy Key, which has functions as a communication centre, production home and also business consultancy for the actors and economic and MSMEs activists. Training provided is E-Commerce training, Web Design, Digital Gapura, product design training for product packaging, as well as business management training. From the training activities organized by the digital economy clinic in the end can improve the insight of MSMEs perpetrators in managing the undertakings they are investigating.

Keywords: Digital Economy, Creative SDM, Digital Technology, MSMEs

1 Introduction

The MSMEs has an important role in the Indonesian economy especially during the crisis, the MSMEs was able to survive the monetary crisis in 1998 and during the Covid-19 pandemic. MSMEs is a part of the independent economy of Indonesia and has great potential for improving the well-being of the people seen from the three roles of MSMEs to the Indonesian economy include means of extortion of the economy of small peoples, means of poverty alleviation and means of infusion of currency for the country.[1]

According to the Ministry of Cooperation and Small and Medium Enterprises (KUKM) data in 2021, the number of MSMEs operators in Indonesia reached 64.2 million with a

contribution to gross domestic product (GDP) of 61.07% or Rs8.573.89 trillion. MSMES is able to absorb 97% of the total labour force and can collect up to 60.4% of total investment in Indonesia.[2]

Based on the above data, Indonesia has the potential for a strong national economic base because of the large number of MSMESs and the huge absorption of labour force.

The Ministry of Coordination of Economic Affairs of RI in a press release on October 1, 2022 stated that the role of MSMES is huge for the growth of the Indonesian economy, with the number reaching 99% of the total unit of enterprise. The contribution of the MSMES to GDP also reached 60.5%, and towards the absorption of labour is 96.9% of total national absorptions of labour.

The state of local MSMES has been declining in the first two years of the Covid-19 pandemic in 2020-2021. Based on a survey by UNDP and LPEM UI involving 1,180 respondents of MSMES perpetrators, results were obtained that at that time more than 48% MSMES had raw material problems, 77% had a decline in opinion, 88% had decreased product demand, and even 97% had a decrease in asset value. The strategic policies implemented by the Government include the National Economic Recovery Programme (PEN), the implementation of the Labour Creation Act and its derivative rules, as well as the Indonesian Artificial Pride Programme. (BBI).

According to the data of the Ministry of Cooperation, Small and Medium Enterprises (KUKM) in 2022 obtained information on the level of education of MSMES perpetrators as follows:

No	Educational level	Percentage
1	Unfinished SD	11
2	SD	36
3	SMP	12
4	SMA	36
5	Diploma 1 / more	5

According to the data of the Ministry of Cooperation, Keci, and Medium Enterprises (KUKM) in 2022, the marketing methods of MSMES perpetrators consist of:

No	Marketing Methods	Percentage
1	Digital (Ecommerce)	16
2	Non-digital (Market)	60
3	Intermediary	8
4	Other Marketing	16

Looking at the data of MSMES prosecutors in the table above, it can be seen that of the educational level MSMES persons most (95percent) are educated SD – high school while those with a Diploma 1 or more only 5percent. While seen from MSMES marketing methods 60percent marketing method still rely on the market, while those using new digital marketing (e-commerce) methods of 16per cent.

Thus, training against MSMES perpetrators can be done to improve the understanding of MSMES as per the regulations related to MSMES and also to introduce marketing media in particular marketing through digital. (e-commerce).

The launch of the MEA (ASEAN Economic Community) which came into force in early 2016 demanded MSMES perpetrators to compete with businessmen from ASEAN countries. Therefore, full support from the government, the big business and the public is essential to boost the growth of MSMES so that there is no decline or bankruptcy. “The grant of KUR 9% and will be 7% in the next year,” clearly Agus Muharam is a good opportunity for people in terms of digging the potential of their enterprise. Besides, increasingly facilitated in the case of enterprise is good news for the people to more spirit to improve their economy and have a positive impact on the national economy.[3]

In reality, the conditions on the field are not as expected, some MSMESs have gradually experienced a decline in terms of product sales as well as the amount of enterprise income. This reality must be compared to the reverse of the government program that seeks to raise MSMES to continue to grow in order to continue supporting the economy of the State.

The above issues affect the sales performance run. Because good sales performance is able to make the company in this case MSMES survive in the market conditions that move quickly. So to be able to maintain the performance of the sales of the strictly competitive required SDM efforts in increasing competitive advantage in the field of business management. Initiation of excellence competes to be the ultimate supporter in marketing performance where to enhance competence to be more competent in running the business.

2 Method

This research uses a qualitative approach. (utuh). Sugiyono argues that in qualitative research, the data collected is generally in the form of words, images, and abilities rather than numbers.[4] The digital economic learning and training method is in fact a form of education oriented towards the formation of human resources with the most elementary character, thinking, vision, orientation and vision. Information technology has become a major facility for various activities in various sectors of life where it has provided a large share of fundamental changes to the existing management structure of the organization.

The focus of this research is to enhance the capacity of the creative economy SDM through learning and training of the digital economy so that in the end will produce outputs that are very beneficial both for human beings as individuals themselves and for the endeavours they are investigating. The development of information and communication technology (ICT) has influenced learning methods. According to Rosenberg, with the growing use of ICTs there are five shifts in the learning process, namely:

- a. From training to appearance
- b. From classroom to where and when
- c. From paper to "on line" or channel
- d. Physical facilities to network facilities
- e. From cycle time to real time

3 Result and Discussion

3.1 The strengths and weaknesses of the digital economy

MSMES has made a major contribution to Indonesian economic growth. The statement is proved by two things. First, the employment rate of MSMES recorded reached 96.9%, according to the Ministry of Economic Coordinator RI. This role is very important given that the provision of jobs can minimize the social gaps that trigger crime. In addition, MSMES also contributes a large share of the national income (PDB) of 60.5%.

However, behind such a major role, MSMES faces a number of barriers in terms of capital, licensing, business management or the knowledge of its perpetrators to develop business. Not only does it create less robust governance, but these shortcomings can also create a poor reputation for the MSMES concerned.

a. The power of the digital economy

E-entrepreneurship or can be called technology-based enterprise has many advantages in efficiency throughout business activities. The role of the Internet in e-entrepreneurship makes more innovative and creative especially in terms of product marketing with e-commerce. In addition to the role of social media like line, Instagram, dsb can make the business marketing stimulus. Another advantage of the role of social media is that entrepreneurs can directly respond to criticisms and suggestions related to marketed products, thus facilitating evaluation. As for some of the influence of the Internet in the survival of E-entrepreneurship is as follows. According to Onggo, there are a few things:

- 1) Internet improves consumer satisfaction.
- 2) Internet helps in networking and sales.
- 3) Internet facilitates payment transactions.
- 4) Internet helps product marketing.
- 5) Internet helps to recruit competent workforce.

In view of the increasing trend of technology use in Indonesia, the sustainability of the EEntrepreneurship is expected to be able to trigger new entrepreneurs in pioneering business. Thus, the entrepreneur in Indonesia is able to drive economic growth in a positive direction.

b. Digital Economy Deficiency

According to the Latief Human Resource Preparedness (SDM) in Indonesia in achieving economic development targets still has no obstacles. Indonesia still lacks competent human resources (HRM) to meet the targets. SDM readiness has become a serious problem in realizing the mission of the digital economy because in practice, digital economy activity is dominated by brainware (SDM) performance and technology. Especially in the field of entrepreneurs, Indonesia is still lacking in entrepreneurial numbers. According to Kotler and Armstrong, there are some shortcomings to the digital economy:

- 1) Weaknesses The lack of understanding and experience of small and medium-sized enterprises in using digital technology hampers business development, ranging from low mastery of hardware to software or applications.
- 2) Insufficient information and technology infrastructure, especially in rural areas.
- 3) Most micro enterprises are still controlled in terms of financing.
- 4) Instability in product quality.
- 5) Business margins tend to be low given the high competition in both offline and online markets.

3.2 Empowering MSMEs through the Digital Economy Clinic

The increasing number of MSMEs actors and other economic activists has become a benchmark for the government to create efforts to improve the competitiveness of the MSMEs products so that they can be empowered in the domestic and international markets. The Digital Economy Clinic Communications and Informatic seeks to help and improve the actors and economic and MSMEs activists, such as improving the innovation of products and services, the development of human resources and technology as well as the expansion of the marketing area. In addition, the empowerment is done by improving MSMEs access to technology, information, communications, production and to improve the business climate and developing the potential of local resources such as informing the players and economic activists and the MSMEs ways-how to improve product quality and marketing strategies that can and can be done by holding seminars, training or provision of means of production houses in Digital Economy Clinic Communications and Informatic with the hope of increasing the value of products that are competitive with external products.

There are seven things that are the strategic priority scale for the Digital Economy Clinic Communication Technology and Informatics in an effort to improve its performance. First, to make it easier for the perpetrators and economic activists and MSMEs to access funding. Second, expand the marketing network. Thirdly, improving the quality of competitive and efficient human resources. Fourthly, the availability of adequate means and resources. Fifth, creating a conducive business climate, sixth, appropriate technology. And finally, a comprehensive, accountable and valuable Communications and Informatics center. MSMEs empowerment is specifically aimed at improving product quality and standards in order to be able to improve performance to produce highly competitive products. Increased competitiveness

with the use of information and communications technology is also absolutely necessary by economic actors and operators and MSMES to face the increasing competition of enterprises.

According to Adi Fahrudin, MSMES empowerment is a series of efforts to help individual enterprises or individual enterprise bodies that meet the criteria of small enterprises according to the law to be more effective in increasing human resources and strive to optimize such resources so that they can increase their capacity and capabilities in exploiting the potential they have.

According to the FishBone Analysis above, Digital Economy Clinic Communication Technology and Informatics (KEDILOKA) is one of the services or containers for the perpetrators and economic operators and MSMES to develop its business. The main function of KEDILOKA is as a business information, communication and consultation center for perpetrators and business operators of the economy and the MSMES as well as being the home of production of means and supplies for the economic actors and therefore MSMES. This consulting service is provided free of charge. The method of work of KEDILOKA is to create a consultation schedule for the actors and economists and MSMES activists who are interested in conducting consulting and can also hold training and seminars related to the development of other technical competences such as bimtek to create products, entrepreneurship training and business management training, personal financial management or MSMEs.

KEDILOKA has implications for empowering the economy and MSMES by implementing E-commerce and Financial Technology systems, Digital Cyber Web in marketing MSMES products, which will affect the increase in sales turnover obtained by entrepreneurs. Besides providing e-commerce training. Digital Economy Clinic Communication Technology and Informatics can also provide training in product packaging design that has a purpose so that the products offered have an attractive container. KEDILOKA's role in providing design branding training programmes on its products shows implications for increased product sales. With the design made on the packaging of the product can add to the product's pulling power, which is likely to be more and more marketed in the market.

Digital Economy Clinic Communication Technology and Informatics (KEDILOKA) provides marketing access facilities for economic actors and MSMES. One way is to organize exhibitions and bazar titles on a regular basis and to include the products of the perpetrators in the product market network in the online and offline networks that are much sought and by consumers, no matter where and when they are. Of course the aim is to introduce the products owned by the actors and economic activists and MSMES, which gives them a great opportunity to spread the promotion of their business. The existence of such a thing can be an occasion for a demonstration of performance and achievement there. Exhibitions are held on a regular basis, such as bazar and promotional activities, Bazar of Ramadan, Expo, Bazaar of certain events and even events outside the city.

Many benefits can be obtained when MSMES and other economic activists can follow the bazar, such as business and product introduction, market surveys and opportunities to build business cooperation.

To be ready, MSMES needs to improve its operational efficiency, product quality and human resources. Improving product quality is the key to KEDILOKA's empowerment strategy. Innovation is needed to attract the interest of consumers. Something new developed from an

existing product or something new. A person's path to innovation is the expectation of innovation that he directs into something newer to get better results.

KEDILOKA encourages the improvement of the quality of MSMES products in order to compete in the global market. The actors and economic activists and MSMES are required to survive and thrive. MSMES itself must be able to face the challenges of globalization of the world economy, and anticipate the development of rapid environmental change with a focus on building sustainable competitiveness of MSMES products in domestic and foreign markets. Indonesian products must be able to compete with products produced by ASEAN States. This makes a challenge for MSMES operators when the quality of products does not meet the standards and the minimum SDM capabilities of entrepreneurs and economic operators.

There are three ways in which the products offered can survive and thrive in the market. First, MSMES and other economic activists must create unique products, not easy to copy. A unique product, more capable of meeting the needs of consumers, must be its own magnet that is able to raise the interest of other people interested in buying. Both consistent with the type of goods offered and the third pay attention to the quality of the product.

Another supporting factor is the need to implement economic empowerment and MSMES by cultivating the spirit and spirit of entrepreneurship and entrepreneurial. With more and more businessmen, craftsmen, traders who are creative and innovative then their work can also enhance the international market due to its beauty and quality.

Quoting China's G20 report in Helmalia, the digital economy refers to a range of economic activities, which include the use of information and digital knowledge as a key factor in production, modern information networks as an important space of activity, and the effectiveness of using Information and Communication Technology (ICT) as a critical driver of productivity growth and structural optimization of the economy. Therefore, in this context, important factors to consider in the digital economy are the interests, attitudes and abilities of individuals in using digital technologies and communication tools such as smartphones (HP), tablets, laptops and desktop PCs to access, manage, integrate, analyze, evaluate information, build new knowledge, create and communicate with others in order to be able to participate effectively in society.

In the digital economy, MSMES entrepreneurs must proactively learn new technologies to advance their business. However, the lack of integrated information technology infrastructure in various regions, the Internet network that is still limited especially in remote areas of Indonesia, makes it difficult for local MSMES perpetrators to enter e-commerce. Therefore, cooperation between Governments, e-commerce practitioners, entrepreneurs and also public support is needed to solve these obstacles. In particular, the Government as a regulator, facilitator, and accelerator plays an important role in providing a strong legal foundation on equal treatment between offline and online entrepreneurs, strengthening and empowering local products and local enterprises including MSMES, and also on consumer protection. It is expected that e-commerce will drive the progress of MSMES in Indonesia in order to boost Indonesian economic growth.

3.3 Digital Economy Development Strategy

The rapid development of the digital economy in Indonesia is not only due to the rapid advancement of Information and Communication Technology (ICT) and also not apart from the increasing penetration of Internet use. The number of Internet users in Indonesia continues to increase every year.[4]

Economic actors such as micro, small and medium-sized enterprises (SMEs) are now not only able to produce a product, but also have to adapt and apply technological developments to their economic activities.[5]

The development of digital technology enables MSMES perpetrators to market their products online and conduct transactions through online banking systems anyway. Social media is one of the easiest digital marketing tools to use. Before a business has a site, it's not uncommon for us to find especially in markets like Indonesia that they've begun entering the realm of the cyber world through social media. It can be a stimulant to the development of entrepreneurship and the sustainability of MSMES. In addition to the low cost and the lack of specialized expertise in initiating initiatives, social media is thought to be able to directly engage potential consumers.[6]

The digital platform revolution in the industrial world provides clear directions to the most important economic and social developments today, namely the rise of digital platforms as business and organizational models among them:

1) E Commerce

Electronic Commerce is part of the electronic business. (bisnis yang dilakukan dengan menggunakan electronic transmission). The global definition of E-Commerce is all forms of trade in goods or services carried out electronically.[7]

2) E Money

E-Money or digital money is another known currency. Although the difference between E-Money and conventional money is very clear, there is no difference in exchange rate between E -Money to conventional currency. This is because the basis of E-Money transactions is using a system that is connected online and the people who are doing the transaction do not have to meet.[8]

3) Digital Payment Applications

a) OVO

OVO Cash is a smart application that provides online payment and transaction (OVO Cash) services. Users can also collect points whenever they make a payment transaction through OVO. Generally, OVO cash can be used for a variety of payments that have worked with OVO to be faster. OVO Points are loyalty rewards for those who make transactions using OVO Money in OVO partner merchant. For OVO points themselves, they can be exchanged for a wide variety of attractive offers until they are swapped for transaction at OVO Partner Merchant. The OVO offers ease of transaction without requiring the client to bring too much cash.

b) GO PAY

Go-PAY is a payment method offered by Go-Jek through its application, users no longer need to pay cash to drivers. GO-Pay is commonly used for all kinds of Go-Tek services ranging from online or Go-Ride services, Go-Food, to Go-Mart. Go-Jek also has pulse purchasing services or go-Pulsa services, massage services by professional massagers or GO-Massage, home cleaning services or Go -Clean services, ticket reservation services from concert tickets to watching Go -Tick, car care services on motor vehicles or go -Auto and some other services, in order to be bias using GO -PAY need to do top-up first, there are several ways you can do to charge the GOPAY saldo through ATM, minimarket, and through Alfarmart driver.

c) DANA

DANA or Indonesian digital wallet is an application-based digital payment service where the application is available for platfortmandroid through the Google Play Store as well as flatform iOS through the App Store. Using this application, users perform a variety of payment transactions, ranging from buying pulsa, payment of bills (electricity, telephone, water to BPJS), buying Google Play vouchers, paying bills, and shopping online. The DANA platform offers several advantages, including a very complete service and transaction support in it.[9]

4) Digital Marketing

According to Sawicky, digital marketing is the exploitation of digital technology used to create a channel for reaching potential receipts to a company's goals through fulfilling consumer needs more effectively.[10]

a) The use of digital marketing has several advantages, among others:

- Targets can be set according to demographics, home, lifestyle, and even habits.
- Results are quickly visible so that marketers can make corrections or changes when they feel that they are inappropriate.
- Costs are much cheaper than conventional marketing.
- Scope is wider because it is geographically unlimited.
- Accessible at any time indefinitely.
- The results can be measured, for example, the number of visitors to the site, number of consumers making online purchases.
- Campaigns can be personalized.

- Can engage or reach consumers because communication takes place directly and in two directions so that entrepreneurs build relationships and build consumer confidence.[4]
- b) On the other hand, digital marketing has its weaknesses, including:
- Easy to imitate by competitors.
 - Can be abused by irresponsible parties.
 - Reputation becomes bad when there is a negative response.
 - Not everybody uses internet/digital technology.[4]

5 Conclusions and Suggestions

Based on the results of research and discussions that have been compiled by the researchers, it can be concluded that MSMES is undergoing rapid development, from 2018 to 2019 there have been additional enterprise units 1.2 million. Reviewed from labour absorption, then micro, small and medium-sized enterprises absorb high labour. The marketing strategies already implemented by MSMES operators are mostly based on offline marketing. Offline marketing has a shortcoming, which is a limited market share. The presence of a digital platform is one of the digital marketing to enhance the MSMES product market. The role of the Government in revitalizing economic resilience during pandemic periods includes product development programmes and market access through brand creation, identification of export potential and product development as well as improvement of the quality and quantity of exporters; enhancement of trade efficiency which includes: revitalisation of domestic markets, granting of KUR, marketing assistance for MSMES and development of partnership networks, development of skills for the exporter and the development of MSMES exports.

Training of MSMES through Digital Technology Economy Key, which has functions as a communication center, production home and also business consultancy for the actors and economic and MSMES activists. Training provided is E-Commerce training, Web Design, Digital Gapura, product design training for product packaging, as well as business management training. The bank or BUMN can also provide and organize seminars in KEDILOKA such as on macro economy, micro economy, banking, in order to add SDM insight in managing business.

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