

## Efforts to Improve the Quality of Mociko Handcraft Umkm

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### ARTICLE INFO

### ABSTRACT

This Service was carried out at Cendana Polytechnic Student/I, whose address is Jl. Williem Iskandar No.261 Sidore Hilir, Medan Tembung District, Medan City. This community service activity was carried out on Tuesday 1 August 2023. The theme for this community service this time is Efforts to improve the quality of MSMEs Monico Handcraft. This study uses interview research methods and this research also uses the marketing mix methods (7p), namely, product, price, place, promotion, physical suggestion, people, process. And also this study uses the STp method, namely segmenting, targeting and positioning. And also use SWOT analysis, namely strengths, weaknesses, opportunities, threats. And also the last one uses POACH analysis.

#### Keywords:

community service, MSMEs,  
Marketing Mix, STP

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### INTRODUCTION

Indonesia has the potential for a strong national economic base because the number of MSMEs, especially micro businesses, is very large and the absorption capacity of the workforce is very large. The government and business actors must upgrade the class of micro businesses to medium businesses. This business base has also proven strong in facing the economic crisis. Micro businesses also have fast transaction turnover, use domestic production and are in touch with the community's primary needs. The role of MSME actors in Indonesia must continue to be improved not only in terms of quantity but also quality, including being connected to the internet. MSMEs that are connected to the internet are considered to have interaction, flexibility and ease of transaction compared to MSMEs that are still conventional or not yet connected to the internet.

According to (Andiny & Nurjannah, 2018) Empowerment of Micro, Small and Medium Enterprises (MSMEs) is one of the alternatives chosen by the government in an effort to reduce unemployment, alleviate poverty and equalize income. According to (Setyawan et al., 2020) Creativity and intelligence in reading situations are two things that can generate income in the financial sector. Sometimes not everyone can realize the opportunities that can be utilized in certain conditions. This can arise due to an urgent matter, for example, termination of employment, deteriorating economic conditions, increased living needs and other reasons behind it. Someone will be disturbed by environmental conditions, in this case adapting the needs needed to the real conditions that occur. Facing situations that cause discomfort in terms of meeting life's needs, each individual has a different way. According to (Setyawan et al., 2020) Starting from the phenomenon above, currently many small businesses are emerging that are run from homes. This small business is involved in the categories of food, drinks, fashion, sandals and other daily necessities.

According to (Saverus, 2019) Micro, Small and Medium Enterprises (MSMEs) are businesses that run in various business fields, namely, trading businesses, mining businesses, industrial businesses, educational services businesses, real estate and others. In Indonesia, MSMEs are one of the effective steps in reducing poverty and unemployment. According to (Diana, 2019) In developing a business, MSEs must increase their production capacity which of course requires a lot of capital. The lack of capital and low ability and knowledge of human resources (HR) in managing business means that MSEs are unable to keep up with changes in consumer tastes and are not yet globally competitive (LPPI and BI, 2015).

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According to (Halim, 2020) The role of micro, small and medium enterprises (MSMEs) has such an important meaning for a region, especially as one of the drivers of regional economic growth. Mneurut (Chaerani et al., 2020) MSME must be able to compete in maintaining its existence in the midst of this global problem. The development and growth of MSMEs must be increased and given intensive attention by the government. According to (Kurniawan Saputra et al., 2023) the community needs finance because it is the main foundation for business development. Business actors must be able to manage their finances wisely and be able to follow developments in financial markets. According to (Setiyawati & Hermawan, 2018) MSMEs or commonly referred to as Micro, Small and Medium Enterprises are businesses that are engaged in various business fields including trading, According to (Arianto, 2022) the Micro, Small and Medium Enterprises (MSME) sector has contributed 57.24 percent of Indonesia's total Gross Domestic Product (GDP) (Kompas.com, 2021). This is because MSMEs are the most dominant sector in Indonesia's economic structure because every year their quantity increases. Another role of the MSME sector is to contribute to the recovery of the Indonesian economy during the monetary crisis in 1998. This contribution means that the MSME sector can be said to be the main fundamental of the Indonesian economy. This is emphasized because the business base of the majority of Indonesian people is as players in the MSME sector. According to (Hidayati et al., 2020) Micro, Small and Medium Enterprises (MSMEs) are Small Enterprises (UK), including Micro Enterprises (UMI) are business entities that have a net worth of at most Rp. 200. 000,000, excluding land and buildings for business premises and having annual sales of at most Rp. 1,000,000,000. Meanwhile, Medium Enterprises (UM) are business entities owned by Indonesian citizens who have a net worth of more than Rp. 200,000,000 to Rp. 10,000,000,000 excluding land and buildings.

The MSMEs we are investigating this time are MSMEs that focus more on women's accessories, such as headbands and hair ties. The MSME creators this time are students like us, who are currently studying at Cendana Polytechnic, and will run this MSME from 2023. This MSME is called Mociko Handcraft, he runs this business himself, and markets it in his own way. We are interested in researching these SMEs, because we think this is interesting, how a student opens a business to make women's accessories, and the target market is also quite large. From students to outside campus, there are also many customers who buy these accessories. This UMKM was founded by a student named Ria. Ria herself was interested in establishing this UMKM because of her interest in women's accessories which she often uses.

Ria herself makes these accessories by relying on rags that she can hardly afford, making it easier for her to find materials and making a small amount of capital, which is suitable for the budget of boarding school children in general. At first Ria made it just for him, but over time he was interested in selling it so that he also benefits from his own work, Ria herself has a small sewing machine in her boarding house which she uses to weave her work and sell it.

And Ria started to create a name and brand for her woven products with a name that she had come up with herself and Ria started to create a logo for her UMKM and started running it so that it could be a little famous among students studying at Cendana Polytechnic or outside the campus. In this way, our interest arose in conducting a location survey and then conducting an interview with the owner of the MSME or known as Ria Charlina Gunawan.

## **METHODS**

The method for implementing activities to improve the quality of MSMEs is carried out using the interview method. Interviews are a data collection technique that is used if the researcher wants to conduct a preliminary study to find problems that need to be researched, and also if the researcher wants to know things from the respondents in more depth and the number of respondents is small.

The community that is the target of efforts to improve the quality of MSMEs is Mociko Handcraft. The Importance of Improving the quality of MSMEs so they can compete in the market. The large amount of competition means that MSME business players must be able to determine the right strategy to become known to the public and attract the attention of the target market. In this effort, several methods will be used, namely marketing mix analysis, STP (Segmentation, Targeting, Positioning), and SWOT (Strength, Weakness, Opportunity, Threat).

Marketing mix analysis method (7P)

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Marketing Mix is a marketing strategy that consists of several integrated elements to market and also sell products to customers. The main concept of the marketing mix is ensuring the choice of the right product, at the right time and place. The marketing mix has undergone further development, namely known as the 7P marketing mix, which is a development of the 4P marketing mix. The 7P marketing mix concept includes, product, place, price, promotion, physical evidence, people, and process.

Product, a product is any form offered to the market for use or consumption so that it can fulfill market needs and desires such as services, physical, human, organizational or idea. Before making a product, it is necessary to do research first starting with the following questions:

1. What problems do consumers face?
2. What solutions (products) can you offer?
3. How will consumers use your product?
4. What is unique about the products you offer?

Price, price is the amount of money that must be paid by consumers to get the product or service that you offer. This can be done by doing research on the market or potential customers before setting a price. An example of a research question could use a list as follows:

What are the production costs that must be borne to make the product or provide the services offered?  
Approximately how much value of the product can be assessed by consumers?

Is the price quite expensive or is it right? If there are cuts, will customers be interested but not lose money?

What are the prices set by competitors?

Place, in making products, as a business owner the element of place also needs to be considered. This is intended so that every business activity and operational activity can be carried out smoothly and effectively. Before determining the right place for a business / business, business people must determine the right strategy. This right strategy includes choosing a location that really fits the product or service. If the selection of this place is strategic, it will also have a significant effect on the development and smooth running of business activities.

Promotion, promotion referred to in the marketing mix is an effort to persuade, encourage and invite consumers to use or buy the products/services offered. In marketing mix promotions, there are several things that can be done, including using public relations, sales people or advertising. Physical evidence, this element is of course also an important element in developing products. One of them is the appearance of the packaging. This must also be paid attention to because attractive packaging will certainly make consumers want to try or buy the product being offered. This will represent the product image or brand, and is certainly important to pay attention to.

People, in running a business, you have to determine a strategy for human resources too. When determining human resources, this strategy starts from the beginning, namely recruiting human resources. The first is from the intellectual side of prospective employees or employees who must meet the company's terms and conditions. Second, what you also have to pay attention to is having a good attitude so you can carry out your work well and consistently.

Process, the meaning of this process includes procedures, mechanisms and flows that can be applied to consumers. The process is also directly related to the consumer experience, which includes the initial introduction of the product to the action process such as purchasing the product, trying it until finally being able to recommend it to others. In implementing business and business marketing processes, it is very necessary to maintain consistency and good relationships with customers.

### **STP method**

STP is segmenting, targeting and positioning, a marketing strategy to determine how a business operates. There are three basic steps that need to be taken when using this strategy, namely identifying segments, analyzing the target market, and finding the right position to carry out the marketing direction of the business. As you know, STP stands for Segmenting, Targeting and Positioning.

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### **Segmenting**

Segmenting is a series of actions to classify markets into groups according to categories. The process of dividing a market into smaller parts usually follows characteristics with certain values. That way, marketing activities can run according to plan and achieve maximum results, both for producers and consumers. Segmenting is divided into 4, namely: Demographics, which divides the target market based on age, gender, race, education, occupation to religion and citizenship. Geographic, which divides markets based on geographical location, such as countries, cities, provinces, even housing complexes. Psychographics market segments are based on psychological characteristics, for example lifestyle, personality, hobbies, and so on. Behavior, which divides the target market based on behavior or behavior when making a purchase, interest, purpose of purchasing the product,

### **Targeting**

Target placement analysis requires you to determine one of the segmenting results with the most appropriate quality. You can also consider targeting in STP marketing from several factors, such as:

Profitability

Profit is the main factor that you need to consider when determining your target market.

Growth

As a businessman or marketer, you must be able to project your plans for several periods into the future. Therefore, estimate what results you will get after following the STP strategy. Determine what steps you must take to achieve your vision or future targets.

Ease of access

Don't forget to also consider how you will promote your product and make it easily accessible to buyers.

### **Positioning**

A way to place advertisements or product promotions in the segment that you have chosen with the targets that have been prepared. These are the steps that will help you determine how you will present your product to your target market. There are at least three tips that you need to pay attention to:

Offer solutions

After knowing what problems or complaints are often experienced by the market segment you have targeted, now is the time to identify what solutions they need. Then, determine what solutions you can provide for your target market? This answer will determine what message you will convey in your marketing plan.

Find a Unique Selling Point (USP)

When developing a placement or positioning strategy for your business, you must be able to find out what advantages your product can offer. After that, use this advantage as a 'weapon' that can differentiate you from your competitors.

Arrange a campaign that your target market likes

So that the target market can recognize the presence of the product or brand that you are marketing, create an interesting campaign that the target market will like.

### **SWOT analysis**

SWOT analysis is a method for evaluating the strengths, weaknesses, opportunities and threats of a company. This analysis is useful for determining the company's strategy and direction in the future as well as carrying out strategic planning before carrying out business activities. SWOT analysis is carried out through the process of identifying a number of factors that influence company performance, namely:

Strengths: determined based on internal factors that make the company superior to competitors.

Weaknesses: determined from internal factors that make the company less superior than its competitors.

Opportunity: determined from external factors that can be taken by the company to improve its performance.

Threat: determined based on external factors that can threaten the company's performance.

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## **POACH**

### **Planning**

Planning activities include setting goals and determining steps on how to achieve these goals. Planning has been considered as the main function of management activities which focuses on what to achieve and how to do it.

### **Organizing**

Organizing is the process of ensuring the human and physical needs of every resource available to carry out plans and achieve goals related to the organization. Organizing also includes assigning each activity, dividing work into each specific task, and determining who has the right to do some tasks.

### **Actuating**

Actuating is the role of directing work in accordance with organizational goals. Actuating is a form of implementing plans, different from planning and organizing. Actuating makes a sequence of plans into actions in the organizational world.

### **Supervision(Controlling)**

Controlling, is ensuring that performance is in accordance with the plan. This compares the actual performance with predetermined standards. If there is a significant difference between actual and expected performance, the manager must take corrective action. For example increasing advertising to increase sales, or conducting promotional activities through .

## **RESULTS AND DISCUSSION**

In activities to improve the quality of MSMEs, the team succeeded in analyzing the marketing mix, STP (Segmentation, Targeting, Positioning), and SWOT (Strength, Weakness, Opportunity, Threat)

### **Marketing Mix (7P)**

1. Products, the products sold by Mociko Handcraft are of various kinds such as Bandana, Scrunchies, Braid Headbands, Drawstring Headbands, Ribbons etc. The products sold by Mociko Handcraft are high quality products at relatively low prices.
2. Price, the price of products sold by Mociko Handcraft is around Rp. 4,000 to Rp. 20,000 depending on what product you want to buy. If you buy 5 products from Mociko Handcraft, you will get a discount.
3. Place, the place where Mociko Handcraft products are sold is on various platforms, such as Shoppe, Instagram, Facebook, Whatsapp and or offline such as word of mouth. The place for making these products is at JL. Construction of 3 Gang A No. 6.
4. Promotion, the promotion carried out by Mociko Handcraft is making interesting videos about its products, advertising on various platforms, and offering them to people.
5. People, Mociko Handcraft Targeting all women from small to old. Because the products sold by Mociko Handcraft can be used by all women.
6. Process, products from Mociko Handcraft use recycled materials. Like Scrunchies. The basic material for Scrunchies is Cloth. From the fabric cut to size, sewn. After being sewn, the rubber is inserted. There are 2 types of ordering processes, namely first pay or COD.
7. Physical Evidence, Customers can see the physical appearance of Mociko Handcraft products from photos or videos. And for delivery, it depends on the customer, whether they want to pick it up themselves or via courier.

### **STP (Segmentation, Targeting, Positioning)**

#### **Segmentation**

1. Demographics, based on the results of demographic segmentation interviews from mociko handcraft, are for the ages of children to adults of all races and are aimed at the female gender, because the products sold are women's accessories. For the sake of developing the quality of the mociko handcraft business, the thing that needs to be improved is that Mrs. Ria as the business owner is advised to add a segment for toddlers such as selling baby headbands or baby ribbons, so that product segmentation geographically can become wider and can reach more consumers.
2. Geographically, the geographical segmentation of Mociko handcraft is the Indonesian people, especially the city of Medan and its surroundings, such as locations close to MSME

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production, namely development road III, Gang A number 6. Mociko Handcraft also has a shope account, so it is possible that it will reach people in a wider area. One suggestion to increase the reach of wider geographic segmentation is that Mociko Handcraft can also market products through TikTok shops and live, because considering that teenagers and adults nowadays tend to shop online, the more sales platforms there are, the wider the community reach.

3. Psychographicsgment, in mociko handcraft this segmentation is aimed at women of all ages who have an interest in accessories and are more feminine, such as women who are not tomboyish.

### **Targeting**

In targeting, of course, mociko handcraft, choosing products that are quite profitable and can develop in the next few periods. With raw materials that are quite easy to get from just a piece of cloth, it can be made into more than one product, of course it is very profitable. The accessories made by Mociko Handcraft are very diverse, even now the owner plans to sell resin key chains, as well as ribbon hair clips which are currently trending in the market, especially young people who like Korean style. This indicates that Mociko handcraft has a large target opportunity if it continues to be developed. The product is also easy for the public to access because the owner has a shope mociko handcraft account and social media promotion @Mociko\_handcraft. This can expand the reach of the target market. Regarding targets,

### **Positioning**

In positioning, the unique selling point (USP) of mochiko handcraft is that the product can be made based on requests from customers starting from color and shape because it is a handicraft product, this will provide a solution for customers who want to be different with their own requests, according to consumer wishes. and modern, making Mociko handcraft one of the best alternative choices in the accessory product market.

### **SWOT (Strength, Weakness, Opportunity, Threat)**

1. Swot (Strength), what distinguishes mociko handcraft products from other accessory products is in terms of the material, the quality of the materials used is guaranteed, because the original uses premium selected fabrics, and the advantage of the accessory products created by UMKM is that the prices tend to be higher. cheap with premium quality, and the shape is also not boring to use, various forms are created from the results of the woven itself.
2. Weaknesses, of course there are several weaknesses in the Mociko Handcraft MSME itself, one of which is the large number of competitors whose prices may be almost the same as this MSME, the lack of extensive marketing, so for now it is only known among Cendana Polytechnic students, and also foreign students, but not much, there's a lack of active social media, so we have to improve further, and sometimes we run out of Premium patchwork, so we have to wait for premium patchwork to be available before the material is made, but shortages of premium patchwork material are very rare. So the biggest weakness is only in the less target market, because this product is not very well known.
3. Opportunity (Opportunity), there are several opportunities that can be used as a strength to be able to compete with other competitors, namely in terms of handcraft because when we buy goods which are made directly from human hands, usually they will be more detailed than those made by machines, because Machines cannot see small details, therefore this is a very good opportunity.
4. Threat (Threat), there is definitely a threat to this product from Mociko Handcraft, namely in terms of price, the price offered on the market is definitely an even cheaper price, therefore this MSME can continue to compete with other MSMEs whose prices are cheaper.

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## POACH

1. Planning (Planning)  
Future plans for Mociko Handcraft will be marketed and distributed to a wider audience, and then Ria has Planing to focus more on social media and also on the target market among young women.
2. Organizing  
For now, Ria only runs it herself, but in the future, if her business runs smoothly, of course, Ria will open up opportunities for women who have a hobby of sewing and to make headbands, hair bands made of patchwork.
3. Actuating  
After Ria will focus on social media and also have several employees, then her business will get bigger and of course Ria will enlarge and introduce her products to women outside Medan Island, of course creating a COD system and also arranging her products to make them even more beautiful.
4. Supervision (Controlling)  
Of course, after everything runs smoothly, Ria will have more control and focus on her employees too, how can she play advertisements, and maybe Ria can make advertisements in the manager's business, and of course that will make her products more and more known among women in Indonesia, even abroad.

## CONCLUSION

There are still many aspects that we need to look at again because establishing an MSME must be accompanied by intention and persistence because, from a mental perspective and the current market perspective, MSMEs have to compete to find a unique product to sell. Because unique products will definitely continue to be sought after by customers/buyers.

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