Training Branding and Merchandising Products to Support the Marketing Strategy of the Furniture Industry in Jepara

Fesa Putra Kristianto*, Taukhid Wisnu Broto, Julia Dewi Ma’rifah, Fitri Indah Puspitaningsih, Maharsi Anis Sabila

Politeknik Industri Furnitur dan Pengolahan Kayu, Indonesia

*Corresponding author
E-mail: fesa.putra@poltek-furnitur.ac.id

Abstract

Purpose: The purpose of this study is to support marketing strategies and improve the export performance of the furniture industry in Jepara, which has seen a decline of 8.04% due to the Russian-Ukrainian war and the global economic downturn. The Furniture Industry Business Management (MBIF) study program aims to enhance the understanding of branding and merchandising and implement it into its export marketing strategy.

Method: The method employed involves conducting branding and merchandising training as part of a community service activity (PKM). This training is carried out in the form of lectures and practical sessions. The material presented includes basic furniture for the development of small and medium industries, branding concepts, branding strategies, digital marketing, and merchandising practices. Evaluation is done using pre-tests, post-tests, and the results of branding or merchandising uploaded on social media.

Practical Applications: The practical application of this study is the potential improvement in the export performance of the furniture industry in Jepara. By enhancing the understanding and implementation of branding and merchandising strategies, the industry can better navigate the global economic downturn and increase its export value.

Conclusion: In conclusion, the training provided by the MBIF study program is expected to equip the furniture industry in Jepara with the necessary skills to improve their branding and merchandising strategies. This, in turn, is anticipated to boost the industry’s export performance in 2023.
Introduction

The furniture industry is a considerable source of foreign exchange in addition to oil and gas. In 2022, exports of furniture and handicraft products reached 3.5 billion USD or 1.3% of the value of Indonesia's export work throughout 2022. In addition, the furniture industry is one of the sectors in the works with a total employment of 143 thousand people from 1,114 thousand industries. But in 2022, its export performance decreased by 8.04% from last year and its utilization also decreased and was 74.16%. This is due to the global economic downturn and the Ukraine-Russia conflict which resulted in a decrease in supply and demand in the European market. Therefore, the government through the Ministry of industry provides solutions to improve export performance, one of which is to expand marketing to non-traditional export markets (Darmastuti et al., 2022).

Polytechnic furniture and Wood Processing Industry (Polilurneka) is a State Polytechnic under the guidance of the Ministry of Industry. To support the government's program in improving export performance and expanding marketing to non-traditional export markets, the PKM prodi MBIF team conducts branding and merchandising training in the Jepara furniture industry. The implementation of PKM was chosen in Jepara city because Jepara is the center of furniture production and carving city in Indonesia. Until now, the furniture industry in Jepara reached 7,421 business units with a total workforce of 671,473 people and absorb 77,187 new workers. Until now, the furniture industry in Jepara contributes as much as 7% of the total value of furniture exports in Indonesia. However, in recent years the Furniture industry in Jepara has experienced a decline in exports due to the global economy and the instability of promotional space and promotional strategies for export markets (Indrayani et al., 2022).

Figure 1. Development of the furniture sector in Jepara (a) number of businesses (b) Production Volume (c) Value

The decline in exports in addition to the decline of the global economy, another obstacle is the ineffectiveness of marketing strategy, branding and merchandising in the furniture industry in Jepara. This is due to the limited promotional opportunities for export markets, so if there is an expo and exhibition of furniture Jepara furniture industry branding and merchandising strategy must be right on target so that it can attract customers, especially
international buyers. The advantages of furniture products from Jepara than other furniture products are better and stronger and the carving has its own characteristics and quality that is above average. However, the average furniture industry in Jepara, its box and merchandising is still simple and considers that the brand is synonymous with expensive costs and lack of knowledge about branding management so that it feels complicated to implement (Nugraha & Ariyanti, 2017).

Building a brand and merchandising is an important thing in overcoming declining exports and expanding and adding to marketing strategies. This is because the brand represents the image and values instilled by the company. Brands also influence the interests and decisions of buyers because it makes it easier for consumers when faced with a large selection of products available on the market. Building a brand is to continue to show high value such as quality to product innovation (Kotler, 2012). Merchandising, on the other hand, is an area of research that assesses the visual tools of a store that attract the attention of consumers and influence them to enter the store. Merchandising can also be defined as an effort to design the appearance of a store according to marketing strategies (such as advertising, fashion coordination) to motivate customers to enter the store and make a purchase. A broader definition states that merchandising is an effort to present and promote goods that are available for purchase in both wholesale and retail sales. It includes marketing strategy, display design, and competitive pricing, including discounts (Investopedia). Based on the previous three definitions can be summarized that merchandising is an activity related to the sale and marketing of products, including product determination, pricing, promotion, and distribution. In the furniture industry, merchandising has a very important role in increasing sales and profits of the company (Karabiyik & Elgun, 2021). Furniture industry players in Jepara should realize that brand and merchandising should be a priority because it is an investment that is expected to provide future profits. Product-oriented furniture will be easily imitated by its competitors, but if it has a strong quality standard and brand requirements, it will still survive in the competition (Abdullah et al., 2022). Therefore, efforts need to be made to increase awareness of brand development and merchandising in the Jepara furniture industry.

Method

This PKM activity aims to provide branding and merchandising training for the furniture industry in Jepara. The subject of this PKM is the owner or manager of the furniture industry in Jepara. Place and location of PKM conducted in the Department of Industry Jepara. This training was held for two days, on October 10-11, 2023 with lecture and discussion methods. The first session of the activity was opened with the opening of the director of the Polytechnic of furniture and wood processing industry followed by a pre-test. The purpose of the pre-test before the PKM activity is to determine the level of understanding of PKM participants towards the concept of branding and merchandising and as a measure of achievement of PKM activity goals at the end of the session. Further delivery of the material. There are two training materials, namely theoretical and practical materials. The theoretical material presented is about (1) basic furniture for the development of small and Medium Industries, (2) Branding concepts, (3) Branding strategies, and (4) Digital Marketing. As for the practical material is (1) the practice of Merchandising.

A. Theoretical Material

1. Furniture base for the development of small and Medium Industries
   Basic knowledge of furniture is fundamental knowledge about furniture, ranging from raw materials, production processes, to design. Furniture raw materials are one of the important factors that determine the quality of furniture. Furniture SMEs need to know various kinds of furniture raw materials, both in terms of quality, availability, and price. The furniture production process is a series of activities carried out to produce furniture. Furniture SMEs need to understand the entire furniture production process, from raw
Training Branding and Merchandising Products to Support the Marketing Strategy of the Furniture Industry in Jepara, Fesa Putra Kristianto, Taukhid Wisnu Broto, Julia Dewi Ma’rifah, Fitri Indah Puspitaningsih, Maharsi Anis Sabila

material preparation, workmanship, to finishing. Furniture design is an important aspect that can affect the attractiveness and selling value of furniture. Furniture SMEs need to have an understanding of furniture design, both in terms of aesthetics, functionality, and ergonomics.

2. Branding Concept
Related to the concept of branding, branding is the process of creating and managing brand identity. A brand is the perception that consumers have about a product or service. Effective Branding can help companies to build a strong and positive brand image in the eyes of consumers. For small and medium industries (SMEs) in the field of furniture, branding has a very important role. Furniture SMEs need to have a strong branding to be able to compete in an increasingly competitive market (Nastain, 2017).

3. Branding Strategy
Using branding strategies, furniture SMEs can develop their branding through various ways, including by building a strong brand identity, conducting effective brand communication, and building good relationships with customers (Sugiarto, 2019).

4. Digital Marketing
Digital marketing has become one of the most effective marketing strategies for the furniture industry. By utilizing digital technology, the furniture industry can reach more customers and build better relationships with them. Content marketing increases brand awareness, online advertising increases brand awareness, and content marketing and online advertising have a positive impact on brand awareness (Masrianto et al., 2022). Branding strategies in digital marketing for the furniture industry can be done by utilizing various platforms and channels to reach customers. Some of the platforms and channels commonly used by the furniture industry include: (1) websites, (2) social media, (3) email marketing, (4) marketing using influencers, and (5) marketing through search engines (SEO and SEM) (Tufa et al., 2021).

B. Practice Material
1. Merchandising Practice
After getting the theoretical material from branding, the next step is the practice of designing Merchandising to attract the attention of consumers and give consumers the passion to buy. Merchandising design is done in e-commerce or website of the furniture industry who participated in the training. This practice begins with creating the initial appearance of the online store, the interface in presenting products, the ease of the system in making orders and payments, the interface of complaints and comments, and product ratings and Company Ratings. The initial practice is carried out for half a day and subsequently published on e-commerce or company websites (Putri et al., 2021).

The last session was to conduct a posttest and evaluation of the training. It is intended that each material provided there is an output and evaluation of the achievement of activities. Then after the evaluation, there is a reward for participants with active and high test scores both pre-test and post-test. The last PKM was closed by the chairman of the PKM Branding and Merchandising committee.

<table>
<thead>
<tr>
<th>No</th>
<th>Activities</th>
<th>Methods</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Furniture base for the development of small and Medium Industries</td>
<td>Speech</td>
<td>Pre-test, Post-test, Training Evaluation</td>
</tr>
<tr>
<td>2</td>
<td>Branding Concept</td>
<td>Speech</td>
<td>Pre-test, Post-test, Training Evaluation</td>
</tr>
<tr>
<td>3</td>
<td>Branding Strategy</td>
<td>Speech</td>
<td>Pre-test, Post-test, Training Evaluation</td>
</tr>
<tr>
<td>4</td>
<td>Digital Marketing</td>
<td>Speech</td>
<td>Pre-test, Post-test</td>
</tr>
</tbody>
</table>
Training Branding and Merchandising Products to Support the Marketing Strategy of the Furniture Industry in Jepara, Fesa Putra Kristianto, Taukhid Wisnu Broto, Julia Dewi Ma’rifah, Fitri Indah Puspitaningsih, Maharsi Anis Sabila

### Result
Program participants are furniture industry or furniture SMEs in Jepara. Participants totaled 22 people. Each participant is very enthusiastic and competing to get the best score because there are rewards. After the opening of PKM, the next activity is to do a pre-test. In the pre-test there are 10 Questions with multiple choice system from 22 participants, the highest score is 80 points for participant 3.

![Figure 2 Recapitulation Of Pre-test Value](image)

The average value of this PKM pretest is 35.4 points. This shows that many Furniture Industries or SMEs in Jepara still do not understand about branding and merchandising to maximize marketing strategies. After the pre-test, the next PKM activity is to explain theoretical and practical material. There are 4 theoretical material and 1 practical material.

![Figure 3 Presentation of theoretical and practical material](image)

In the material of merchandising practice, all participants create the interface of e-commerce and websites to sell or display products. From the results of the exercise directly applied to the website and e-commerce industry and SMEs. Here are the results of making merchandising for the online market.
Table. 2 Merchandising Practice Results

<table>
<thead>
<tr>
<th>Social Media</th>
<th>Practice Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instagram</td>
<td>CV. Bagaskara Galih Perkasa</td>
</tr>
<tr>
<td>Tiktok</td>
<td>CV. Pesona Jati Jepara</td>
</tr>
<tr>
<td>Website</td>
<td>PT. Els Artsindo</td>
</tr>
</tbody>
</table>

Source: Data Processing, 2023.

After the presentation of theoretical and practical material, the activity is the implementation of post-test and evaluation of both training activities and presenters. From the results of the posttest all participants increased in value. The highest score is 90 points obtained by Participant 3.
Training Branding and Merchandising Products to Support the Marketing Strategy of the Furniture Industry in Jepara, Fesa Putra Kristianto, Taukhid Wisnu Broto, Julia Dewi Ma’rifah, Fitri Indah Puspitaningsih, Maharsi Anis Sabila

The average value of this PKM post-test is 58.63 points. From the value of pre-test and post-test an increase of 23.23 points. This shows that there is a difference in the average value of participants based on pre-test and post-test value in the form of increased value. In other words, there is an increase in participants knowledge after attending branding and merchandising training (William & Hita, 2019). After doing the post-test, the reward is given for the highest pretest and post-test value. The largest pretest and post-test values were obtained by the third participant on behalf of Panji Fardiansyah, the owner of CV. Putra Wahyu Antique.

*Figure. 5 Submission of the largest Post-test and Pre-test value Reward*

After the post-test, the last activity is training evaluation. There are two evaluations, namely the evaluation of training implementers and the evaluation of presenters. The values of the two evaluations given by the participants are as follows:

*Figure. 6 Evaluation training and presenters*

From the results of the evaluation of training branding from the aspect of training aids has a score of 4.12, completeness of training materials score 4.56, training atmosphere 4.24, timeliness of training 4.28 and the suitability of the theme of the training has a score of 4.8 so that the final average is 4.4 (very good). For the evaluation of branding speakers from the aspect of the question-and-answer process has a score of 4.56, while the use of tools scores 4.24, interaction with participants 4.56, the ability to bring material 4.76 and the last aspect is the mastery of topics and materials has a score of 4.64. The final average for the evaluation of branding speakers is 4.55 (very good). After the training evaluation, the closure of Branding and Merchandising training activities is carried out.
Figure. 7 Closure of Branding and Merchandising training

The material presented has learning achievement and each participant is able to complete his learning achievement both theory and practice.

Discussion

Community service conducted in the furniture industry and furniture SMEs in Jepara succeeded in increasing the knowledge of trainees about branding and merchandising to support marketing strategies. The dedication process began by coordinating with HIMKI Jepara on August 8, 2023. From the coordination, HIMKI team is in charge of collecting training participants from the furniture industry or furniture SMEs in Jepara and looking for the location of the training. As for the PKM team, the MBIF study program focuses on preparing the training and implementing the training. In the coordination meeting also determine what material you want to add at the time of training.

Figure. 8 Coordination with HIMKI Jepara team

Furthermore, this training was conducted on October 10-11, 2023 and invited furniture industry owners or their employees. In this training the participants were very enthusiastic and did practical tasks creatively and on time. For the material presented is in accordance with the results of coordination with HIMKI and the needs of the furniture industry in Jepara, namely the theory of branding and merchandising practices. The results of the coordination meeting were also almost the same as the results of the evaluation of the implementation of the training, which had a very good score of 4.4 points. After branding and merchandising training, participants were given pre-test and post-test aimed at understanding the training material. From the results of statistical testing on the value of pre-test and post-test obtained p-value > 0.005 means there is a significant difference between the average before and after training. It can be concluded that with statistical testing, it justifies the increased knowledge of the trainees about branding and merchandising materials (Banuwa & Susanti, 2021). This is also supported by the performance of the presenters in delivering material that has a point of 4.55 or in the excellent category. The participants of the branding and merchandising training before attending the training, already have a background and technical experience in both fields. So that when the assignment of merchandising practice can follow and the results are very satisfactory. Here are some examples of work that has been implemented on social media.

Training Branding and Merchandising Products to Support the Marketing Strategy of the Furniture Industry in Jepara, Fesa Putra Kristianto, Taukhid Wisnu Broto, Julia Dewi Ma’rifah, Fitri Indah Puspitaningsih, Maharsi Anis Sabila

According to (Jamjuri et al., 2022), branding and merchandising are very influential on positive emotions and impulse buying. So that from this training, participants can apply knowledge about branding and merchandising to their furniture business. With the addition of this knowledge, it is expected that there will be an increase in positive emotions (pleasure, passion, and dominance) of customers and an increase in impulse buying from customers, namely spontaneity, out of control, psychological conflict and non-cognitive evaluation. Based on some previous research, the research object of the influence of branding and merchandising only focuses on stores, minimarkets and display malls and does not exist in the furniture industry and furniture exhibitions (Sinaga & Marpaung, 2023). Therefore, further research can be done on the influence of branding and merchandising post-training on positive emotions and impulse buying from customers whether it can be a marketing strategy and increase sales. So that it can be used as a benchmark for the success of this PKM program.

Conclusion
Branding and merchandising training given in PKM Prodi MBIF activities can improve knowledge about branding and merchandising Practices. What is expected from this knowledge can be a solution and strategy for increasing sales at a time when the global economy is in decline and the conflict of Ukraine and Russia. However, further research is needed to measure the success of this PKM program.

Acknowledgements
We would like to thank HIMKI Jepara Branch and the Department of Industry and trade of Jepara for their support and cooperation in organizing this PKM. We also thank the Development, Research and Community Service Unit for the facilities and funding for this PKM activity.

Reference
Karabiyik, H. Ç., & Elgun, M. N. (2021). Persuading Consumers to Pay More by Using Anchoring Manipulations in Stores: An Interdisciplinary Experiment on Merchandising...
Training Branding and Merchandising Products to Support the Marketing Strategy of the Furniture Industry in Jepara, Fesa Putra Kristianto, Taukhid Wisnu Broto, Julia Dewi Ma’rifah, Fitri Indah Puspitaningsih, Maharsi Anis Sabila

and Anchoring Theory. İnsan ve Toplum Bilimleri Araştırmaları Dergisi, 10(1), 877–911.


