

Improving Economic Resilience of Riyadh Batik MSMEs through Utilization of Digital Technology via Shopee Store Account Creation Workshop

¹M. Gadink Nurikhsan Ferdinand, ¹M. Alfaredzi Pranoto, ¹Melita Br Lumban Gaol*, ¹Nur Annisa Fitri, ¹Thea Cresensia Putri, ¹Trianovalita Simanungkalit, ¹Rizka Putri, ¹Jesiva Br Togatorop, ¹Rapina Simamora, ¹Sopia Elisabet

¹Universitas Riau, Indonesia

*Corresponding author

Email: melitalumbangaol1011@gmail.com

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Abstract

Purpose: This research explores the impact of a Shopee store account creation workshop on the economic resilience of Riyadh Batik MSMEs, addressing challenges and opportunities in digital transformation.

Method: Employing a mixed-methods approach, the study combines qualitative observations and interviews with quantitative surveys to assess workshop outcomes and their implications for MSMEs.

Practical Applications: Findings inform stakeholders on empowering MSMEs through digital literacy, expanding market reach via online platforms like Shopee, and fostering sustainable growth in local communities.

Conclusion: The workshop offers a promising strategy for bolstering MSME resilience, highlighting the significance of digital skills development and infrastructure investment for long-term industry sustainability.



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Introduction

MSMEs (Micro, Small, and Medium Enterprises) are trading enterprises managed by business entities or individuals, referring to productive economic activities according to the criteria set by Law Number 20 of 2008 (Nasution & Nusa, 2022; Wulandari et al., 2023). In its development, the business world is no longer classified based on the number of employees. Based on Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises (MSMEs), the government categorizes types of businesses based on asset and turnover criteria. Micro-enterprises are productive businesses owned by individuals and/or individual business entities that meet the criteria of a maximum net worth of IDR 50 million excluding land and buildings used for business. Additionally, they have a maximum annual turnover of IDR 300 million (Arifin et al., 2023). Small enterprises are productive economic activities operated by individuals or business entities. These enterprises are not subsidiaries or branches directly or indirectly owned, controlled, or part of medium or large enterprises (Tamtama & Mustofa, 2023). The criteria for small enterprises range from a net worth of more than IDR 50 million up to IDR 500 million, excluding land and business buildings. Additionally, they have annual sales revenue ranging from more than IDR 300 million up to a maximum of IDR 2.5 billion.

Medium enterprises are independent productive economic activities and are not considered subsidiaries or certain branch companies. The criteria for net worth must range from more than IDR 500 million up to a maximum of IDR 10 billion. Additionally, annual sales must range from more than IDR 2.5 billion up to a maximum of IDR 50 billion (Manik & Rikayana, 2018). Based on the regulations of the MSME Law, the government assumes that the average annual sales of a business sector are five times its net worth. This definition refers more to operational performance, as even businesses with many employees can be classified as small enterprises if their annual sales and net worth are low.

Conversely, a company can be classified as a large enterprise if its annual sales and net worth are high, even if it has only a few employees. This is reflected in new companies that have succeeded in developing their businesses quickly due to technological innovations, such as Google, Facebook, and Yahoo. They can be classified as large enterprises and not MSMEs because they are able to achieve massive revenues, even with only a few employees. That's a brief overview of the definition or meaning of MSMEs (Pratama et al., 2023).

According to (Sugiri, 2020; Syairi et al., 2023) about Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises (MSMEs), there are several criteria used, as follows:

- Micro Enterprise: Productive enterprises owned by individuals and/or individual business entities that meet the micro-enterprise criteria as regulated by law.
- Small Enterprise: Independent productive economic activities carried out by individuals or business entities that are not subsidiaries or branches owned, controlled, or part of medium or large enterprises that meet the criteria for small enterprises as regulated by law.
- Medium Enterprise: Independent productive economic activities carried out by individuals or business entities that are not subsidiaries or branches owned, controlled, or part of small or large enterprises with net worth or annual sales revenue as regulated by law.

Method

The socialization activity for creating a Shopee shop account for Riyadh Batik shop was conducted for 2 days starting from July 14th to July 15th, 2022. The steps of the activity began with our visit as student interns returning to Riyadh Batik, established by Ms. Minatun and her colleagues who assisted in the batik-making process. The main target of this activity was the batik MSMEs (Micro, Small, and Medium Enterprises) in Simpang Perak Jaya Village. This activity can be considered successful if Ms. Minatun, as the owner of Riyadh Batik, can

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utilize technological advancements to market her products or business and improve the economic situation of MSMEs in Simpang Perak Jaya Village.

Result

The results of the activity in Simpang Perak Jaya Village regarding the "socialization of creating a Shopee shop account for Riyadh Batik entrepreneurs" will be outlined through the following steps:

1. Visit of Kukuerta Balek Kampung UNRI Students to Riyadh Batik

Figure 1. MSME Batik Logo in Simpang Perak



Figure 2. Visit of KKN Students to Riyadh Batik



Students from the University of Riau's Kukuerta program in 2022 visited a business or MSME in Simpang Perak Jaya Village, namely Riyadh Batik. This business was founded by Ms. Minatun and her friends since 2020, during the COVID period in Indonesia. Batik making has become a side job for women in their spare time, which generates income for them and helps in the batik-making process.

2. Students Assisting in Batik Making

Figure 3. Students assisting in the batik-making process



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Not only did the students visit existing batik MSMEs, but they were also eager to assist and participate in the batik-making process. They all tried their hand at adding color to the fabric, which had already been printed using mold and "canting" as the tool.

Figure 4. Tools used for printing



3. Creating a Shopee Account for Riyadh Batik

Figure 5. Taking photos for promotion on the Shopee account



After assisting the women in the batik-making process, the Kukuerta students also took the initiative to explore and promote the finished batik fabrics for sale through existing e-commerce platforms, one of which is Shopee. Previously, Ms. Minatun and her friends produced batik only when there were orders. Thus, she agreed and was very enthusiastic about creating a Shopee account. The ready-to-sell batik fabric was priced at IDR 300,000. The students also tried to take good photos for promotion on the Riyadh Batik Shopee account.

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Figure 6. Socialization process of creating a Shopee account for Riyadh Batik



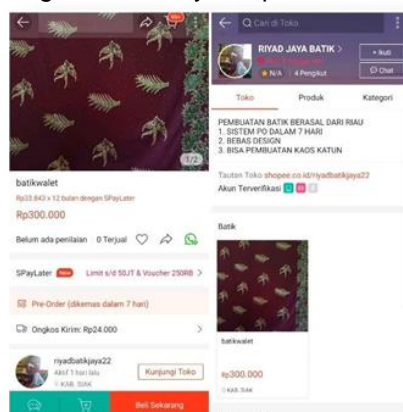
The steps for registering a Shopee account are as follows:

1. Download the Shopee app from the Google Play Store or App Store.
2. Click Register.
3. Enter phone number, captcha code, and verification code.
4. Verify phone number and email.
5. Wait for the notification of successful Shopee buyer registration.

The steps for opening a Shopee shop are as follows:

1. Open the Shopee app.
2. Click on the "Me" menu.
3. Click Start Selling.
4. Enter Shop Name, Picture Description, and Description. Click Save.
5. Enter a shop name that does not exist yet.
6. Enter a picture description consisting of photos and videos.
7. Click Add Product for name and description.
8. Fill in the required product data.
9. Click Display products.

Figure 7. Ready Shopee account



Observing the condition of the community in Simpang Perak Village, many of them are already familiar with the Shopee application, but they are used to using it for buying goods rather than selling them. For example, the batik women consider selling items on Shopee to be very complicated. The level of difficulty we faced in implementing this activity was very low because on average, the women and the owner, Ms. Minatun, there already use smartphones, which greatly facilitated us in carrying out this work program and creating a Shopee account for her business.

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Figure 8. Certificate of completion for the speaker and participants.



The certificates above prove that the workshop on creating a Shopee account has been completed. Certificates were given to the speakers and participants of the workshop who participated in the socialization activity.

Discussion

The initiative taken by the Kukerta program students from the University of Riau in assisting Riyadh Batik, an MSME located in Simpang Perak Jaya Village, exemplifies the symbiotic relationship between educational institutions and local businesses. By actively engaging with the batik-making process and subsequently facilitating the establishment of a Shopee account, these students not only contributed to the economic empowerment of the local community but also demonstrated the practical application of their academic knowledge. This collaboration highlights the potential of such university-community partnerships in fostering entrepreneurship and leveraging digital platforms for business expansion, particularly in traditionally artisanal sectors like batik production. Moreover, it underscores the importance of equipping students with hands-on experience and entrepreneurial skills, thereby preparing them for real-world challenges and opportunities in the dynamic landscape of MSMEs.

Furthermore, the successful implementation of the socialization activity underscores the significance of technology in democratizing access to markets and enhancing the visibility of MSMEs. By leveraging e-commerce platforms like Shopee, Riyadh Batik can now reach a broader customer base beyond its immediate locality, thus unlocking new avenues for growth and sustainability. This exemplifies the transformative potential of digitalization in empowering grassroots entrepreneurs and bridging the gap between traditional craftsmanship and modern market dynamics. However, it also underscores the need for tailored support and capacity-building initiatives to ensure MSMEs can effectively navigate the digital landscape and capitalize on emerging opportunities. Ultimately, initiatives like these not only promote economic development at the grassroots level but also contribute to the preservation and promotion of cultural heritage industries in an increasingly interconnected global economy.

Conclusion

The Kukerta Balik Kampung students from Riau have successfully conducted a socialization activity on creating Shopee accounts for MSMEs in Simpang Perak Jaya Village, Siak Regency, Kerinci Kanan District. This activity took place at the batik production house of Riyadh Batik owned by Ms. Minatun. We have a plan to enhance the economic resilience of the community through the development of digital technology. With the presence of digital technology, communities can market their products or businesses through digital marketing, which offers broad reach as well as cost and time efficiency. Therefore, in the future, MSMEs in the village can easily expand their businesses by utilizing the technology and smartphones they possess. This activity motivates the community to become literate in the development of digital technology and raises awareness among them about the importance of leveraging technological or digital development opportunities in their respective businesses.

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Lastly, we would like to thank Shopee for providing the platform for small businesses like Riyadh Batik to showcase their products and reach a wider audience. This collaboration underscores the importance of corporate partnerships in supporting grassroots entrepreneurship and fostering economic growth.

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