

Conference Paper

Development of Coffee Product Marketing System Through Branding and Use of E-Commerce in Wonosobo Village, Srono District, Banyuwangi Regency

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ABSTRACT

Indonesia is one of the largest coffee-producing countries in the world. Indonesia has an advantage in terms of conditions related to natural resources. Diversification of coffee products can be developed on an SME scale as well as on a large scale, considering that coffee processing technology is relatively simple and can be designed on various business scales. One of the coffee industries is in Wonosobo Village, Srono District, Banyuwangi Regency, which is driven by An-Nuur Al-Fadhol, Islamic Boarding School students who process coffee plantations into packaged products. However, the business is still underdeveloped in terms of marketing distribution channels whose reach is still limited and packaging is relatively simple. This service activity seeks to provide knowledge transfer in the form of how to do product development and increase product diversity and diversification as well as how to packaging that has a certain appeal and branding to attract consumers and opportunities to be marketed to various regions through social networks and e-commerce facilities. Implementation method with: focus group discussion, demonstration, and practice or exercise. The result of this service activity is an increase in marketing activities that can increase sales and increase the efficiency of business activities with the application of management.

Keywords: Community empowerment, Banyuwangi coffee, and business management

Introduction

Indonesia is the fourth largest country that produces coffee beans after Brazil, Vietnam, and Colombia (ICO, 2020). This product diversification can be developed on an SME scale as well as on a large scale, considering that coffee processing technology is relatively simple and can be designed in various business scales so that the added value of this coffee processed product can be enjoyed by coffee processing farmers (Kustiari, 2014). Indonesia has advantages in conditions related to natural resources and Indonesia has weaknesses in conditions related to human resources, science, and technology, access to capital, and the availability of infrastructure that supports the development of the coffee industry (Baso & Anindita, 2018). Coffee culture in Indonesia gets a lot of influence from Europe, China, Malay, and local culture (such as Javanese, Medan, and others); both in terms of processing and presentation. Indonesians are people who are open and able to adapt well to new cultures, especially those that are trending abroad. This can be seen in the proliferation of cafes in big cities. The level of consumerism in Indonesia is also high. Coffee shops are a form of pluralism and the unity of the Indonesian nation, where all ethnicities from various cultural backgrounds can sit and enjoy coffee together (Gumulya & Helmi, 2017).

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Wonosobo Village, Srono Banyuwangi District has a topography that is characterized by hilly and mountainous which is located at an altitude between 200 to 2,250 m above sea level (asl) with conditions. Including the tropics, Wonosobo has two seasons a year, namely the dry season and the rainy season. Meanwhile, the average air temperature is between 14.3 – 26.5 degrees Celsius with an average annual rainfall ranging from 1713 – 4255 mm/year. With these conditions, Wonosobo Regency is very good for agriculture so the agricultural and plantation sectors are the dominant sectors in the economy. These various types of plants thrive including potatoes, vegetables, Pondoh snake fruit, coffee, Albasia wood, and even rice which still thrives in some of these areas. One of the plants that have the potential to be developed in its production is coffee. With the topographical conditions, these plants can grow in this area. Along with the current development, the economic value of coffee beans has begun to promise that the cultivation of coffee trees has begun to be carried out again by farmers, and farmer groups, both independently and under the guidance of government and private agencies.

The community that has a role in processing coffee beans is An-Nuur Al-Fadhool Islamic Boarding School which is located at Jl Watugong Wonosobo Srono Banyuwangi. The resulting coffee products are branded “Jenggirat Santri”. Most people enjoy coffee by brewing it directly in a cup of boiling water. There is something unique in enjoying coffee not brewed, but dipping. Coffee in a dip is much more practical and unique. This group has had the idea of making coffee bags since 2019. Marketing of the product is still limited to local villages and sub-districts. Coffee is made from Arabica coffee.

By looking at the situation analysis, several problems are being faced by the coffee producers of the people of Wonosobo Village, Srono District, Banyuwangi Regency, among others: (1) Production problems include, product packaging so that it does not have a characteristic or competitiveness, especially in brands that can be recognized by consumers. the wider community and reach areas outside the region. (2) The problem of marketing distribution which is only limited to village and sub-district areas needs to be improved by reaching out to tourism areas.

Based on the problems that will be faced by the An-Nuur Al-Fadhool Islamic Boarding School in Wonosobo Village as well as the limitations of the service implementation team, it is necessary to prioritize the problems that will be immediately addressed through this service activity. By conducting group discussions or Focus Group Discussions with the An-Nuur Al-Fadhool Islamic Boarding School in Wonosobo Village and other village officials. Meanwhile, the problems that are prioritized to be overcome through this service activity are (1) Production Management (2) Marketing management

Material and Methods

This service activity aims to improve the knowledge and skills of the An-Nuur Al-Fadhool Islamic Boarding School as a producer of processed coffee. This activity will be carried out with various methods, with the hope of making it easier for participants to receive activity materials. The methods used are lectures, questions, and answers, demonstrations and exercises/practices both in groups and individually as well as discussions. Lectures and questions and answers are used to explain business management and marketing materials, namely: strengthening aspects of business motivation, administration/bookkeeping, and selling price determination.

The method of demonstration and practice is used to:

1. Demonstrate a work process so that it can provide convenience for trainees in understanding the material for practical activities.
2. Practical activities by participants to demonstrate and optimally practice all techniques in manufacturing, serving/packaging, food safety, and bookkeeping and administrative order. The combination of these methods is expected to increase the knowledge and skills of the activity participants optimally.

The discussion method is used in this activity as an effort to better understand the problems faced by partners, both related to the material of the activity or various things that are both

supportive and hindering. With the discussion method, it is hoped that the problems can be solved together.

Problem Solving Framework The flow chart of Community Service activities can be seen in Figure 1.

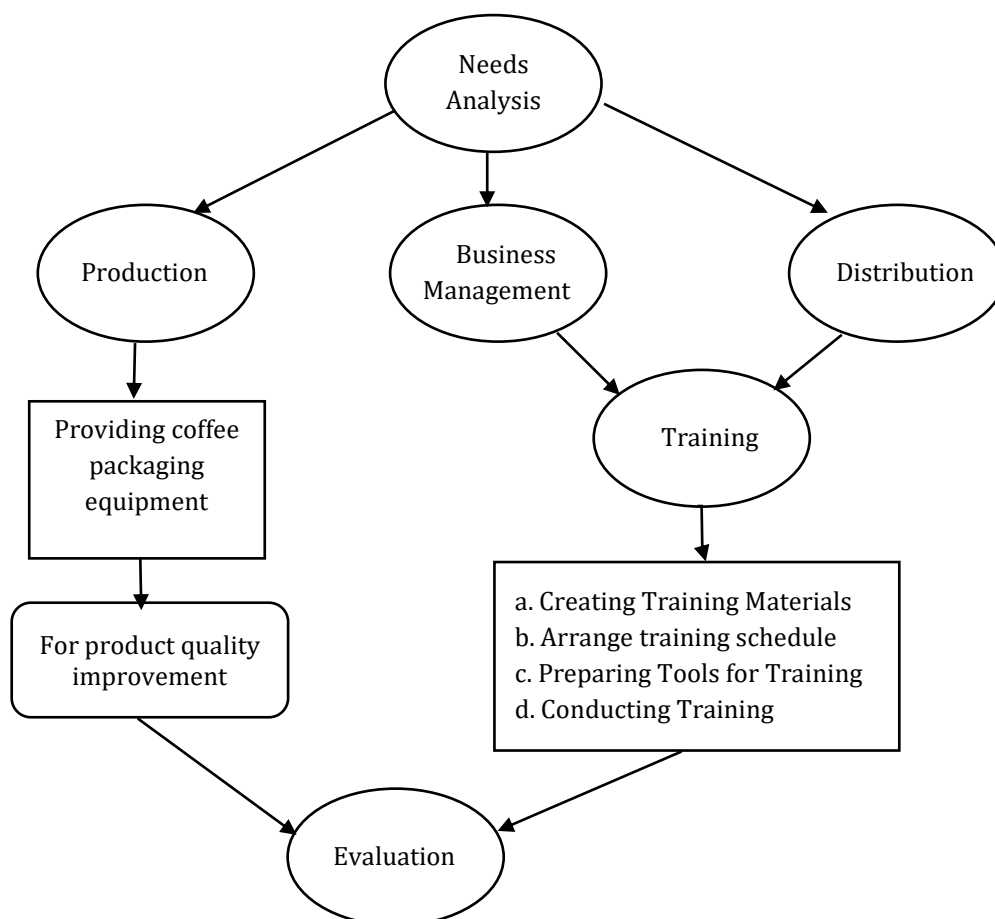


Figure 1. Flow of community service activities

Results and Discussion

Basically, this service activity is a form of community empowerment activity. As explained by Jimu (2008) that community development means development at the community level. In the implementation of this activity, the biggest challenge in developing marketing competence is the capacity or qualification of the training participants. Of the 45 (forty-five) participants, all of them are still students and do not have professional work experience in the marketing field. Therefore, referring to Adedokun et al. (2010), that effective communication is important and will lead to an active role from community members in the context of empowerment, then through group discussions conducted after the presentation of material on marketing competencies, it is important that training participants receive benefits from this activity.

This activity was initiated by providing training to 45 students of An-Nuur Al-Fadhool Islamic Boarding School. The results and discussion of the activities are as follows:

1. Branding

In this competency, participants are expected to be able to manage and strengthen the position of the "Jenggirat Santri" coffee brand. Based on the participant group discussion, it was

revealed that so far, they have never made a marketing plan, either segmenting, targeting or positioning (STP). However, they were able to do so after understanding the explanation of the importance of this activity. Starting from formulating the company's segmentation in this case the consumer. Then the target segment is identified based on the previous segmentation so that the coffee product can determine its positioning. Then the branding strategy is prepared based on STP and analysis of competitors. Based on the competency test simulation, it was revealed that the brand name "Jenggirat Santri" was based on the identity of the producer as a Santri (Islamic boarding school student). Furthermore, in branding, creative and low-cost brand strengthening strategies are designed using the internet.



Figure 2. Presentation of branding materials and group discussions

2. Digital marketing

In this competency, participants are expected to be able to use the internet in marketing coffee products. Based on the group discussion of participants, it was revealed that so far, they have not used social media and websites, but have set up a shop in the marketplace, but have not managed and have not made a transaction. Furthermore, in the digital marketing discussion, a marketing strategy was designed using social media and Google for business.

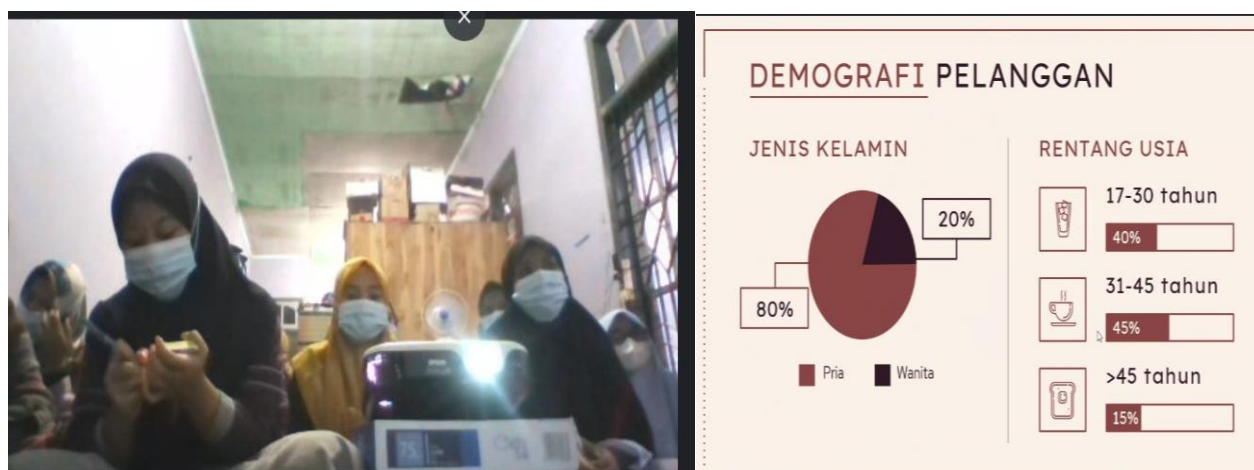


Figure 3. Presentation of digital marketing materials and group discussions

3. Increased productivity and business management

In addition to increasing knowledge and skills in branding and using e-commerce to improve marketing, this activity also improves the quality and quantity of locally produced food-based food products, namely, by providing financial assistance for the purchase of equipment. The type of equipment purchased is the Continuous Band Sealer FR-800-PV Vertical Plastic Seal Press

Machine. This tool is expected to maintain product quality as long as it reaches consumers and increases coffee packaging productivity.



Figure 4. Plastic seal press machine

Conclusion

The ability of the Santri of the An-Nuur Al-Fadhool Islamic boarding school in marketing the Santri's Jenggirat coffee still needs to be improved. However, based on the discussions conducted after providing an understanding of branding and digital marketing, the following conclusions can be drawn:

1. There is a change in the mindset about product marketing, although they have not fully mastered the marketing concept. There have been marketing activities that have been carried out simply, such as brand creation and online store creation in the marketplace. Through the provision of materials and discussions, it is understood that internet marketing is not only about selling or offering products but also building brand strength and attracting a wider range of potential customers.
2. There are still some marketing competencies that need to be explained again, including creating social media content and maintaining customer relationships.

The suggestions we can give include:

1. It is necessary to hold activities to increase knowledge and skills, as well as ongoing assistance by experts from both academics and practitioners related to empowerment and business development.
2. The use of machines in the coffee product business, both in processing and packaging can increase productivity, therefore entrepreneurs in this field are advised to consider the use of machines.
- 3.

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