



Implementation of Facebook Marketplace for Convection and Embroidery MSME Products (Jack Convection Medan) as an Effort to Increase Online Marketing and Sales

Implementasi Facebook Marketplace untuk Produk UMKM Konveksi dan Bordir (Jack Konveksi Medan) sebagai Upaya Peningkatan Pemasaran dan Penjualan Online

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ABSTRACT

This research is entitled Implementation of Facebook Marketplace for Convection and Embroidery UMKM Products (Jack Convection Medan) as an Effort to Increase Online Marketing and Sales. The purpose of this research is to promote library services at the Muhammadiyah University of North Sumatra. The aim of the research is to find out that social media (Facebook) can provide convenience for MSME actors, especially for convection and embroidery business people. This study uses a descriptive qualitative research method. Marketing and sales of MSME products are currently carried out by participating in various MSME product exhibitions organized by the government and business actors who provide exhibition facilities, broadcast messages, and wait for customers to arrive at the store. This way of disseminating information is not effective because it does not reach people who live far from museums or retail locations that hold exhibitions. Facebook has a marketplace feature that allows promotions and sales to be unlimited by space and time, making it one of the social media platforms that is currently widely used and in demand by MSME players. By utilizing the Facebook marketplace, MSME can more easily market their products and make sales via smartphones, which will help them increase their sales growth. The results of this research are expected to be input for MSME actors who are pioneering or who are already successful, namely how to promote their products via Facebook in this modern era so that their products are widely accessible to many people. .

INTRODUCTION

Many Medan Convection and Embroidery MSME business owners have been able to reach a wider customer base and increase their income thanks to e-commerce and marketplaces. This marketplace is also very profitable because the main target market for UMKM Embroidery Convection is students who often need work uniforms and often use the internet. The presence of a number of well-known universities in the city of Medan, such as the State Islamic University (UINSU), UNIMED, and UMSU North Sumatra, makes it a strategic location for MSME entrepreneurs in the Medan area. "2021 MSME Study Report: The Role of Facebook Marketplace for MSMEs" based on research from the Data Insight Center (KIC) survey. MSMEs are the focus of this survey, which was conducted between March 24 and April 9 2021 in several cities in Indonesia, including Jabodetabek, Bandung, Semarang, Surabaya, Yogyakarta and Medan. According to the SME survey, having a market can reduce promotion costs (54 percent), which is why these business owners choose to sell their products there. After that, 48% said they benefited from higher turnover. Then, 19% said it was easy to access the export market, and 29% said they were more competitive. Therefore, free shipping (onkir), followed by a discount program, is considered the most profitable promotion strategy for MSMEs (by 50%). Free shipping promos were given by 66% of respondents when selling on the marketplace, while discounts and cashback were given by 57%, 32%, flash sales, and 8% of respondents did not provide any promos at all.

Facebook is a social networking site that provides more than just a place to share status updates and stories. Businesses can advertise their products to all Facebook users via Facebook Marketplace. Compared to ecommerce platforms, there is competition to sell on Facebook, but not as strong. As a result, many users like selling on this social media. Given the current and future state of SMEs, an approach for online marketing and sales is proposed. This approach utilizes the Facebook Marketplace platform which is easy to use, can be accessed from anywhere, anytime, and is able to reach all Facebook users.

THEORETICAL BASIS

Facebook Marketplace

Because Facebook Marketplace is one of the features of the Facebook platform that functions as a place for buying and selling activities specifically for Facebook users. This new function is located in the upper left corner. You can use a desktop computer, tablet or smartphone with the Facebook app to access this Facebook Marketplace. Just tap this icon at the bottom of the Facebook app (for iOS) or top (for Android); if using a desktop browser, this icon will appear in the left sidebar.

Facebook offers this marketplace so that its users can quickly search and find interesting items for sale on Facebook. With this feature, users can access the marketplace directly on Facebook without downloading or installing any additional applications and by logging in with the same account. You can simply click on the link <https://www.facebook.com/marketplace/>. On Facebook Marketplace. Goods provided by Facebook as a buying and selling platform between Facebook users, you can find various items being sold by Facebook users. Why Should You Sell on Facebook Marketplace? As long as you comply with Facebook policies, you are not required to pay any fees to use Facebook Marketplace. Unlike selling on your Facebook profile, which is limited to the friends you have, selling on Facebook Marketplace helps you reach a wider audience of potential customers. The potential to expand your customer base is greater; later, you can use paid advertising to reach a larger and more specific market

UMKM

Businesses that are successfully owned by persons or legal entities and meet the criteria to be categorized as micro-enterprises are called UMKM (Micro, Small and Medium Enterprises) based on the guidelines of law no. 20. As stated in Article 35-36 of 2008, micro, small and medium enterprises are all included in the definition of MSMEs, but other criteria are also distinguished. We will talk in depth about SMEs in this article.

Criteria for Micro, Small and Medium Enterprises (MSMEs).

To determine the type of business to run, the first criterion must be carefully considered. This information is very important for use in future business license agreements and for calculating the amount of tax that will be imposed on MSME owners. Ini adalah pemahaman tentang UMKM dan kebutuhannya.

1. Small business.

What is meant by the term is a successful business venture that meets micro-enterprise standards. It may be owned by a private person or a business. A company that fulfills the definition of a micro business is a company that has a net worth of up to IDR 50,000,000.00. and the amount of wealth does not include the building or land on which it is located. The annual sales revenue limit for a micro business is IDR 300,000,000.

2. Smaller company.

Small business is a productive economic business that is owned by an individual or group, stands alone, and is not part of the parent company, direct or indirect ownership, management, and participation in medium-sized businesses. Small businesses are defined as those who have an annual income of at least Rp. 500,000,000 and a minimum net worth of IDR 50,000,000. Annual revenue from selling a business can range from IDR 300,000,000 to IDR 2.5,000,000,000.

3. Medium business

Companies that operate in a productive economy that are not branches or subsidiaries of the parent company and are either directly or indirectly part of a small or large company are defined as medium-sized businesses based on laws and regulations. A medium-sized business is usually categorized as a large business if it has a net worth of between IDR 500,000,000 and IDR 10,000,000,000,000, excluding the building and land where the business is located. The company's total annual sales are Rp. 2.5,000,000. billion in Rp. 50,000,000,000. -.

Market segmentation (*Segmentation*)

According to Fandy and Chandra (2005), market segmentation is the process of dividing the overall market into groups or segments that share the same needs, wants, behaviors, and responses to certain marketing initiatives. makes it possible to develop a marketing strategy for product marketing based on this commonality of consumers. Market segmentation is an important step in the product marketing process. With market segmentation, it is hoped that the products offered can attract a wide audience and objectives can be achieved effectively and efficiently.

Target Market (*Targeting*)

Salomon and colleagues state that the target market is the consumer group that the business has selected as its clients as a result of segmentation and targeting (2019). Selecting a client or group of businesses to serve is, in a different sense, identifying the target market. The market growth rate, the diversity of customer needs, preferences and interests, the size of the company in relation to its competitors, its resources and its priority to achieve profitable financial goals are all factors that influence this marketing strategy. According to Solomon et al. (2019), the target market is the market group chosen by the company to serve as customers as a result of segmentation and targeting. Setting market targets in another sense is choosing consumers or organizations that will be served by a company. This marketing strategy is influenced by market maturity, diversity of needs and preferences or interests of buyers, company size compared to competitors, owned resources and company priorities to achieve profitable financial targets.

Market Position (*Positioning*)

According to Kotler and Keller (2009), market positioning is the process of ensuring that a product occupies a clear, distinct, and desirable place in the minds and hearts of target consumers when compared to competing products. In order for the offered product to take the desired position in the market, positioning is required. Designing a product to fit a certain place in the minds of consumers is known as positioning, and it helps businesses compete more successfully in the marketplace.

Market Mix (*Marketing Mix*)

Ida (2018) claims that the marketing mix (marketing mix) is a concept for creating marketing strategies in business to achieve goals in target markets and win the hearts and minds of these consumers. The success rate of each company in marketing its goods is directly related to how carefully it plans and combines the components of the marketing mix. To achieve the desired level of satisfaction from the target market, complementary elements of the marketing mix are used. Product, price, place and promotion make up the four main components of the market mix.

Convection and Embroidery MSME Company (Jack Convection Medan)

Jack Convection Medan is one of the SMEs located on JL. Ir. H. Juanda Baru No. 77 sub-district mosques in the Medan City sub-district. This business was founded in 2015 by Jack. Screen printing, packing, production, and sewing rooms are available at Medan Convection and Embroidery Jacks to help make the production process more effective and efficient. This convection produces various kinds of kenvection products including school uniforms, organizational uniforms, pants, jackets, t-shirts, and others in response to customer orders. With this business, the owner uses a pre-order system or down payment (DP) from customers, which is then used as capital to place orders from customers. If there is a shortage of capital, the owner uses capital from other businesses to cover the shortfall. There are 15 to 30 permanent employees working at Jack Convection Medan with about 20 temporary workers.

RESEARCH METHODS

Descriptive qualitative methodology was used in this study. Qualitative descriptive method is a research technique that produces descriptive information that develops or exists in society both orally and in writing. In this method, data is generated descriptively, meaning that it is presented as it is in a systematic, factual, and accurate manner with respect to the data, its nature, and its relationship to existing phenomena. In this study, observations, interviews, and documentation were used to collect data.

RESULTS AND DISCUSSION

Medan Convection Jack Marketing Strategy

The marketing strategy used by Jack Convection Medan in competing with other manufacturing companies and in marketing their products is by using the formulation of a marketing strategy consisting of a market segmentation strategy (segmentation), a strategy for determining market targets (targeting), and a strategy for market positioning (positioning).

Below is a description of the Jack Convection Medan marketing strategy:

Market Segmentation Strategy (*Segmentation*)

Before starting to market their products, Jack Konveksi Medan divided the market into several segments. The market is quite broadly segmented, starting from schools (kindergarten, elementary, junior high and high school), Islamic boarding schools, offices, businesses, colleges/student organizations and other organizations that wear uniforms. Although business is the main focus throughout Indonesia, market segmentation is prioritized in Medan from a geographical perspective. This is shown by the fairly large consumer base in the Medan area, outside Medan, and finally outside North Sumatra Island. Demographic segmentation: The main market segments in terms of demographics are students, political organizations and school children from kindergarten through high school who need uniforms for academic or organizational purposes. All uniformed organizations, including schools, businesses, and government organizations, are segmented psychologically according to consumer demand. Companies can use a variety of shirts, pants, jackets and other uniforms. Jack Convection Medan divides its behavioral segmentation into three categories: 1) customers who have a convection subscription, but the cost is higher than Jack Convection Medan; and 2) customers who currently do not have a convection subscription. Customers who have not subscribed to convection, or who have subscribed but are very loyal to Jack Convection Medan, will get a special discount from the previous price from this company.

Market Targeting Strategy (*Targeting*)

Every business must implement a strategy to identify targets or target markets in order to attract the right target consumers. All organizations in uniform, whether schools, campuses, Islamic boarding schools, agencies, and other organizations, are the target market for Medan Convection Jack. Promotion is carried out by human resources, who visit the target audience directly. Products will be presented directly to customers by bringing them a variety of clothing materials that can be selected according to their preferences. Prices vary depending on the type of fabric used, the model, and the level of complexity of the embroidery. Marketing initiatives are also carried out through social media platforms such as Facebook Marketplace apart from talking directly to consumers. The customers reached by marketing on Facebook Marketplace are not limited to those who live in cities, even outside islands.

Market Position Strategy (*Positioning*)

Manufacturing company Jack Convection Medan has its own positioning strategy that stands out and can attract many customers. Sinar Jack Convection Medan has placed its equipment. The most crucial factor in Jack Convection Medan's marketing is price which is also a very significant factor. Compared to other convection companies, the price offered by this manufacturing company is fairly reasonable. Even though the price is quite cheap, this company dares to offer a product warranty (usually it lasts one week). This manufacturing business is able to compete with other convection companies in terms of product quality. Quality control checks are always performed on products prior to distribution to reduce product-related errors.

Products in large quantities can be produced quickly by the manufacturing company Jack Convection Medan. Other businesses rarely have this advantage. The monthly sales target is approximately 3000 items per piece of total production. Instead of using a branch system, this company instead uses a partnership system, where if an order is over capacity, some of the order processing is transferred to another cooperative.

This company uses a Pre-Order system as a payment method. Similar to online ordering, consumers can choose products directly in front of them based on their needs or interests. To get their own satisfaction from customers, businesses place orders on a "Demand" basis according to the wants and needs of customers.

There is no reason to question the product manufacturing process because this company employs competent personnel in their respective fields. Employees are also prepared to assume responsibility if the product ordered does not meet customer expectations or the item received contains many errors (such as the wrong name or logo). Marketing products both offline and online to get the best customers, this marketing variation can reach customers from different locations. If the intended consumer is trusted and has subscribed, the payment system can also be used without a DP (Down Payment).

Market Mix (Marketing Mix) Sinar Jack Convection Medan

Jack Convection Medan markets its products on Facebook Marketplace using a market mix consisting of four elements, namely product, price, place and promotion. The market mix used by Jack Convection Medan is as follows:

(Product)

The customer chooses the design or model of the product he wants to order, the manufacture of goods is provided by the clothing product manufacturing company Jack Convection Medan By Request. Creating a DP for Pre-Orders is how the ordering system works. Prior to shipment, a quality control process will be used to ensure that the product meets specifications and helps reduce errors.

(Price)

Jack Convection Medan has an advantage over its competitors in terms of price. According to many customers, this convection company is cheaper than other convection companies. Depending on the model, the price range for these products is IDR 60,000 - IDR 80,000. For jackets, the price is around IDR 90,000. - Rp. 100,000, depending on the type of material, level of quality, model requested, and level of complexity. Prices are also affected by the number of orders and screen printing points. These businesses are bold enough to offer product warranties (usually one week) even though their prices are quite reasonable.

(Place)

Convection and Embroidery MSME company, Jack Convection Medan is strategically located near a number of Medan campuses and is on the outskirts of the market so it's easy to find.

(Promotion)

Jack Convection Medan uses Facebook Marketplace to market their products online. Jack Convection Medan posts pictures of his products on Facebook Marketplace. starting with the images of business logos and organizational uniforms being produced. Costs vary depending on the quality of the fabric, the design, and how elaborate the embroidery is. Marketing on Facebook Marketplace can reach customers in multiple locations for the best customer acquisition.

Analysis of the Implementation of Jack Convection's Facebook Marketplace with Marketing Strategy and Market Mix (Marketing Mix)

The income recorded in the Medan Convection Jack Convection and Embroidery UMKM company which was promoted through the Facebook Marketplace from 2020-2022 increased significantly. Look at the table below for income for the last 3 years:

Table 1 Revenue of Jack Convection Medan for the 2020-2022 period

Years	Income
2020	Rp. 2.340.678.000
2021	Rp. 3.841.523.000
2022	Rp. 5.256.421.000

Source: Interview with Jack Convection Company Owner Medan

According to the table above, Jack Convection Medan's income is very high considering the young age of the business. Even though it is still relatively young, it is able to compete with other convection companies and can become tough competition. The annual sales growth rate has also increased significantly.

Table 2 Sales Growth for 2020-2021

Information	2020	2021	Sales growth
Sale	Rp2.340.678.000	Rp3.841.523.000	Rp1.607.455.200

Source: Interview with Jack Convection Company Owner Medan

Based on the table above, Medan Convection Jack has experienced an increase in sales growth rates from 2020 to 2021. In 2020 sales revenue was 2.3 billion rupiahs, while sales figures in 2019 were 3.8 billion rupiahs. The growth rate in 2018-2019 is 1.6 billion rupiah.

Table 3 Sales Growth for 2021-2022

Information	2021	2022	Sales growth
Sale	Rp3.841.523.000	Rp5.879.421.000	Rp2.037.898.000

Source: Interview with Jack Convection Company Owner Medan

Based on the table above, Jack Convection Medan's sales growth rate will increase from 2021 to 2022. Sales in 2021 amounted to IDR 3.8 billion, and in 2022 amounted to IDR 5.8 billion. The growth rate for 2021–2022 is IDR 2 billion. According to the sales data from the last three years, 2020 to 2022, the growth increased significantly. Between 2020 and 2021, sales will grow by 1 billion and by 2 billion rupiah between 2021 and 2023. By implementing the Facebook Marketplace for MSME companies for product promotion using the Marketing Mix strategy, Medan Convection Jack has achieved increased sales.

CONCLUSIONS AND RECOMMENDATIONS

Jack Konveksi Medan advertises and markets their products online on the Facebook Marketplace by uploading pictures of their goods, including t-shirts, jackets and organizational uniforms. Students, groups, agencies, and school children inside and outside the city of Medan are the main target market for Medan Convection Jack. All cities in Indonesia are under the broad reach of the Medan Convection market. Prices offered by MSME Convection and Embroidery companies are relatively cheaper compared to other Convection companies, and the market mix includes: 1) By Request Clothing Products from Consumers; 2) Relatively Cheaper Prices Depending on Material, Quality, Model Requested and Complexity; 3) Strategic Location to Become a Convection Industrial Village, and 4) Online and Offline Product Marketing. Based on sales data from the last three years, specifically 2020 to 2022, marketing their products on Facebook Marketplace has resulted in a significant increase in growth. Between 2020 and 2021, sales will grow by 1 billion and by 2 billion rupiah between 2021 and 2023. Due to the adoption of Facebook Marketplace by MSME companies for product promotion using the Marketing Mix strategy, Jack's Convection Medan has seen an increase in sales.

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