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ABSTRACT

The spread of the Covid-19 virus has an impact on all aspects, one of which is the economic aspect. In order to maintain coffee MSME products during the pandemic, MSME actors became coffee adapting to government policies. This is the purpose of the research, namely by utilizing technology so that digital can synergize with today’s digital transformation. By observing and studying literature which is used as a research method, collecting information so that the adaptation process can run smoothly as planned. After the MSMEs of Coffee Products have adapted the digital business in the marketing section of the digital results obtained, namely the presence of Instagram Social Media, Blogs, Online Stores and new Payment Methods. The use of this technology certainly has an impact on both MSME actors and consumers who find it easy. In the future, this research can be developed by expanding the online market and assessing the level of consumer satisfaction with the use of digital media in this MSME Coffee product.

Keywords:
Digital Transformation
MSME
Technology
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1. INTRODUCTION (10 PT)

The Covid-19 virus has been present as a heavy blow to the whole world since 2019, where the impact has begun to be felt entering the beginning of 2020. The weakening of economic activity in the world continues to be one of the significant impacts experienced by all countries, one of which is Indonesia [1]. It started when the Indonesian government issued a policy related to Covid-19 to prevent the rapid spread of the virus, namely Large-Scale
Social Restrictions or PSBB. This policy does not only affect community activities, such as going to school, office, places of worship, tourism and others [2], [3]. The policy has an impact on all sectors and aspects [4]. One of the sectors experiencing the most significant effect is the economic sector. The decline in turnover is very significant in the realm of microeconomics, especially the Micro, Small, and Medium Enterprises (MSME) Sector [5]. This happens because of the conventional marketing system that business actors generally use. So with this regulation, face-to-face interaction (offline) between business actors and consumers is reduced. Whereas in all situations or conditions that are very difficult, even MSMEs can maintain their potential to survive. This has been shown before the Covid-19 Pandemic, such as the crisis that occurred in 1998 [6], because most MSME actors carry out direct relationships. However, this time it was very different because the restrictions resulted in enormous losses for business actors. The inability to adapt to government policies and adapt digitally has put many SMEs out of business [7].

In the current 4.0 era, MSME actors must be able to face the challenges and opportunities that exist. The need for adaptation to digital systems and the disruption of business digitization to digital businesses will have an impact on their business [8] because it is undeniable that the impact of the Covid-19 pandemic has indirectly prompted changes in the way of doing business in Indonesia [9]. It can be seen in the phenomenon of digital entrepreneurship, where there is a transition process from offline business to digital company. This is done so that business actors can continue to maintain their business and increase their sales turnover.

In the era of globalization, MSME actors must develop a service/product innovation, build technology, develop HR skills (Human Resources), and expand the marketing area [10]. One of the adjustments that MSME actors can make is opening an online store using digital marketing [11]. The utilization of social media digital platforms for product promotion media can also be done to continue to open their business and sell through online media [12]. This strategy was carried out considering the ease of transaction processing, product promotion and consumer responses to the effectiveness of digital purchases, and a much more significant increase in sales volume [13].

Before making digital-based changes or adjustments, MSME actors must be able to understand the concept of digital business, especially in the marketing section as a whole. Because the adjustment is not only moving stores from conventional to digital, it is also necessary to pay attention to the benefits that can be felt by consumers and the improvement of digital values so that consumers do not abandon them. MSME actors can present something new and better than conventional strategies such as convenience, price, product quality, and service, which are digital marketing concepts. So there will be many consumers interested in the products offered [14].

Seeing the importance of this business transformation, it encourages MSME startup for coffee products that involve Raharja University students to develop a marketing system by utilizing digital technology which is the goal of this research [15]. MSME startup for coffee products initially only used a conventional sales system (Offline), now they are developed using a digital business system. This is done, of course, to continue to increase sales of coffee products, and also to create new innovations for consumers [16], [17]. These innovations include product innovation, marketing, and payment methods so that the coffee products sold can attract consumers’ attention, simplify sales to transactions for consumers, and can also compete in the market.
2. LITERATURE REVIEW

In order to support this research running smoothly, information related to this research was collected in the form of a Literature Review. There are 4 previous findings that are used to carry out this research so that it can be carried out properly.

2.1. Impact of the Covid-19 Pandemic on MSMEs

The Covid-19 pandemic has significantly impacted MSME actors, causing their solvency and liquidity to be disrupted, indicating the current economic crisis [18]. People’s purchasing power has decreased since the pandemic has become a severe problem. According to Aprilya, T. (2017) in his paper entitled "Nadyasfashop Marketing Communication Strategy Through Instagram In Increasing Customer Trust In Samarinda" research results state that the current trading mindset is digital, so a change in sales concept or sales strategy is needed [19]. If previously marketing was done conventionally or face-to-face (Offline), it was necessary to adapt, adjust, and change the concept of the marketing system with technological advances [20]. Therefore, digital business-based development is an alternative that can be done to continue to maintain the MSME sector. By utilizing highly sophisticated digital technology [21], MSME actors can do product marketing until transactions are carried out, and everything runs online.

2.2. Digital-based SMEs

Digital technology can be defined as a mixture of information technology and computerized communication. Before getting to know the online marketing system, MSME actors initially only used conventional (Offline) sales systems [22]. In the current era of globalization, MSME actors can transform their business by utilizing existing technology, namely social media, online platforms, and e-commerce applications, to sell their products [15]. The goal is to have good interactions with consumers online, such as providing information about a product through content, online communication through the chat feature, and cashless payment transactions. Indirectly during the Covid-19 pandemic, people's consumption patterns have changed. Indonesia itself's internet users have reached 50% in 2017, and there is also an increase in Indonesian MSMEs who have utilized social media as much as 42%.

In the research conducted by Puji Pramesti, Andina Dwijayanti, Rita Komalasari, Zen Munawar with the title "Digital Business Transformation of MSMEs in the Kopong Ubi Ball during the Covid-19 Pandemic", marketing development was carried out by utilizing the digital transformation of social media facebook [23]. The development of digital business-based SMEs needs to be considered from a financial perspective, where marketing can adopt digital payments. Because basically, the digitization of MSMEs is not only limited to digital marketing. So that the development of digitizing MSMEs can encourage MSMEs in Indonesia to be digital-based and last a long time in the digital market [24]. This development was carried out by the Kemenkop MSMEs (Ministry of Cooperatives and Small and Medium Enterprises) by attracting young innovators in supporting the digitization of MSMEs. This is done so that MSME players can continue to increase sales and survive during the Covid-19 pandemic through the support of the digital ecosystem. According to available data, MSMEs are currently correlated with the digital ecosystem.

2.3. Digital Marketing

The important point of human activity in the future is the Digital World. In a study conducted by Mohammad As’adur Rofiq, et al (2020) entitled "TRANSFORMATION OF CREATIVE BUSINESS TRANSFORMATION OF MICRO ENTREPRENEURS IN MAINTAINING TURNOVER IN THE TIME OF COVID-19", it was found that there are many digital platforms that have been scattered in providing business stalls for business actors, to seek profit in the digital world [1]. The technological revolution requires people to follow the flow of developments if they want to maintain and improve their business [25]. Almost all humans have gadgets to explore or activities they want to do so that they can see the maximum use of the digital world. MSME actors are facilitated by digital marketing in
marketing their products. Both consumers and SMEs through digital marketing do not experience significant obstacles, this is because their activities are not limited by space and time [26].

SMEs must find ways to keep their businesses going and survive during the COVID-19 pandemic. Maximizing product marketing also depends on the creativity of business actors to increase sales. Digital marketing is expected to be a solution in adopting existing policies and the community's new lifestyle since the pandemic. A paper entitled "Utilization of digital marketing for micro, small and medium enterprises in the ASEAN economic community era" shows that digital marketing can help MSME actors interact and provide information to consumers efficiently [11]. There is also an expansion of market share, increasing awareness, and increasing sales as a positive impact of digital marketing. MSME actors can carry out digital promotions that make it easier for consumers to find information to order the products they want.

2.4. Creative Content

In developing the digitization of MSMEs, there are many things that must be considered, one of the most important is Creative Content. A study conducted by Lathifah Hanim, Eko Soponyono, and Maryanto (2021) entitled "Digital MSME Development in the Covid-19 Pandemic Period" revealed that solutions that can be used to overcome the impact of MSME development during the Covid-19 pandemic are to create innovation and creativity, can be Creative Content [6]. Because Creative Content is the main pillar in the current era of globalization which will be useful in competition in the digital world. By using creative content, MSME development will produce significant results. Creative content design, either through additional training or done alone, must be pursued properly. The goal is that the character of the digital world can be understood by MSME actors, the most important thing is social media. With social media, the products or services offered will be displayed so that they can attract consumer interest. According to previous studies, creative content can attract consumers' attention very high [27]. Therefore, MSME actors need to understand creative content in digital marketing.

3. METHOD

Conducting observations and a literature study approach to the analysis of the information that has been collected is the method used in this research. The technique of gathering information through various notes, literature, and other references is carried out to find solutions to the problems encountered. A marketing strategy was developed for coffee MSME products in the adjustment process. Through this digital transformation, students were involved in it [28]. Student involvement is needed to train them to get directly involved in the entrepreneurial process. Train them to become excellent entrepreneurs who can think critically in solving problems, creating innovation and creativity in every process of making MSME products up to the marketing stage. Through this entrepreneurial experience, they will create superior innovators, who will later be able to create a startup and create a lot of jobs. This is in line with the digital MSME development strategy carried out by the Kemenkop MSME related to the involvement of the millennial generation in the digitization of MSMEs.

By developing a marketing strategy for coffee MSME products through digital transformation, it is expected to increase product sales even in the era of the covid-19 pandemic. Students can develop this marketing strategy by utilizing digital technology and using digital marketing. There are three stages carried out by researchers in the development of digital-based marketing strategies, namely the Preparation Stage, Implementation Stage and Evaluation Stage.

1. Preparation and Planning Stage

At this preparatory stage, the researcher observes, collects literature and analyzes topics related to this research. It aims to gather as much information as possible, which can then be focused on making decisions that will be carried out. After going through this preparatory stage, it is concluded that several plans can be made to increase sales of MSME Coffee products during the pandemic:
a. We were planning marketing strategy adjustments to the digitalization era. All teams discussed what aspects would be developed to transform and synergize with digitalization in this case. So that these coffee MSME products can survive in the market during the COVID-19 pandemic and provide the best comfort and service to consumers.

b. Planning innovations that will be applied by digital media, namely social media as a promotional media and information that consumers can access [29]. In this case, students are encouraged to express their creativity and innovation. Of course, it is adjusted to the developing trend.

c. Provide coaching and training to students. In this case, the lecturer has a vital role in fostering students while adjusting. Students can carry out the training through webinars where the information is obtained independently or from the driving lecturer.

2. Implementation Stage

The next step will be carried out, namely the implementation stage. This stage is a form of implementation of the plans that have been set previously. Where aspects that will be developed to be able to synergize with digitalization are:

- **Online Marketing Process**
  
  Online marketing can be utilized because the internet in Indonesia is very much. Social media and websites are media that can be adopted, becoming one way that can facilitate marketing. With social media and websites, students can also express their creativity in content in the form of videos and image designs to promote this MSME Coffee product [30].

- **Online Sales Process**
  
  If the previous sales process was done conventionally or face-to-face, development was carried out so that consumers could buy coffee products online. At this stage, what is being done is to utilize WhatsApp media technology and a marketplace, namely food merchants. The ease of using these two media is one of the reasons MSMEs take advantage of them. The costs incurred by business actors are relatively small so that business actors can use their prices for other needs. It is undeniable that the public has widely accessed these two media since the pandemic.

- **Payment Method using Cashless**
  
  Since the arrival of covid-19, there has been an appeal from the WHO or the World Health Organization regarding non-cash payments. This is done because research shows that the Coronavirus can survive on objects, especially banknotes [31].

3. Evaluation stage

The evaluation stage is the most critical because monitoring of this development graph is carried out at this stage. All teams discussed the problems faced during the adjustment process at this stage. The goal is to find solutions so that the development of the MSME Coffee marketing strategy can run well, provide convenience to consumers and also increase sales.

4. RESULTS AND DISCUSSION

To reduce the rate of spread of the COVID-19 virus, the government issued a PSBB policy. This policy makes economic growth unstable, and the Indonesian economy declines. Not only that, MSME actors are also experiencing problems with the decline in the number of consumers who threaten to go out of business. MSME actors can make adjustments to the current situation, namely adapting and synergizing with the digital world. MSMEs are key economically in the current era, without adaptation to existing technological developments, products cannot compete in the market. In carrying out the adjustment activities for coffee MSME products, it is supported by the business incubation at Raharja University, namely Alphabet Incubator. At the Preparation and Planning stage, all parties involved, namely the driving lecturer, students from both the Faculty and Digital Business students themselves conduct deliberation and reach mutual agreements in the form of:
1. Aspects that will be developed in the form of marketing by utilizing digital technology, namely social media, blog creation, opening an online store, and also payment methods.

2. Innovations in promotional media that will be carried out are in the form of creating content containing information about products that will be uploaded on social media and blogs so that consumers can access them easily.

3. Will conduct training both online and offline from the driving lecturer for the students involved.

At the stage of implementing the digital transformation carried out to carry out this activity, namely:

1. Promotion using Digital Media

Promotion is one thing that needs to be done by business actors. MSME coffee products utilize Instagram social media to provide information and product promotions to consumers in conducting promotions. Instagram is the media with the most influence today, with 700 million users. To attract the attention of consumers, the strategy carried out by students is to provide exciting content in the form of posts. These posts are uploaded to Instagram feeds that provide information about coffee products and activities carried out by coffee SMEs.

![Figure 1. Instagram Feeds for MSME Coffee products](image1)

There are also posts in the form of short videos uploaded to the Instagram Story section. Several Instagram stories that have been uploaded are then grouped to become Instagram highlights based on activities that have been successfully implemented. So that new and old consumers can see the documentation of the contributions carried out to create trust about this coffee product.

![Figure 2. Instagram Highlights for Coffee MSME Products](image2)
Through Instagram media, the process of product introduction in a broad scope can occur indirectly. Consumers who have purchased these coffee products share their stories through their personal Instagram stories, then mention this Kopi Instagram account. This creates opportunities to attract more potential buyers, and there is an increase in good sales.

![Indirect product introduction opportunities](image)

**Figure 3. Indirect product introduction opportunities**

2. **Blog Creation**

To establish interaction between consumers and our products, making a blog is the right step to take. Blogs are an element of an online sales strategy with soft selling techniques. Soft selling aims to attract and subtly influence potential consumers to buy products. This is the reason why MSME Coffee entrepreneurs create a blog. Where on the blog displays information that is the identity of this Coffee product.

![Coffee MSME product blog](image)

**Figure 4. Coffee MSME product blog**

3. **Online shop opening**

To maintain products in the current era of digitalization, opening an online store is very necessary. There is no reason for business actors, including MSMEs, not to do this. There are many conveniences in all aspects, both sellers and consumers. Our products can be purchased through online stores by consumers from various regions. Marketing expansion is a positive impact on business actors. MSME actors for coffee products open online stores through the Tokopedia marketplace and Grabfood Merchant.
4. Cashless payment method

To reduce the risk of spreading the coronavirus, the non-cash payment method is significant. Therefore, this MSME Coffee product is also transformed in the sales transaction section using the cashless payment method to no longer accept cash payments. All payments will go into QRis, where QRis is a QR that Bank Indonesia has standardized, where payment can be made using all types of e-wallets, both m-Banking, OVO, Dana, and others. So that consumers do not experience difficulties, and the process is also speedy.

In the last stage, namely evaluation, where the entire team involved discusses the problems that arise during the adaptation of the digital transformation of MSME Coffee products, then looks for solutions to these problems. Here are the problems that arise and their solutions:

1. Creative Content Creation which is considered to be still less attractive, this happens due to the lack of application facilities for making creative designs. The solution taken is to increase application facilities such as design application accounts to premium, so that they can access all design assets in the application.

2. Blog effectiveness has not been going well. This happens because of the lack of spread of blogs that have been created. The solution taken is the dissemination of blog information via QR-Code or links that have been created through coffee product social media and the personal social media of the team involved.
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3. An online store that is not yet running stably. This can be seen from the low sales because consumers prefer to buy offline or via WhatsApp. The solution taken is to present attractive promos for consumers.

4. Cashless adaptation when purchasing offline is still not 100% accepted by consumers because many consumers have cash and rarely use cashless. The solution taken is to provide understanding to consumers about the ease of paying cashless which can be accessed by all e-wallets and m-Banking.

5. **CONCLUSION**

The Covid-19 virus has spread to almost all corners of the world. The impact of this pandemic is that MSMEs cannot adapt to government policies to reduce the spread of the virus. Adapting to the digital world is the key that MSME actors must achieve. The goal is to maintain their business and compete in the market in the current era of globalization. With digital marketing, coffee MSME actors can take advantage of developing technology to increase sales and provide convenience to customers in the pandemic era.

The method used in this research is observation and literature study. Researchers collect information to decide the steps taken in developing marketing strategies to increase sales. Several aspects were developed by involving students: a) Promotion using digital media, b) Creating a blog containing information, c) opening an online shop, d) Changing payment methods. The results achieved in this study are that MSME Coffee products can adapt to the digital world, the presence of Instagram social media evidence this, Coffee Blogs, Online Stores at Tokopedia and Grabfood Merchant, and also the use of QRis & Moka as non-cash payment media.

Of course, the use of digitalization in the marketing of MSME products has very good benefits and impacts on MSME actors and consumers. However, this study has not shown the level of consumer satisfaction regarding the use of digital technology run by MSME Coffee. Therefore, in the future, this research can focus on assessing the level of customer satisfaction. So later it can be concluded significantly based on the data collected that digitization plays an important role in the development of this MSME Coffee product. And also the addition of a marketplace can be considered for the advancement of MSME Coffee products.

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