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BUSINESS DIGITALIZATION TRAINING: Optimization of Digital Business Opportunities and Advantages

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ABSTRACT

Uncertainty in economic conditions can be caused by many factors, one of which is the Covid-19 pandemic. Many companies have gone out of business, because they were unable to overcome the negative impact. This becomes a lesson for business actors, especially in Indonesia, about the uncertainty of economic conditions. Based on this, this training activity is an effort from the academic side of Pakuan University to provide vocational school graduates with knowledge about running a business. Thus, they get referrals as provision/preparation for running a business in the future. The object of the service activity was carried out in the city of Bogor, which was attended by 150 participants from vocational school graduates in the city of Bogor. The method of this activity is presentation and discussion, namely explaining economic conditions, the impact of economic uncertainty and solutions to overcome problems. As a result of this activity, the participants received information on how to deal with economic uncertainty through the concept of business digitization. This activity explained the opportunities and benefits of using digital media as a solution to maintaining a business existence in the midst of economic uncertainty due to the pandemic and globalization.

Keywords: Business Training, Business Digitalization, Adaptation and Innovation, Economic Uncertainty, Pandemic

INTRODUCTION

The Covid-19 pandemic threatens the continuity of business activities around the world (Prihantoro & Swastanto, 2021) including Indonesia, many companies in various industrial sectors are experiencing a downturn (Nasution, et al., 2020). Indonesia's economy is already at a very worrying level, even the latest news in November, Indonesia has entered the recession zone. The Indonesian economy experienced minus growth for several months during the pandemic (Fauziyanti, et al., 2020). Therefore, the government has tried in various ways to overcome the spread of Covid-19 with an increasingly widespread number of victims, as well as overcome its economic impact which has severely hit economic growth at the macro and micro level (Prajnaparamitha & Ghoni, 2020). The government was forced to implement large-scale social restrictions in various

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regions to limit community mobilization to prevent transmission from spreading. This determination has consequences for the economy which has an impact on weakening demand or trade in various sectors including trade, industry, tourism (Arianto, 2020), education and many more.

In the trade and industrial sectors so that they don't die, various companies and people hibernate by way of digitizing business. They save as many resources as possible for the time that the pandemic conditions can be called safe. Because restoring an already damaged economic ecosystem is as hard as fighting the pandemic itself (Sutrisno, 2021). But optimism is not dead. Society will continue to adapt in difficult times. Reducing the cost burden during the hibernation period is the simplest and most conventional adaptation that is being carried out by many people today, namely by carrying out various aspects of activities as long as they produce just to survive, such as trading, becoming freeland marketers, laborers, etc.

We have high hopes that people can adapt in difficult times to be creative and create innovations that lead to the future, towards sustainable independence, towards readiness to face world economic competition that will not subside. Thus, one of the challenges that must be resolved immediately is to create a climate of creativity and business innovation so that people can coexist with regulations, and change lifestyles with habits that existed before the pandemic (Lestari, et al., 2022).

Regulation is a government product that is issued to regulate habits that have occurred to become the desired habits. If this understanding is in line, innovations produced by the business world will encourage the creativity and innovation of the people themselves through government regulations so that strong business actors are born (Akbar, et al., 2022), competitive and able to take opportunities from government regulations during this pandemic.

The existence of a business is strongly influenced by various factors, one of which is the presence of legal elements of the business. In a business, this legality factor manifests in the ownership of the business license that is owned. For example, documents that support the legal existence of the business include company registration certificates, company establishment certificates, tax identification numbers, business licenses, interference permits or HO (Hinderordonnantie), location permits, environmental permits, and many other permits according to their respective business fields. -

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respectively. The company as a vehicle for economic development is regulated in the Civil Code, the Commercial Code and statutory regulations. In carrying out business activities in the business legal order in Indonesia, there are three types of business entities, namely private companies, state-owned enterprises and cooperatives. What is said with a business entity or company according to Article 1 of Law Number 3 of 1982 concerning Compulsory Company Registration is: "every form of business that carries out any type of business that is permanent and continuous and which is established, works and is domiciled within the territory of the Republic of Indonesia , for the purpose of obtaining profit and or profits".

The Bogor City Vocational School Alumni Association, totaling 150 people, has existed in activities in the community. Those who are members of the Vocational School Alumni have carried out various kinds of small business activities which are a follow-up to the education they received while in school. Such as the business of selling credit vouchers, food and beverages and business services.

With them equipped with a practical understanding of entrepreneurship as well as related legal and regulatory aspects, it is hoped that they will receive sufficient provisions. Sometimes legal aspects and minimal regulatory knowledge make businesses for novice business actors face many problems of their own. Moreover, the current conditions facing the Covid-19 pandemic have made many business actors experience difficulties, not only due to the many existing regulatory boundaries but also the decreased purchasing power of buyers (Warsito, 2022).

The current problem that is being faced by business actors is that the purchasing power of consumers has dropped dramatically. In addition, there are many rules or regulations that must be met by business actors in general, namely following the health protocol. Several places were even closed because they were considered very risky as a cluster of the spread of Covid-19.

If referring to the terms above, there are two main elements contained in a company, namely the form of business entity that runs each type of business, whether in the form of an association or business entity that is established, works and is domiciled in Indonesia and the type of business in the form of activities in the business sector that are run independently. continuously to seek profit (Iriyadi & Purba, 2022). The rapid development of business activities in Indonesia, many entrepreneurs no longer act alone

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to run their companies, but they jointly set up partnerships and companies including civil partnerships, firms, limited partnerships, limited liability companies and cooperatives. Companies are always connected with third parties and want to protect companies that are run honestly, so it is very important the legality of a company in business activities, because company legality is an identity that legalizes or legalizes a company so that it is recognized by the public.

Business activities that do not have business legality will have a negative impact on the business itself and other parties who carry out their business activities properly and honestly. Therefore, the community must be empowered to understand, understand and implement business legality in order to obtain many benefits so that the business is more efficient and generates large profits for both the business actors themselves and other communities (Darmastuti, et al., 2021).

The large number of businesses that have been established without legalizing the company, is very detrimental to other companies that carry out their business activities honestly, so it must be known what forms and ways to obtain company legality, and what are the benefits of legalizing a company.

One of the impacts of the COVID-19 pandemic is MSME in Indonesia, based on data from the cooperative ministry which illustrates that 1,785 cooperatives and 163,713 Micro, Small and Medium Enterprises actors have been affected by the corona virus pandemic (Widiastuti & Silfiana, 2021). Most of the cooperatives affected by COVID-19 are engaged in daily necessities (Purwahita, et al., 2021), while the MSME sector which has been most affected is food and beverages. The Ministry of Cooperatives and SMEs said that cooperatives engaged in services and production were also the most affected by the COVID-19 pandemic.

Cooperative managers feel the decline in sales, lack of capital, and hampered distribution. Meanwhile, the MSME sector that was shaken during the COVID-19 pandemic apart from food and beverages, was also the creative and agricultural industries. In tackling the problems faced by SMEs and cooperatives, the government has made several efforts. One of them is to include MSME actors and cooperatives as recipients of government assistance programs, such as Pre-Employment Cards, subsidized electricity rates, and Family Hope.

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Even though the COVID-19 pandemic has raised several problems for MSME and cooperative actors, on the other hand opportunities have also arisen (Dewi, et al., 2021). MSMEs and cooperatives can take advantage of information and communication technology, considering that electronic trade in 2020 will reach US$ 130 billion. Electronic commerce transactions have dramatically increased during the COVID-19 pandemic. Products that experienced an increase in sales included health products which increased 90%, hobby support products increased 70%, food increased 350%, and herbal food increased 200%.

Now MSMEs in Indonesia are facing new challenges. The COVID-19 pandemic has had a significant impact on MSMEs in Indonesia. In a survey conducted by several elements of survey institutions from 250 MSME users, it was noted that 67% of MSME income had decreased, 10% of MSME had difficulty obtaining raw materials and 5% of MSME experienced cash-flow instability.

METHOD

Basically this service activity is packaged with a training concept based on theoretical presentation and giving examples online through zoom meet. The details of the activities include:

1. Service activities are carried out in the city of Bogor
2. The training participants are alumni of vocational schools in the city of Bogor
3. The number of participants as many as 150 people who do simple random
4. The training technique is the presentation of the material and giving examples
5. The stages of the activity are carried out through three stages, namely preparation, implementation and reporting.
6. This activity was carried out for three days, 03-05 June 2022
7. Implementation of activities arranged in an activity schedule. On the first day, it was held for 4 hours, namely the presentation of basic business concepts. On the second day it was held for 4 hours, namely a presentation on the broad impact of the pandemic on MSME and Corporate businesses, as well as giving examples. On the third day, it lasted 4 hours, namely an explanation of the process for establishing a business entity and what things need to be prepared for its establishment.

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DISCUSSION

The impact of the Covid-19 Pandemic on the business world has hit hard (Karina, et al., 2022). Therefore it is necessary to make systematic efforts so that the business carried out by business actors, especially MSMEs, can still survive (Seto & Septianti, 2021). One of the efforts that can be made is by giving them an understanding, especially regarding how to develop a business in the midst of the Covid-19 pandemic while still following the relevant regulations. The material explained in this training activity includes:

The Urgency of Business Digitalization after the Covid-19 Pandemic

Digital developments in globalization are very influential on the wheels of the economy including the retail market. The retail market, which previously tried to displace the existence of traditional markets, but in fact the existence of the modern retail market is influenced by globalization, it can be seen that some retail markets have started to fall like autumn. One by one, the modern retail market, large scale, micro to small, began to decline one by one. This is due to the lack of consumer interest in shopping conventionally even though the physical facilities are very comfortable and there are almost no gaps. However, by presenting the convenience of shopping in reality, in the digital era, people remain reluctant and prefer to shop online or use media applications. Here are some reasons people are reluctant to do conventional shopping activities:

1. Cost and time efficiency are the main factors in conducting online transactions. Apart from being more efficient in terms of costs, these include transportation costs, parking fees, and accommodation costs which are one package with the transaction process. Not to mention in terms of time efficiency, you need to spend special time doing shopping activities, moreover spending a lot more time selecting and looking for goods, so it requires strong physical strength.
2. Effective in transactions, we don't need to go to shops, malls or places to eat. So that we avoid the risk of fatigue or wasting energy, and avoid the risks of travel such as being stuck in traffic jams, air pollution, and so on.
3. Power Efficiency Shopping activities through digital are also efficient in terms of power. Consumers no longer need to spend time queuing in front of the cashier and waiting to get products/services.

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4. Practical in shopping, which avoids the problem of hassles when shopping online. Consumers do not need to bother carrying groceries, because all ordered items are sent directly to their homes.
5. Competitive price. In digital sales there are millions of business actors, so the price of a product/service is relatively cheap.
6. Many discounts. In digital sales, there are many discount programs, due to financial support from application investors.
7. Comfortable. Shopping online at marketplaces tends to be easy and safe, so it gives a sense of comfort.

Designing a Social Media-Based Digital Business Strategy

Develop social and digital strategies responding to changes that occur in the market by implementing the right digital strategies. Companies such as American Express, Nike and Harvard have been successful in addressing the social needs of their customers, thereby reducing customer retention and acquisition costs and reducing production costs. Moving customers to online marketplaces developing digital strategies requires ready integration of offline and online operating systems. It does not only penetrate the Integrated Marketing Communication, but also becomes an operational manual that must be applied together.

New market penetration of the digital market, Facebook, Google, You Tube to mobile applications have changed the market to be smarter and well-informed. These are the drivers of change that are forcing our company to become more social and digital. Here the importance of utilizing social media, outbound and inbound marketing to achieve a competitive advantage. Remember, fasting is always higher than the big one.

Developing Business Management Capabilities

In the digital era, business people must have a partnership with the digital era as a business reform. The turmoil of the globalization era has had a tremendous impact on almost all aspects of life, one of which is in the world of marketing. Not only traditional markets, modern retail markets are the impact of the digital era of communication on the development of digital communications, modern people, both urban and rural, instead of utilizing communication technology in shopping activities. In the digital era, people tend to spend more on online shopping than conventional shopping. The impact is the collapse of the conventional market, the glory of the conventional market is gradually beginning

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to erode and it is predicted that it will experience massive closures in the future. This is because there are many advantages to online shopping rather than conventional ones. Then several things were formulated that could be used as alternatives to be able to maintain business in the modern retail market in the wave of digital communication developments.

Discussion

Conduct discussions and ask questions about the concept of digital trading and its implications for sales and business existence. There were also discussions in this activity in the form of consultations regarding legal issues that could ensnare online buying and selling actors as well as getting tips for anticipating the law from legal problems that might occur. Training participants can also be enlightened by the view of the concept of business digitization towards increasing sales.

CONCLUSION

Business Development Strategy During the Covid-19 Pandemic is one way so that businesses that have been initiated or already exist can continue to survive during the Covid-19 pandemic. If you don't make breakthroughs in developing your business, it will be difficult to survive well. Because it is not known when the Covid19 pandemic will end, while the government has provided strict limits in the regulations it has made. The community service that was carried out for the alumni of the Bogor City Vocational School, was very beneficial to the alumni. They want to know more about the business development strategy with its breakthroughs besides that they want to know more about government regulations and the consequences if they violate them.

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