

Development of Training Services and Promotion through Website at SMEs Rynde Craft

Fajar Gumilang Kosasih

Abstract - Rynde Craft is a Micro, Small and Medium Enterprise that creates handicrafts from old newspapers. Business strategy undertaken by Rynde Craft is the development of the market to increase the number of consumers. Although it has been going on since 2012, the company's business growth is not optimal. After mapping out the business conditions, the author has identified that the main problem of the company is the development of training and promotion activity. The purpose of this Business Coaching is to assist Rynde Craft in developing training services and promotion through the website. Analytical methods used are External, Internal, Customer, and Competitor Analysis; SWOT; and Gap Analysis. The result of Business Coaching is the enhancement of product identity with the development of training services and enhancement of online promotion by creating a website.

Keywords: Business Coaching; SMEs; Newspaper; Handicrafts; Training Services.

INTRODUCTION

Rynde Craft is the name of an SMEs that sells and produces recycled newspaper handicrafts by adding Decoupage techniques. Decoupage is the art of decorating media from France by attaching paper or cloth to the surface of the media. The objects used in Rynde Craft are objects formed from used newspapers. Products are made, including coasters, wall clocks, photo frames, fruit containers, tissue boxes, various tote bags, and others. Rynde Craft Business was founded by Mrs. Lynde Sitepu in 2012 and until now Rynde Craft does not have employees. In an effort to develop the business, Mrs. Lynde Sitepu has the vision to expand her business into a recycled handicraft company that is well-known in Indonesia with high-quality products. Therefore, in selling its products, Rynde Craft positions products sold as special products with recycled used newspapers by adding Decoupage techniques that have natural, unique, good, and long-lasting quality.

Although it has been running since 2012, the business activities of Rynde Craft have not run optimally. Rynde Craft business

for almost six years has not experienced significant growth. In addition to making these handicraft products, Mrs. Lynde also provided training. Among them in Malang City, Pangkal Pinang, Salemba Women's Prison, and in Kompas Gramedia Jakarta. Sometimes Mrs. Lynde also holds workshops at home and its surroundings. Revenues from providing this training turned out to be greater than the sale of these handicraft products.

The lack of development of the Rynde Craft business since 2012 was due to a lack of promotion made about products and expertise in providing training so that they were not able to make Rynde Craft products widely known by customers. Therefore, Rynde Craft needs to develop training services and create the right promotion scheme for products and expertise in providing training. An alternative choice that can be done by Rynde Craft is to create a website. This promotional activity is also in line with the vision of Rynde Craft who wants to be known as a recycled handicraft company that is well-known in Indonesia with high-quality products.

FRAMEWORK

Profile of SMEs Rynde Craft

To know and understand Rynde Craft, Table 1 is a profile of SMEs Rynde Craft.

Table 1. Profile of SMEs Rynde Craft

NO	PROFILE	EXPLANATION
1.	Owner's Name	Mrs. Lynde Sitepu
2.	Name and Type of Business	Rynde Craft Selling, producing, and providing recycled newspaper handicraft training by adding Decoupage techniques
3.	Business Establishment Background	Hobbies that can generate income
4.	Vision	Become a recycled handicraft company that is well-known in Indonesia for decoupage
5.	Employee	Not available
6.	Business Facility	Mrs. Lynde's house located at KPAD Complex. East Jakarta. Indonesia.

Source: Interview (2018)

After knowing the business profile of the Rynde Craft, the next stage is understanding the business model canvas from Rynde Craft. In the business model canvas, there are nine important components, namely customer segment, customer relationship,

channel, value proposition, key activities, key resources, key partnership, revenue stream, cost structure [6]. Details of the components of the Rynde Craft canvas business model are as follows:

KEY PARTNERSHIP	KEY ACTIVITIES	VALUE PROPOSITION	CUSTOMER RELATIONS	CUSTOMER SEGMENT
1. Relations and Sister 2. Shipping Service Company 3. Decoupage tissue seller	1. Design and production of goods 2. Quality control 3. Storage of products 4. Sales. 5. Member training	1. Decoupage technique 2. Competitive price 3. Quality ethnic products 4. The product is strong and durable 5. Product customization	1. New Product	1. Men and women 2. Age 25-60 years 3. Love art 4. Appreciate Nature 5. SES type C1 (Rp. 1.5 Million - Rp. 2 Million) s.d. type A (> Rp. 3 million).
	KEY RESOURCES		CHANNEL	
	1. High expertise in weaving old newspapers plus decoupage techniques 2. Expertise in providing material in training		1. Social Media (Facebook and Instagram) 2. BBM and Whatsapp 3. Storefront at home	
COST STRUCTURE		REVENUE STREAM		
1. Complementary material costs 2. Electricity costs		1. Sales of handicraft products 2. Training services		

Figure 1. Business Model Canvas of Rynde Craft
 Source: Interview (2018)

External Analysis

The external analysis will discuss the macro conditions of the Rynde Craft business. This analysis is needed to be able to understand macro conditions that can affect business sustainability by bringing opportunities or otherwise provide challenges for business development [4]. The tools used to analyze this external condition are PESTEL. PESTEL is an acronym for six principles in the macro environment which includes political factors, economic conditions, sociocultural forces, technological factors, environmental forces, legal regulatory factors [10].

From the external conditions described through PESTEL, opportunities and challenges can be identified. From the PESTEL analysis, it can be seen that external conditions provide more opportunities for Rynde Craft, although there are also challenges. Opportunities come from political conditions that get support from the government. Economic conditions with projected potential for large transaction opportunities. Socio-cultural and technological conditions provide new opportunities for Rynde Craft to further develop the business towards the online market. Environmental conditions can be a new opportunity for Rynde Craft to diversify its business by utilizing used newspapers into unique handicraft products that are useful and sellable. While the challenge arises from socio-cultural conditions where the Rynde Craft website needs to be created to promote training services.

Internal Analysis

Analyzing internal conditions is needed to understand the strengths and weaknesses that exist in the business and to understand the competitive advantages that can keep the business going forward [5]. Rynde Craft does not have a standard organizational structure that is specifically described in the organizational structure specifically. This

happens because Rynde Craft doesn't have employees. The work is done directly by Mrs. Lynde even though sometimes she is helped by her sister. This chain analysis is used to understand the series of processes found in Rynde Craft that provide profit margins. This value chain analysis is based on the framework of Porter's Value Chain. After understanding the value chain from Rynde Craft, the next step is to describe in more detail the existing business processes [1].

In developing a company, financial analysis is needed in the long run [14]. Mrs. Lynde did not explain the average sales. This business has not been able to produce significant profits so that financial statements have not been made. Financial records that were not carried out were a barrier to a more in-depth analysis of the financial performance of Rynde Craft.

The marketing mix is defined as a set of marketing tools that include product, price, place, and promotion that the company combines to produce the desired response in the target market [11]. By analyzing these four components, we will be able to find links between those that can later be used to improve business performance. To find out the competitive advantage of Rynde Craft, an analysis is needed, namely the VRIO framework. VRIO is a tool used to analyze resources and capabilities of a company that may be owned and which has the potential to generate competitive advantage [2]. VRIO stands for Value, Rarity, Imitability, and Organization [12].

From the internal analysis that has been described, it can be known about the strengths and weaknesses of Rynde Craft. The power of Rynde Craft includes fast communication skills in the organization. The owner can quickly direct his business according to the strategy made. Production capability and quality control that can produce good quality and maintained products and the ability to provide training.

While the weakness of Rynde Craft is that they have not made promotions about training services.

Customer Analysis

To analyze customers or target markets, companies need to understand the behavior of customers and the characteristics of product use. The method used to analyze this is the 5W Model [9]. This 5W model includes the who, what, where, when, and why. To further explore the customer, other than by using 5W, you can analyze the consumer buying process. According to Feller and Hartline (2011), there are five stages of customer activity in the purchasing process, namely need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase evaluation. A company will have a hard time not being able to see which market can be served. Therefore, a business needs to do a segmenting, targeting and positioning analysis so that it can become number one [3].

From this customer analysis, it can be seen that Rynde Craft products can be used by women and men. In addition, for customers, there is no specific time to buy this product. Buying decisions are influenced by several criteria. These criteria include the benefits, functions, size, and motives of products, and distribution channels. In this industry, the position of Rynde Craft products has great value but there are other competitors who have a variety of products so that customers will compare Rynde Craft products with those of competitors. Therefore, Rynde Craft needs to improve and add value to its products and training services so that customers can be satisfied with the value obtained.

Competitor Analysis

Analyzing competitors is important if we want to continue to develop business. This analysis can be useful for business owners to understand the conditions of competition and know the position of our business in the industry. Before discussing further competitor analysis, the first step is to look at the level of competition and activity from the

industry using Porter analysis, then map competitors, and make the perceptual mapping to see the position of the business. When viewed from the Porter Five Forces analysis, the used newspaper recycling handicraft industry is an industry that has intense competition but still has good prospects. This tight competition occurs due to several factors, one of which is that it is not difficult to start this business.

Despite fierce competition, the used newspaper recycled handicraft industry has good prospects because there are no substitute items to make recycled newspaper handicraft products always sought by customers. If it's Rynde Craft compared to competitors, from perceptual mapping, it can be seen that Rynde Craft produces quality products and has lower prices compared to other competitors. Whereas from the CPM analysis, Rynde Craft has a weakness in the distribution channel that is not having a website.

SWOT Analysis and Strategy

SWOT is often used in analyzing external and internal conditions. SWOT is an evaluation of the strength, weakness, opportunity, and threat of a business. The core of this SWOT analysis is not only making a list of 4 SWOT components but also must be able to draw conclusions and translate these conclusions into strategies that can be in accordance with the company's strategy [15]. From the SWOT analysis it can be seen that if Rynde Craft wants to be more developed, it can carry out the following strategies: producing products with many varied motives, selling products online, offering/opening training, and building new channels and conducting promotional activities through the website.

GAP Analysis

Gap analysis aims to find out the existing problems by comparing the current conditions with ideal [13]. After the gap analysis, the next step is to make a grouping of the gaps and give weighting based on the magnitude of the effect caused to the Rynde Craft business. This weighting will be carried out by Mrs. Lynde and coach.

Table 2. Weighting Gap

NO	COMPONENT		GAP	GROUP	AVERAGE GAP (%)
1	Market Opportunity Analysis	Eksternal	Development of training services	Development of training services	95
			Gap on Promotion	Promotion	90
		Internal	Record keeping reports according to standards	Inventory report	20
			Number of distribution channels	Distribution channel	40
			Gap promotional programs carried out	Promotion	90
			Correct financial statements according to standards	Financial statements	30
			Development of training services	Development of training services	95
		Customer	Development of training services	Development of training services	95
			Gap on program promotion	Promotion	90
			Competitor	Gap on Promotion	Promotion
Gap on Promotion	Promotion	90			
2	STP Analysis		Development of training services	Development of training services	95
			Gap on Promotion	Promotion	90
3	Marketing Mix	Product	Development of training services	Development of training services	95
		Price	-	-	-
		Place	Number of distribution channels	Distribution channel	95
		Promotion	Gap on program promotion	Promotion	90

From Table 2 above, the existing gap can be classified as Table 3 below. After weighting is done, the next step is making a Pareto diagram.

Table 3. Percentage Weight

NO	GROUP	WEIGHT	% WEIGHT	CUMULATIVE
1.	Development of training services	5,7	47,5%	47,5%
2.	Promotion	5,4	45,0%	92,5%
3.	Distribution channel	0,4	3,3%	95,8%
4.	Financial statements	0,3	2,5%	98,3%
5.	Inventory report	0,2	1,7%	100,0%
TOTAL		12	100%	

From the table above it can be seen that Rynde Craft has five problems that have hindered business development. The weight of the existing weighting shows the magnitude of the impact of the problem. After knowing the problems faced, it is necessary to resolve the problems to solve them. To do this, the Pareto principle is used

which states that 80% of the problems are caused by 20% of the problems [7]. From this principle, a Pareto Diagram is then created. Figure 2 below is a Pareto diagram of the problems faced by Rynde Craft.

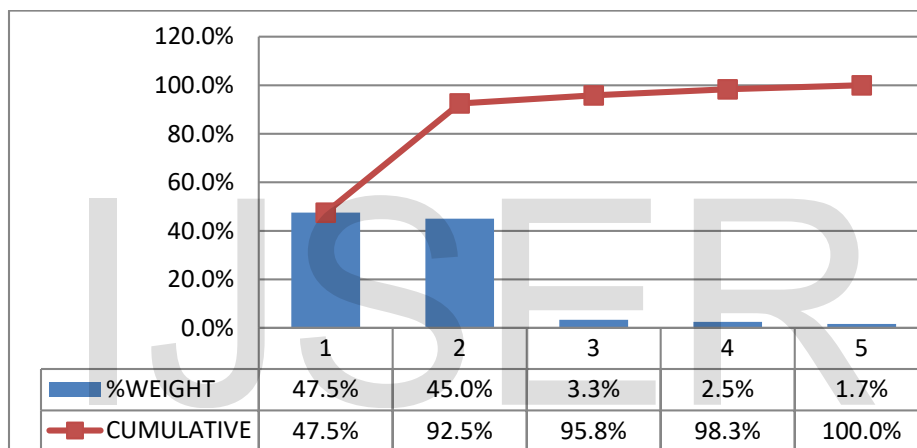


Figure 2. Pareto diagram

From the Pareto Diagram above, the problems that have a big impact come from the development of training and promotion services. Therefore, this business coaching activity will discuss specifically developing training and promotion services.

The promotion that will be developed is through the website. Both of these choices were chosen because they are based on an analysis of external conditions, customer analysis, internal analysis, SWOT and strategies that explain that there are great opportunities in the online market and there is an increasing trend in internet usage and online shopping. To build a website requires a cost that is not expensive because it can utilize the free open source platform that exists so that the costs incurred are only to buy domains and hosting.

BUSINESS COACHING METHOD

Data Retrieval for Gap Analysis

Data collection in this business coaching research was conducted with interviews. Interviewing is the main data collection technique in qualitative research [8]. In this business coaching

research, the coach uses a semi-structured interview to retrieve data. In addition to using semistructured interviews, coaches also make secret purchases or mystery shopping and observation.

Proposed Business Model

From the analyzes described, Mrs. Lynde and Coach agreed to carry out the main strategy of market development. The aim of this strategy is to develop training services and promote them. Development of internet promotion is done through the Website. After knowing the direction of business development, the next stage is a change in the business model. This change in business model will also be in line with the solution of the gap obtained from previous analyzes.

Proposed Business Model Canvas

In this new business model canvas, there is a change from the old model. Changes occur because of the development of training and promotion services. This development will have an impact on changes in the composition of other parts. From the description of each component of the business canvas model above, below is a picture of a new business model canvas.

KEY PARTNERSHIP	KEY ACTIVITIES	VALUE PROPOSITION	CUSTOMER RELATIONS	CUSTOMER SEGMENT
Product:	Product:	Product:	Product:	Product:

<ol style="list-style-type: none"> Relations and Sister Shipping Service Company Decoupage tissue seller <p>Training Services:</p> <ol style="list-style-type: none"> Domain seller and website hosting company Professional videographer 	<ol style="list-style-type: none"> Design and production of goods Quality control Storage of products Sales <p>Training Services:</p> <ol style="list-style-type: none"> Provide training Update new products Update the training schedule on the website Taking a video of product work <p>KEY RESOURCES</p> <p>Product:</p> <ol style="list-style-type: none"> High expertise in weaving old newspapers plus decoupage techniques Expertise in providing material in training <p>Training Services:</p> <ol style="list-style-type: none"> Website management skills 	<ol style="list-style-type: none"> Decoupage technique Low Prices Quality ethnic products Durable product Product Customization <p>Training Services:</p> <ol style="list-style-type: none"> Competitive quality training costs 	<ol style="list-style-type: none"> New Product <p>Training Services:</p> <ol style="list-style-type: none"> Educative information about recycling used newspapers Training schedules on the website <p>CHANNEL</p> <p>Product:</p> <ol style="list-style-type: none"> Social Media (Facebook and Instagram) Storefront at home BBM and WhatsApp Unpaid exhibitions such as those held by Creative Homes <p>Training Services:</p> <ol style="list-style-type: none"> Website 	<ol style="list-style-type: none"> Men and women Age 25-60 years Love art Nature Appreciate Nature SES type C1 (Rp. 1.5 Million - Rp. 2 Million) s.d. type A (> Rp. 3 Million). <p>Training Services:</p> <ol style="list-style-type: none"> Internet users from all over Indonesia Students (individuals/groups) who want to learn to make crafts Women's Dharma, organization, or office. Social activities or associations.
COST STRUCTURE		REVENUE STREAM		
<p>Product:</p> <ol style="list-style-type: none"> Complementary material costs Electricity costs <p>Training Services:</p> <ol style="list-style-type: none"> Domain and website hosting fees Cost of professional videographers 		<p>Product:</p> <ol style="list-style-type: none"> Sales of handicraft products Training services <p>Training Services:</p> <ol style="list-style-type: none"> Ad serving on the website 		

Figure 3. Proposed Business Model Canvas

Business Coaching Process Based on Gap Analysis

After the gap analysis is complete, the main problem will be obtained. From this problem, coach devised a solution that would be proposed. Then after the proposed solution was approved by the owner of Rynde Craft, Coach developed a scheme for resolving the existing gap and implementing it. The following are the implementation stages in the business coaching process.

- Training Services Development Process.
The stages of the implementation of the business coaching process for the development of training services is by making a video tutorial on how to make a product.
- Promotion Development Process through the Website.
Stages in the implementation of the business coaching process to develop promotions through the website.
 - Logo Change and Mascot Making.
 - Website making.

DISCUSSION OF BUSINESS COACHING IMPLEMENTATION

The first stage of Business Coaching is data retrieval and data analysis, in which stages include mentoring activities that coaches. Data collection was carried out by interviewing the research subjects, namely Mrs. Lynde, mystery shopping, and observation. Business coaching was conducted in eight meetings with Mrs. Lynde at her residence at KPAD East Jakarta Complex.

Based on the data or information that has been collected, it is known that the goal to be achieved by Rynde Craft is the development of training services and promoting them through the internet. To support this goal, a video tutorial, logo changes and the making of mascots were made to improve product identity, as well as creating websites for promotion through the internet.

Training Services Development

Previous training services have been done but so far Mrs. Lynde has only focused on retail sales of her products. The development here is intended to make this training service the main core business of Rynde Craft compared to only selling units of its products. The activity that will be carried out to support this development is by making tutorial videos.

Video Tutorial Making

To promote training services, we need a tutorial video on how to make craft products that will be uploaded on the Rynde Craft website. The goal is that customers can first see how to make products and then invite Mrs. Lynde to provide training.

The process of making video tutorials is done by Coach and assisted by Coach's friends and demonstrated directly by Mrs. Lynde. Currently, Mrs. Lynde already has 3 (three) video tutorials made by Kompas Gramedia. To add to the collection, Mrs. Lynde and Coach agreed to make 3 (three) new videos with different types of products. The tutorial video created by Mrs. Lynde serves to explain in detail about a process of working on a product. This is done so that customers can use the services of Mrs. Lynde as a trainer.

Mrs. Lynde has also created a curriculum package for used newspaper recycling training. This package is intended for individuals

and groups who want to learn how to make decoupage crafts from old newspapers. This training can be carried out at Mrs. Lynde's home and elsewhere. The price of this package is only for training carried out at Mrs. Lynde's house, if the training is carried out in another place, the accommodation costs will be added.

Promotion Development through The Website

To develop promotions, we need an attractive logo and mascot and a website as a place to introduce product-making video tutorials.

Logo Change and Mascot Making

The Rynde Craft logo is only in the form of a circle with Rynde Craft written on it. Mrs. Lynde and the coach agreed to change the logo because it was very simple and did not provide an overview of the business activities carried out by Mrs. Lynde. Changes to the Rynde Craft logo are in the font shape and color. The new logo shows bright pastel color gradations to represent the cheerful impression of craft products with high creativity. In order to build associations about Rynde Craft products sold, the theme of the mascot is in the form of old, ethnic, and cheerful newspaper rolls like the symbol of color decoupage tissue. Comparison of old loops and new logos and the new Rynde Craft mascot can be seen in the following Figure 4 and 5:



Figure 4. Rynde Craft Old Logo



Figure 5. New Logo and Rynde Craft Mascot

These logos and mascots will be displayed on the website, printed, and installed on products using hang tags, and can be printed for business cards, flyers, billboards, banners and more. These logos and mascots are expected to be embedded in the minds of customers and reflect perceptions/images of SMEs and products so that they can build bonds about products sold and make SMEs and products feel more vibrant and friendly.

Website Making

Because the main strategy of Rynde Craft is the development of the market using the website. The website is the most important thing for Coach while doing business coaching. In conducting business coaching related to the website, Coach together with Mrs. Lynde discussed several stages. In choosing a website

domain, Rynde Craft chose domain.com with the consideration that domain.com is better known than other domain suffixes. To operate the website in the future, it will be assisted by Mrs. Lynde's son, Rizky. Coach shares knowledge about how to manage websites, one of them is how to upload product photos and video tutorials and how to display training schedules.

The website has been completed and can be accessed at www.ryndecraft.com. The Rynde Craft website is only informative and does not function as a place for buying and selling transactions. The website contains content about education about how and the benefits of recycling used newspapers, tutorial videos on how to make products, photographs of handicraft products, and training schedules. The website can be seen in Figure 6. below.



Figure 6. Rynde Craft Website
Source: <http://www.ryndecraft.com/>

CONCLUSIONS

Business coaching activities that have been carried out have been successful in helping Rynde Craft to:

1. Development of Training Services.
Video making has reached 100% of the target 3 videos that have been determined.
2. Development of Promotion through the Website.
Changes to the logo and the making of the mascot have been carried out completely 100% in accordance with the wishes of Coachee and Coach. The website has been accessed since March 2018. Since then there have been several people who contacted Mrs. Lynde. One who contacted Mrs. Lynde asked to provide training to Dharma Wanita. There is also a group of students from one of University in Indonesia who have participated in the training held at Mrs. Lynde's house to fulfill her lecture duties at the beginning of June 2018.

SUGGESTIONS

Based on the results of the implementation of this business coaching, there are some suggestions that can be done by Rynde Craft to help the development of Rynde Craft business in the future, including Search Engine Optimization, opening opportunities for commercial advertising on the Rynde Craft website, and maximizing promotional activities through ads on social media like Facebook and Instagram.

In a seminar held by INMA (International News Media Marketing Association) in 2015, a speaker presented a slide entitled Newspaper Extinction Timeline which contained the year when print newspapers in various countries would run out. When smartphones are more affordable, more people are using it to access the Internet, including getting information from news sites. Therefore Coach advises Coachee not only to use used newspapers as the main basic material but also to use used paper.

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