

Using the ShopeeFood Partnership to Increase the Selling Power Scale of Malula Donut MSMEs

Anggraini Tri Rahmawati¹, Muhammad Akbar Wiratama²

*Department of Digital Communication and Media Management,
Postgraduate Programme, LSPR Communication and Business Institute Jakarta
Jl. KH Mas Mansyur, Kav. 35, Central Jakarta 10220*

Abstract: MSMEs are expected to be able to develop and are required to have more innovation so that the marketing of their products to the community can be expanded not only in one area. Currently, a new service innovation is emerging from one of the e-commerce sites, Shopee. Shopee presents a new service, namely ShopeeFood (food delivery) which helps MSMEs in conducting sales transactions and payments in cash and non-cash. The purpose of this study is to see the effect of using ShopeeFood partnerships for MSME actors, Malula Donuts until now. This research uses literature study and interviews, with the type of qualitative descriptive research. The results of this study are the many benefits and effects of ShopeeFood services for Malula Donuts MSMEs, such as increasing income for MSMEs, increasing knowledge about digital marketing strategies and so on. So it can be said *that the ShopeeFood service is currently well received by MSME Malula Donuts.*

Keywords: MSME's, Shopee, ShopeeFood, Selling

Introduction

Technological developments have grown rapidly and penetrated all aspects of life. The role of technology is very important in helping and making it easier for humans to carry out various activities. The digital technology revolution that is currently taking place is defined as digitalization. Digital transformation is driving change in the world in building new internet-based technology with implications for society as a whole (Taufikurahman and Firdaus, 2020).

Increased digitalization has affected various sectors, including the business sector which enables various new forms of cooperation between companies and leads to products, service offerings, company relationships with customers and employees. At the same time, this digitalization has put pressure on companies to reflect on their current strategies and systematically explore new business opportunities (Rachinger et al., 2019). Additionally, marketers are also increasingly working more closely with key third parties for mutual benefit, with much more tailored partnership relationships requiring closer working and collaborative practices (Armour, 2014)

Micro, Small and Medium Enterprises (MSMEs) are productive economic enterprises that are the backbone of the Indonesian economy. Even though MSMEs have shown their role in the national economy, they have common problems faced by these small entrepreneurs. Viewed from the marketing aspect, this is a weakness in obtaining market opportunities and increasing market share (Sarwoko et al., 2019). However, the use of digital technology is currently being combined to empower Micro, Small and Medium Enterprises to increase them into new value. By the end of 2020, Indonesia had exceeded its MSME digitalization target to have more than 10 million small businesses using online business platforms. This form of increasing technological innovation is widely applied in the culinary field (Sakudo, 2021). With this process, the sales performance of culinary businesses increases. The ease of selling and transacting makes it faster to spread your wings to get more customers.

In supporting the development of MSMEs in Indonesia, an e-commerce company presented a new service innovation, namely ShopeeFood, in January 2021. ShopeeFood is one of the many Shopee services that focuses on food delivery from various MSME merchants in Indonesia. According to Wistern, Shopee's special project team said that through ShopeeFood MSME players will get several benefits such as reaching wider consumers with connections to more than 80 million Shopee users. ShopeeFood provides support for various customer promotions to increase sales to lead in the business market. DailySocial and Populix also stated the fact that during the self-quarantine period as many as 53% of respondents said that food delivery applications were the choice that was widely used (R, 2021). Even though it is relatively new, this service is able to compete with other food delivery services.

One of the budding entrepreneurs who has adopted online food delivery service is Malula Donuts, which was founded in July 2020 by Nurul. Malula Donuts is a culinary specialty that relies on donuts as its main dish, trying to present them with a variety of flavors that are very tempting among the public, especially those who

are still young. Various variants such as tiramisu, cheese, chocolate peanuts, green tea and blueberry with a choice of donut shapes such as regular donuts and also bomboloni are an effort to present processed donuts that are different from the usual so that they can become a special attraction for consumers. Malula Donuts was originally a home business that was only started during the COVID-19 pandemic, due to social restrictions, the owner of Malula's main business had to stop. Nurul, as a business owner, insists on looking for new opportunities to earn income. The release of Malula Donuts products for the first time only uses their own independent promotional activities. Now they have finally chosen to partner with Shopee to get features on the ShopeeFood service, with the hope of being able to expand their marketing network and increase the profits they receive.

The benefits of this service can be felt directly by culinary entrepreneurs because they do not have to provide a large budget to develop physical stores, add human resources and personal order delivery services because ShopeeFood services can be a very helpful, easier and profitable alternative. With the ShopeeFood service from the Shopee application, application users can order any menu at any time from various restaurant choices. Culinary business actors who do not have a delivery order service can expand their market and compete with franchise restaurants in selling their wares. Apart from that, ShopeeFood is able to provide opportunities for small and medium culinary entrepreneurs to develop their businesses.

From the explanation above, Malula Donuts MSMEs have a marketing method to sell products to consumers, which requires utilizing sales by partnering with ShopeeFood to increase Malula Donuts sales. Based on the background of this problem, the author is interested in compiling research with the title "Use of ShopeeFood Partnerships in Increasing the Selling Power of Malula Donuts MSMEs".

Theoretical Study

Several theoretical concepts used in this research will be explained in the following section. The theory used in this research is new media. The emergence of the term new media is closely related to the presence of the Internet. New media captures both the development of unique forms of digital media and traditional media by being re-adopted to adapt to new media technology (Situmorang, 2012). This technology creates new opportunities for economic actors in using digital platforms that enable human resource development by connecting small companies to digital global commons, such as cloud-based tools, e-commerce platforms, and other applications in economic and social activities (Capri, 2019). This is also based on the theory of strategic alliance and partnership which is defined as an agreement between two companies to start a mutually beneficial project while each maintains its individuality. Strategic partnership alliances can be elastic because the two businesses do not need to combine capital and can remain independent of each other (Tijani, Osagie & Afolabi, 2021).

With advanced technology and ever-changing customer behavior, e-commerce has become an important tool for sustaining business by enabling hours of displaying product and service information online. This partnership model is being built by entrepreneurs in developing their businesses.

Research Methods

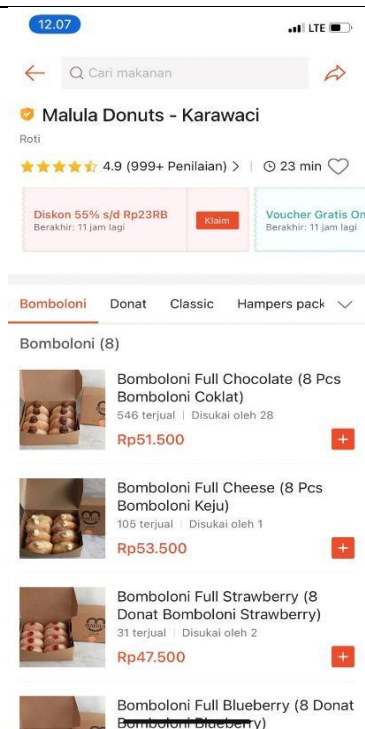
This research uses qualitative research methods and case study research methods. A case study is research in which the researcher explores a particular phenomenon regarding a program, process, institution or social group and collects detailed and in-depth information.

In this research, the author used data collection techniques in the form of interviews, observation, focus group discussions (FGD), and literature study. The subject of this research is the owner of the Malula Donuts MSME itself, whose assumptions and data, according to the author, can be appreciated and acknowledged regarding the development of the Malula Donuts MSME.

The object of this research is how far Malula Donuts utilizes technology by entering into a business partnership with ShopeeFood.

Results and Discussion

Based on the results of literature studies and interviews, the benefits of participating in technology-based strategic alliance partnerships were found. The digital alliance partnership strategy used by MSME Malula Donuts with leading companies such as Shopee creates solutions in the form of expected results. Malula Donuts' partnership with service providers, such as ShopeeFood, provides benefits for Malula Donuts MSMEs, namely in marketing its food products.



Picture 1. Malula Donuts display on the ShopeeFood application

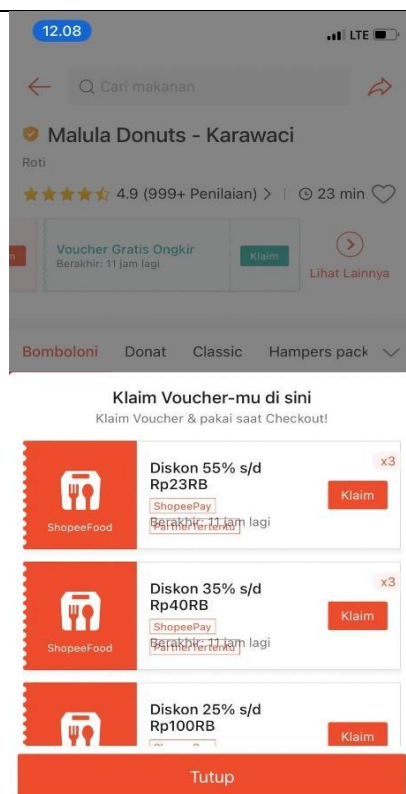
The existence of ShopeeFood has several factors, such as the ease of UI&UX (user interface and user experience) in using device application services, which makes business actors quickly adapt to the transition of marketing systems. Providing easy data and transaction recording services makes the work system of a business more practical and faster so that it is more effective and efficient which has a full impact on reducing operational costs for the Malula Donuts MSME business itself. These businesses continue to expand their focus in this area as the value of partnership marketing becomes clearer to them. The cost-effective nature of partnership marketing and the excitement created by the commercial synergy that links brands together to meet their sales and marketing objectives is more compelling than ever.

The existence of Malula Donuts joining ShopeeFood has several advantages, namely first, cheaper delivery costs for customers/free shipping, where by registering our MSME business with ShopeeFood, customers can get cheaper delivery costs if they don't use the free shipping feature. If you use the free shipping feature, customers will of course not be charged.

Second, namely maximizing the potential of Malula Donuts' culinary business by being registered in the ShopeeFood program, where Malula Donuts can improve their brand reputation very well. Some consumers who initially did not recognize the Malula Donuts brand slowly recognized it and began to be interested in ordering its products.

Third, namely providing a wider range of accessibility from Malula Donuts itself, which ShopeeFood has equipped by providing several hundred thousand drivers who are ready to serve orders. In other words, Malula Donuts doesn't need to be afraid that there will be problems processing online orders because they don't have a driver.

Then fourthly, there are currently abundant promos, where ShopeeFood is intensively introducing their services. Promo after promo is being intensified through Shopee. Many people ordered food in large quantities to get this promo, including orders for Malula Donuts which were in abundance due to the promo given by ShopeeFood. The influence of using the ShopeeFood service through the Shopee application has an impact on Malula Donuts' turnover.



Picture 2. Display of the Malula Donuts Discount Promo on the ShopeeFood Application

The huge potential that exists in ShopeeFood with its massive audience means that Malula Donuts MSMEs must be creative in carrying out promotions both through the Shopee application and social media as a means of marketing their products. The influence of using the ShopeeFood service through the Shopee application can open up opportunities for Malula Donuts to expand its marketing to the majority of people in Tangerang, the majority of whom have gadgets connected to the internet and indirectly this can enable business owners to reach a wide range of customers with a minimal promotional budget. . Malula Donuts must utilize these creative ideas to develop it as a home industry MSME. Practical, safe and fast delivery services based on a GPS tracking system make the ShopeeFood marketing system more effective because customers tend to access seller pages based on the closest distance, so that the potential for customer loyalty to our goods and/or services increases.

Conclusion

Based on the research above, researchers can draw conclusions about why Malula Donuts MSMEs are interested in entering into a partnership by using the ShopeeFood marketplace application service to market their food. There are several factors that support this, such as accessibility and ease of UI&UX (user interface and user experience) using the ShopeeFood application service, which makes businesses quickly adapt to changing marketing systems.

Malula Donuts MSMEs joining ShopeeFood have several advantages, namely first, delivery costs are cheaper for customers or there is even the benefit of free delivery on a regular basis. Second, namely maximizing the potential of the culinary business by being registered with the ShopeeFood program, which means that Malula Donuts can improve the shop's reputation very well. With the increasing reputation of MSME Malula Donuts, this will become the 'free' promotional agenda that ShopeeFood provides to Malula Donuts and ultimately customers will order products from MSME Malula Donuts. Third, namely providing a wider reach where ShopeeFood has equipped it with several hundred thousand drivers ready to serve orders. From here, Malula Donuts will not be afraid if there are problems processing online orders because they don't have a driver. Fourth, there are many promotions currently, where ShopeeFood is introducing their services to the wider community, with the hope that people who order food in large quantities will get the available promotions.

From the solution that has been put forward regarding the partnership of Malula Donuts MSMEs with the ShopeeFood marketplace in increasing sales power, it can be concluded that the use of ShoopeeFood in

increasing sales of Malula Donuts MSMEs has been very good, especially in terms of increasing sales power. By introducing products in an easier, more effective and efficient way, especially in the midst of the Covid-19 storm that has just passed, consumers or potential consumers can also get information about Malula Donuts MSMEs more quickly.

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