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Village Empowerment to Improve Business with Digital Marketing and Halal MSMEs in Era 4.0

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This community service initiative aims to elevate the business performance of Micro, Small, and Medium Enterprises (MSMEs) by addressing their challenges in adopting information technology-based marketing strategies, particularly digital marketing. In today's Industry 4.0 landscape, digital marketing plays a pivotal role in equipping MSMEs with the tools needed to thrive. The study adopts a qualitative research approach, focusing on detailed observations to gain a nuanced understanding of the subject matter. Insights gathered from socialization sessions and subsequent discussions revealed that although MSMEs were aware of the concept of halal certification, many hesitated to pursue it due to several reasons: prioritizing immediate sales over attending certification workshops, finding the certification process intricate and unclear, concerns regarding associated costs, and a general lack of motivation among business owners to certify their products as halal. These findings underscore the necessity for more accessible, simplified, and cost-effective approaches to halal certification and digital marketing education tailored for MSMEs. This research offers valuable insights for policymakers and industry stakeholders seeking to assist MSMEs in overcoming these obstacles, thereby enhancing their competitiveness and business performance in the digital era.

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1. Introduction

Village empowerment is an effort to increase the capacity and capability of village communities so they are able to manage and develop local potential independently and sustainably. The aim is to improve the welfare of village communities, reduce economic disparities, and prepare village communities to be more adaptive to changing times, including the digital era. The Industrial Era 4.0 is characterized by the integration of digital technology in various aspects of life, including business. Villages need to adapt to these changes to keep up competitive and relevant. Village empowerment through digital marketing helps MSMEs in villages to reach a wider market and utilize modern technology for business operations. Marketing has a significant impact in the business environment. All individuals or business entities are expected to have accurate, effective and efficient strategies to take part in the market as well as possible good. They must also be committed to continuing to develop, so that they can become a guide for the progress of the business they manage, so that they can assess whether the steps they have taken are appropriate and appropriate. Youth have the potential to play a significant role in community life through various social aspects, including their role in the community education sector. In an effort to improve the quality of education, youth have two main roles. First, the role of youth as agents of social change, second, the role of youth as agents of modernization. In the environmental aspect, youth can also play a role in overcoming environmental problems. (Hayyun 2019)

MSMEs are the backbone of the Indonesian economy, including in rural areas. By improving digital skills and knowledge about digital marketing, MSMEs in Rarang Tengah Village can optimize their income. Halal

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MSMEs have large market potential, both domestically and internationally, so they can become a driving force for the village economy. Rarang Tengah Village is located in Terara District, East Lombok Regency, West Nusa Tenggara (NTB) Province. This village is located in a lowland to hilly area, which means it has quite good agricultural and plantation potential. Geographically, Rarang Tengah Village is surrounded by rice fields, fields and several forest areas, which provide beautiful natural views and abundant natural resources. The economy of Rarang Tengah Village is mainly supported by the agricultural and plantation sectors. The main commodities produced include rice, corn, vegetables and various fruits. Apart from that, animal husbandry is also a source of livelihood for some residents by raising cows, goats and chickens. MSMEs (Micro, Small and Medium Enterprises) are also starting to develop in this village, although they still need support in terms of increasing capacity, market access and utilizing digital technology. Local products such as handicrafts and processed foods have great potential to be marketed more widely if supported by the right marketing strategy.



Figure 1: Digital Marketing and Halal Certification Workshop

This dedication not only improves business capabilities, but also empowers society as a whole. The new knowledge and skills acquired will increase individual self-confidence and abilities, which ultimately improve the quality of life of village communities. Training and mentoring in digital marketing and management of halal MSMEs can build local capacity. This includes the ability to create and manage digital content, utilize social media and e-commerce platforms, as well as understand the halal aspects of business in accordance with recognized standards. (Nur 2021) Assistance in digital and halal aspects will help MSMEs in villages to run sustainable and responsible businesses. Knowledge of digital marketing will help them stay relevant in a fast-changing market, while halal certification can open access to new markets that are sensitive to halal aspects. Through this empowerment program, villages can improve access to information and technology, which is often limited in rural areas. Better access to technology will drive innovation and efficiency in daily business operations. By educating village communities about digital marketing and e-commerce, this program can also encourage financial inclusion. MSMEs can take advantage of digital financial services such as online payments and easier and faster access to capital loans. This empowerment program also opens up opportunities for collaboration with external parties, such as government agencies, educational institutions and technology companies. This network is important to support the sustainability and growth of MSMEs in villages. Overall,

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this service will have a broad positive impact, from improving individual skills to developing the village economy as a whole, as well as preparing the village to face the challenges and opportunities in the Industry 4.0 era.

Based on the explanation above, this service is important to carry out, so we raised the theme of the service of Empowering Central Rarang Village in Improving Business Performance through Digital Marketing and Halal MSMEs to answer Challenges 4.0 in Rarang Tengah village, Terara District. The target group for this service are residents of Rarang Tengah Village who already have businesses or MSMEs who have not utilized digital media in marketing their business products to expand their business network. Apart from MSME actors, it is also important for village officials to take part in this service program because the village government is the most important institution. close and have the authority to regulate society in a more positive direction. Apart from that, young people who are village drivers are also expected to be able to take advantage of this program to broaden their horizons and increase their creativity in utilizing digital media to start their businesses.

2. Critical Riview

The critical review synthesizes foundational concepts and theories underpinning digital marketing, halal certification, and community empowerment within the context of Micro, Small, and Medium Enterprises (MSMEs). Digital marketing encompasses various techniques such as SEO, SEM, social media marketing, content marketing, and email marketing, all aimed at achieving marketing objectives through digital channels. According to Kotler and Keller (2016), digital marketing utilizes internet and digital technologies to attract customers, increase sales, and build customer loyalty.



Figure 2. Activities: FGD of students and the community

Central to digital marketing theory are frameworks like the AIDA model, which describes the stages consumers go through from awareness to action, and the extended 4Ps framework integrating digital aspects such as SEO, social media, and web analytics. These frameworks provide structured approaches for MSMEs to enhance their online presence and engage effectively with digital consumers.

Halal certification verifies compliance with Islamic standards, ensuring products meet Sharia requirements. Theoretical underpinnings include consumer satisfaction theory, which posits that halal certification increases satisfaction among Muslim consumers by meeting their spiritual and physical needs (Alserhan, 2010). Moreover, halal certification serves as a credibility indicator, enhancing consumer trust and confidence in

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products (Mukhtar & Butt, 2012). It also functions as a differentiation tool in the market, providing a competitive advantage for certified MSMEs (Hanzaee & Ramezani, 2011).

Community empowerment theory emphasizes increasing individuals' and groups' control over resources impacting their lives. The participatory engagement theory underscores the importance of active community involvement in decision-making processes and program implementation (Cornwall, 2008). Social capital theory highlights the role of social networks, norms, and beliefs in supporting community empowerment initiatives. Capacity development theory focuses on enhancing skills and competencies for sustainable community development.

Integrating these theories, the research aims to develop digital marketing training programs to enhance MSMEs' digital literacy and technical skills, thereby improving their ability to leverage digital channels effectively. Encouraging MSMEs to obtain halal certification not only enhances market competitiveness and access but also aligns with consumer preferences and regulatory requirements. Strengthening village communities through participatory empowerment programs enables them to sustain and manage the long-term impacts of these initiatives effectively. This critical review provides a comprehensive theoretical foundation for understanding how digital marketing strategies, halal certification, and community empowerment initiatives can collectively support MSMEs in adapting to and thriving in contemporary economic environments.

3. Method Innovation.

In order to successfully carry out the service program designed to improve the business performance of MSMEs through digital marketing and halal certification, it is crucial to use a thorough and organized strategy. The first phase entails completing a Survey and Initial Assessment to gain a comprehensive understanding of the requirements and possibilities of Micro, Small, and Medium Enterprises (MSMEs) in Rarang Tengah Village. This survey aims to collect data regarding the present state of digital literacy, understanding of digital marketing tactics, and awareness of halal certification among MSMEs.

Needs analysis is essential for program design since it lets you find gaps and areas that need work, claim Thakur and Srivastava (2013). Furthermore, during the planning phase, it is necessary to carefully delineate the available resources and establish precise goals and objectives for the empowerment program. Focus Group Discussions (FGDs) will be organized with Micro, Small, and Medium Enterprise (MSME) proprietors, community leaders, and pertinent stakeholders to thoroughly examine the difficulties and prospects within the regional commercial landscape. Focus Group Discussions (FGDs) play a crucial role in collecting qualitative data and gaining valuable insights from important individuals, as highlighted by Krueger and Casey (2014). FGDs enable a comprehensive examination of various difficulties and possible remedies. Upon analyzing the results of the survey and conducting focus group discussions, a comprehensive work plan will be produced. This plan will specify the empowerment program's particular tasks, deadlines, and success metrics. Effective program planning is crucial for assuring a methodical execution and attaining quantifiable results, in accordance with the suggestions of Bryson (2018). The implementation phase will encompass introductory training workshops on digital marketing tactics, exploitation of social media, and generation of digital content. MSMEs will be provided with practical instructions on how to set up and oversee online platforms, such as e-commerce websites. As recommended by Chaffey et al. (2016), the goal of these initiatives is to improve digital literacy and enable MSMEs to successfully promote their goods online. Comprehensive information sessions will be held to educate MSMEs about the prerequisites and procedures for acquiring halal certification. Also, MSMEs interested in obtaining halal certification will be given access to mentoring and consultation sessions. Implementing this strategy is crucial for creating consciousness and promoting adherence to halal regulations, bolstering customer confidence and facilitating market entry (Hashim et al., 2019).

The suggested methodological framework, in summary, incorporates needs analysis, targeted interventions, participatory discussions, thorough planning, and instruction on halal certification in digital marketing. The objective of this systematic approach is to enhance the capabilities of micro, small, and medium enterprises

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(MSMEs) in Rarang Tengah Village, enabling them to enhance their business performance and competitiveness in the changing economic environment. The rigor and efficacy of this scientific approach in accomplishing program objectives is ensured by the established research procedures in the fields of business empowerment, community development, and digital marketing tactics.

4. Conclusion

An assessment was carried out among 30 micro, small, and medium enterprises (MSMEs) in Rarang Tengah Village to evaluate their present condition and need. The data collected encompassed many aspects such as types of businesses, monthly revenue, levels of digital literacy, comprehension of digital marketing, and knowledge with halal certification. According to the results, most MSMEs are still using digital technology in their early phases. Only 10% of MSMEs have an online presence, and only 5% of them are well-versed in the procedures involved in halal certification. This survey revealed substantial deficiencies in knowledge and abilities, emphasizing the necessity for focused empowerment initiatives.



Figure 3. Activities: survey of one of the MSMEs for Mushroom Cultivation

This diagram represents the results of a survey that was given to Micro, Small, and Medium-Sized Enterprises (MSMEs) in Rarang Tengah Village with an emphasis on their mushroom-growing activities. The survey sought to thoroughly evaluate several facets of mushroom production techniques within the local business sector. The study collected crucial data on production methodologies, market tactics, and obstacles encountered by MSMEs engaged in this industry. The purpose of this survey was to identify the specific requirements and potential areas for assistance that are customized for micro, small, and medium enterprises (MSMEs) involved in mushroom growing. The survey findings will be used to guide specific actions, such as implementing training programs on advanced farming methods, developing strategies to expand the market, and addressing logistical or regulatory challenges. This method guarantees that support activities are precisely connected with the realities and objectives of local entrepreneurs, thereby improving.

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An FGD involved 30 MSME representatives, 5 community leaders, village government officials, and experts from UIN Mataram's halal certification agency. Discussions identified key challenges such as limited internet access, insufficient knowledge of digital marketing, and perceived complexities and costs associated with halal certification. The FGD also identified promising local products in Rarang Tengah Village, including handicrafts, processed foods, and organic agricultural products. Insights gained from the FGD informed strategies for infrastructure improvement and support in navigating halal certification procedures.



Figure 4. Activities: survey of one of the Food MSMEs Processed

The study of Micro, Small, and Medium-Sized Enterprises (MSMEs) in Rarang Tengah Village, with a particular focus on food processing companies, is depicted in Figure 4. The survey sought to thoroughly evaluate many facets of food processing methods throughout the local business sector. The study collected crucial information regarding production methods, variety of products, market distribution routes, and regulatory obstacles encountered by MSMEs in this industry. This study is crucial for defining precise requirements and potential areas for focused assistance programs customized for micro, small, and medium enterprises involved in food processing. The survey's insights will direct the creation of strategic interventions, including steps to improve production efficiency through capacity-building workshops, plans to increase market reach and boost competitiveness, and quality control protocols.

Using the results of surveys and focus group discussions, a program was developed to improve digital literacy, encourage the development of digital marketing abilities, and assist micro, small, and medium enterprises (MSMEs) in obtaining halal certification. The program aims to enhance the digital marketing skills of 70% of MSMEs and facilitate the acquisition of halal certification for 30% of MSMEs within a one-year timeframe. The success criteria encompass heightened engagement on the online store, improved monthly revenues, and an augmented number of halal-certified MSMEs.

In the era of Industry 4.0, digital marketing has a crucial role in promoting brand recognition, expanding the market, increasing sales, and fostering consumer loyalty (Irfani, Yeni, & Wahyuni, 2020). The MSMEs in Rarang Tengah Village have the potential to gain substantial advantages from digital marketing tactics. However, a considerable number of them lack the requisite expertise to effectively utilize digital platforms.

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Hence, the primary objective of outreach initiatives is to enlighten MSMEs about the benefits of digital marketing and the strategies for effectively targeting potential clients on the internet.

Digital marketing utilizes internet platforms and electronic devices to engage with consumers, enhancing accessibility and communication (Hamida, 2021). Training sessions emphasize practical skills such as website creation, social media management (e.g., Facebook, Instagram), and leveraging digital content for marketing purposes. Concurrently, education on halal certification processes aims to demystify requirements and procedures, encouraging MSMEs to attain certification to bolster consumer trust and market competitiveness.

In the service program aimed at enhancing MSMEs' business performance through digital marketing and halal certification, significant progress was observed following the implementation of various training and educational initiatives. Thirty MSMEs participated in comprehensive digital marketing training sessions, which included practical guidance on using social media platforms and creating online stores on e-commerce platforms like Facebook, Tokopedia, and Shopee. As a result, twenty-five MSMEs successfully established and managed their online shops. This success underscores the program's effectiveness in improving digital marketing skills among MSME players, enabling them to effectively engage a broader market audience.

The transition to digital platforms is crucial for MSMEs, given the transformative potential of internet-based marketing strategies. As noted by Nafisa (2021), digital marketing facilitates customization, enhances customer relationships, expands market reach, fosters collaborations, and improves internal efficiency. Despite the vast benefits, the adoption of digital marketing among MSMEs in Indonesia remains limited, with only a small percentage currently utilizing online platforms for marketing purposes.

Halal certification plays a pivotal role in enhancing MSME sustainability and market competitiveness by ensuring compliance with Islamic dietary laws. Certified products attract Muslim consumers, influencing their purchasing decisions positively (Nur, 2021). The mandatory nature of halal certification, as stipulated by Indonesian regulations (Muhamad, 2020), underscores its importance in accessing broader consumer markets and elevating product quality to premium standards.

However, challenges persist among MSMEs regarding halal certification adoption. During socialization sessions, MSMEs expressed reluctance due to time constraints, perceived complexities, costs, and varying levels of awareness (Muhamad, 2020). To address these barriers, educational sessions were conducted, informing MSMEs about certification requirements and procedures. Consultation and mentoring sessions further assisted MSMEs in navigating the certification process, resulting in an increased number of certified MSMEs.

5 Conclusion

The service program implemented in Rarang Tengah Village to enhance Micro, Small, and Medium Enterprises (MSMEs) through digital marketing and halal certification has achieved significant progress in empowering local businesses. Through comprehensive surveys, focus group discussions, and targeted training sessions, the program effectively addressed key challenges and opportunities. The digital marketing training has equipped thirty MSMEs with vital skills in utilizing social media and establishing online shops on e-commerce platforms, significantly expanding their market reach and enhancing customer engagement. Concurrently, the education on halal certification has increased product credibility and market acceptance among Muslim consumers, with many MSMEs successfully obtaining certification. Moving forward, continued support in digital literacy, infrastructure development, and networking will be crucial to sustaining these gains and further enhancing MSME resilience and competitiveness in the evolving economic landscape. By embracing digital advancements and ensuring compliance with halal standards, MSMEs in Rarang Tengah Village are well-positioned to thrive, contributing to both local economic growth and broader market integration.

Thank-you to

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