

## Biopest Product Franchise Business Assistance in The Creative Economy of Farmer Groups, Ponggok District, Blitar Regency

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### Abstract

The Farmer Group of Ponggok District, Blitar Regency, has now used coconut shells that used to be wasted around the Blitar community. And coconut shells produce natural pesticide products called BIOPEST products. BIOPEST products have been marketed among themselves and the environment of the city of Blitar. And the farmer group wants to sell further its target market reach through a franchise business to be more developed and better known by the wider community and improve the economy in Blitar City, especially in the Ponggok district. But the farmer group needs help with branding, distribution, marketing, and making booths for the BIOPEST product franchise business. Because the understanding of the business members of the farmer group still needs to be improved. So that this activity assists these farmer groups to understand better and practice the BIOPEST product franchise business. The method used in this activity is to start with a survey first to identify the current business situation of the Ponggok sub-district farmer group. After that, socialization is held to provide an understanding of the importance of franchise business in a business. It will then be accompanied by packaging and branding, making booths for selling and marketing through social media, and distributing franchise products to consumers. And the last is an evaluation by providing questionnaires or tests that all participants must complete. This test is given at the beginning and end of mentoring to determine how much the participant's understanding of the assistance has increased. The evaluation results show that participants experienced an increased awareness of about 50% from before. So that this mentoring activity is effective in providing insight accompanied by packaging practices, branding, booth making and how to market BIOPEST products through social media.

**Keywords:** Franchise, biopest products, coconut shells, biopesticides

### INTRODUCTION

Creative industries play an essential role in business and economic growth—presidential Instruction No. 6 concerning Creative Economy Growth in 2009. To realize the creative economy in Indonesia, the government currently has a creative economy institution. The development of the creative economy in agriculture begins with creating more environmentally friendly and efficient means of production, renewable energy, product design and packaging design, layout design, management of the uniqueness of the agricultural environment, and recycling of agricultural waste. Or waste. Spin-off (Retiwiranti, 2018).

In this activity, farmer groups use coconut shell waste as a natural pesticide to repel pests. The natural pesticide product is named BIOPEST currently marketed among itself and in the Blitar city area. Now, the farmer group of Ponggok sub-district, Blitar, Regency wants to expand its market share through a franchise business to be more developed and better known by the wider community and improve the economy in Blitar city, especially in Ponggok sub-district. But the farmer group has obstacles related to branding, distribution, marketing, and making booths for the BOPEST product franchise business. Because the understanding of the business members of the farmer group is still insufficient. Even though the business competition is very tight at times like this, you must need proper marketing.

Business competition in today's disruptive era is increasingly fierce. It requires a supportive marketing system to face various existing challenges and risks and can set the right strategy to succeed in business. At the same time, you must be observant in meeting the global market.

High marketing also requires high costs, so alternatives arise for entrepreneurs to save expenses by marketing through a franchise business. It is proven that franchised businesses have been tested and successful in their fields so that general assumptions can bring profits; this factor then becomes the attraction of public interest at large (Ghufron & Fahmiah, 2019).

According to (Dzuluqy, 2019), franchises are divided into three categories: Brand and merchandise franchises, business format franchises, and goods production formula franchises. Of the three franchise groups, this activity will focus on business format franchises, namely licensing the entire package, which consists of all elements to get professional skills in doing business with previously agreed terms (Asdariato, 2017).

The franchise business in Indonesia is currently proliferating because it gets a target according to market share, and the method is more straightforward, which is no longer done traditionally, but can already be done online; the cost is also getting cheaper, and many other benefits when doing a franchise business (Arif et al., 2021). Because the franchise owner only sells his business format and will get money directly from the franchise partner, the partner will automatically become a subscription buyer of raw materials for BIOPEST products to farmer groups.

According to (Setyani et al., 2015), the franchise business in Indonesia is very fast growing, and many tips must be given to develop and succeed. Moreover, the franchise business can reap maximum profits (Dalimunthe et al., 2009)

According (Farida & Ardiansyah 2022) stated that currently, in Indonesia, there are many great opportunities to establish a franchise business, both franchisors and those who participate in the franchise and its potential market share for franchise businesses. Moreover, the Malaysian government is currently powerful in promoting one of the franchise strategies in developing local entrepreneurial businesses, especially Malay groups (Mohd Harif et al., 2011). Indonesia must now be able to develop a franchise business because its market share is very potential.

According to (Febriansyah & Rachmawati, 2013), Indonesian people's interest in franchise business opportunities is relatively higher. This figure is characterized by the value of its customers, who have a proactive attitude toward market changes, the ability to anticipate changes in customer demand, and a commitment to understanding, anticipating, and responding to changing market changes (Alisha, 2019).

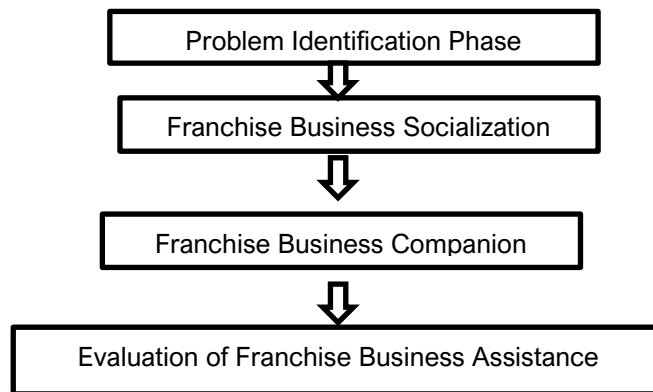
(Pamugkas, 2014) Furthermore, (Chiou et al., 2004) stated that business characteristics, location, and managerial abilities influenced the franchise's success. So that in running this franchise business, farmer groups must understand the entire business in terms of characteristics, the right location to sell, and managerial abilities; all farmer groups here are required to understand so that the BIOPEST franchise business runs smoothly and successfully. Moreover, motivation is essential for franchisees and franchisors related to real problems in the franchise business (Yang & Sutrisno, 2018).

According to (Pamugkas, 2014), business characteristics, location, and managerial abilities influence the franchise's success. So that in running this franchise business, farmer groups must understand the overall business in terms of characteristics, the right location to sell, and managerial abilities; all farmer groups here are required to understand so that the Franchise Biopest business runs smoothly and successfully.

So that the assistance of farmer groups in the creative economy era with a franchise business is one way of development in facing competition to compete and increase income. For the economic welfare of farmers, it is appropriate to strengthen the foundation of franchise business knowledge development (Harto et al., 2019).

## **METHOD**

Community Service (PKM) related to socialization and workshop on the Importance of Franchise Business for Micro Products in Blitar Regency. The time for the service is February 2 - 28, 2023. This PKM involves partners of Farmer Groups in Ponggok District, Blitar Regency. The role of partners in service is to provide a place for socialization and ensure that the products to be made by the franchise are superior products in Ponggok District by utilizing coconut shell waste that accumulates among the community.



**Figure 1.** Methods of Implementation of Mentoring

Regarding the method of implementing mentoring, there are four stages of implementation:

- At this stage, the problem identification stage of Focus Group Discussion and Field Survey determines the products in the Ponggok sub-district, which will be optimized by the Focus Group Discussion method with Farmer Groups. When the best product has been determined from the discussion results, a direct survey is carried out to the Ponggok sub-district farmer group that produces the best product that has been determined.
- Socialization of Franchise Business Socialization to farmer groups related to franchise business will discuss Branding, making booths for selling, marketing systems, how to package products, and online promotion through social media.
- Franchise Business Assistance Farmer group assistance is carried out during direct practice to make attractive Branding easy for consumers to remember. How to create a booth to sell in each branch and market products with social media. This devotion is accompanied by producing a product.
- The evaluation of Devotion Franchise Business Assistance will end with an evaluation using a questionnaire sent to the mentoring participants, namely the Ponggok di sub-district farmer group, at the beginning and end of the activity. The evaluation is to measure participants' understanding of participating in this mentoring. So that community service can run well.

## RESULTS AND DISCUSSION

The purpose of implementing PKM in Franchise Business is to increase the understanding and knowledge of farmer groups to strengthen their competitiveness in the market by creating value-added products. To achieve this PKM goal, socialization, and mentoring methods were chosen. In this case, socialization provides information related to the franchise business: Logo mechanism, packaging, and internet marketing. In this case, mentoring is a common practice using applications to create product logos, take good product photos, create product packaging, market entry mechanisms, and create booths.

This franchise business activity to create marketing for farmer groups in Ponggok District, Blitar Regency, only lasts one month, February 2 - 28, 2023, and is attended by 14 people.

During the first and second days of socialization, then in the following days, assistance was carried out to make attractive product packaging and booths for franchises. At the beginning and end of the activity, an evaluation was given through a questionnaire to determine the participants' understanding of the material presented by the assistance team. Moreover, the evaluation results stated that participants' understanding increased by 50%. It can be concluded that participants experienced a strong understanding after the assistance of this activity. Furthermore, all parties are satisfied with this activity. The farmer group present expressed their gratitude to the assistance team who were present at the Farmer Group House in Ponggok District



**Figure 2.** Socialization Business Franchise

The product that will be franchised is a natural pesticide branded BIOPEST. The target market of the product is farmers. The BIOPEST products are sold starting from Rp. 8,000 for 600 ml products and Rp. 15,000 for 1.5-litre products. The farmer group carries out the packaging and branding design. The assistance team provides direction and ideas for packaging and branding to make it more attractive (such as in picture 3).



**Figure 3.** Packaging and Branding

After the business with the product is complete, create a booth to sell BIOPEST products which will later be used as a franchise, as shown in the picture below.



**Figure 4.** Making BIOPEST Product Booth

Farmer groups feel participating in this activity will help them develop BIOPEST's product business.

Using a franchise system is easier to develop among the community because more people market and focus more on their target market. This activity is a problem-solving to create social welfare for farmer groups in Ponggok District, Blitar Regency.



Farmer groups in Ponggok District, Blitar Regency, tend to produce unique products. This uniqueness allows the assistance team to easily design brands and product packaging for social media marketing. In making brands and packaging, it must be made as attractive as possible so that the public easily recognizes it and more and more will join the franchise system held. Community service assistance teams and farmer groups market and promote BIOPEST products through social media to make it easier to get target markets.

The assistance team will still give time for guidance if there are still things that need to be understood by the farmer group. The purpose of this activity is to monitor changes and continue to encourage farmer groups in Ponggok District, Blitar Regency, to continue their activities in doing franchise business. The assistance can be via WhatsApp (WA), SMS or telephone.



**Figure 5.** Assistance Business Franchise Evaluation

### **CONCLUSION AND RECOMMENDATION**

After this mentoring activity, farmer groups understand how to do franchise-based business, from branding to promoting and distributing franchise products.

Mentoring participants have an increased understanding of about 50% from before; this is measured through evaluation using questionnaires/tests that all mentoring participants must fill out. All participants were very enthusiastic and active in participating in this mentoring activity. Hopefully, this assistance will be useful and sustainable in the future. Even though the activity has ended, the assistance team continues to monitor, and all participants can still communicate and consult related to the business that has been carried out if there are obstacles in the future. Farmer groups continue to network to develop their businesses in helping rural group businesses increase family income; the government continues to promote human resource development and capital cooperation.

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