



Economic empowerment through the development of food and beverage micro enterprises

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ARTICLE INFO	ABSTRACT
<p>Article history Received: 2023-05-14 Revised: 2023-05-15 Accepted: 2023-05-22 Published: 2023-06-27</p> <p>Keywords Micro, small and medium enterprises Economic empowerment food and beverage Diversification product PIRT</p>	<p><i>Kecamatan Grati is one of the sub-districts in Pasuruan Regency, famous for its various potentials both in terms of tourism, religious areas and geographically strategic. This Community Service focuses on the food and beverage sector business belonging to LAZISNU (Lembaga Amil Zakat and Shodaqoh NU) in Kecamatan Grati, which is centered in the Pujasera MSME Center in Gratitunon Village. Another thing that also needs to be developed in this community group in Kecamatan Grati is the entrepreneurial spirit in order to produce a jointly managed business unit so that community empowerment in Kecamatan Grati can be ensured. Therefore, the service team carried out a mapping of problems related to improving the local economy faced by LAZISNU partners (business mamin) through FGDs, Technical Guidance about diversification product and socialization PIRT. The impact obtained by MSME actors on BIMTEK activities about diversification product are: (i) improved skills and knowledge (ii) increase in product added value (iii) expansion of market share (iv) increased competitiveness (v) improved brand image (vi) business continuity. Next, the impact obtained by MSME actors on BIMTEK activities about socialization PIRT are: (i) compliance with regulations (ii) product quality improvement (iii) customer trust (iv) access to a wider market (v) consumer protection (vi) increased professionalism. The originality of this service program (Pengabdian Kepada Masyarakat) is that MSME actors can increase their income, product diversification, and product added value, through technical guidance which is carried out by inviting speakers from the agricultural technology field.</i></p>
<p>Kata Kunci Pemberdayaan ekonomi makanan dan minuman PIRT Produk diversifikasi UMKM</p>	<p>Pemberdayaan ekonomi melalui pengembangan usaha mikro makanan dan minuman. Kecamatan Grati merupakan salah satu kecamatan di Kabupaten Pasuruan yang terkenal dengan berbagai potensinya baik dari segi pariwisata, kawasan religi maupun strategis secara geografis. Pengabdian Masyarakat ini berfokus pada usaha bidang makanan dan minuman milik LAZISNU (Lembaga Amil Zakat dan Shodaqoh NU) di Kecamatan Grati yang dipusatkan di Sentra UMKM Pujasera di Desa Gratitunon. Hal lain yang juga perlu dikembangkan dalam kelompok masyarakat di Kecamatan Grati ini adalah jiwa kewirausahaan guna menghasilkan unit usaha yang dikelola bersama sehingga pemberdayaan masyarakat di Kecamatan Grati dapat terjamin. Oleh karena itu, tim pengabdian melakukan pemetaan permasalahan terkait peningkatan ekonomi lokal yang dihadapi mitra LAZISNU (mamin usaha) melalui FGD, Bimbingan Teknis tentang diversifikasi produk dan sosialisasi PIRT. Dampak yang diperoleh pelaku UMKM terhadap kegiatan BIMTEK tentang diversifikasi produk adalah: (i) peningkatan keterampilan dan pengetahuan (ii) peningkatan nilai tambah produk (iii) perluasan pangsa pasar (iv) peningkatan daya saing (v) peningkatan brand image (vi) keberlangsungan bisnis. Selanjutnya, dampak yang diperoleh pelaku UMKM terhadap kegiatan BIMTEK tentang sosialisasi PIRT adalah: (i) kepatuhan terhadap regulasi (ii) peningkatan kualitas produk (iii) kepercayaan pelanggan (iv) akses pasar yang lebih luas (v) perlindungan konsumen (vi) peningkatan profesionalisme. Keaslian dari program Pengabdian Kepada Masyarakat ini adalah para pelaku UMKM dapat meningkatkan pendapatan, diversifikasi produk, dan nilai tambah produk, melalui bimbingan teknis yang dilakukan dengan mengundang narasumber dari bidang teknologi pertanian.</p>

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INTRODUCTION

Kecamatan Grati, one of the sub-districts in Pasuruan Regency, is famous for its various potentials both in terms of geography, social, and economy. First, tourism potential; Ranu Grati Lake is located between three villages, namely Sumberdawesari Village, Ranuklindungan Village, and Gratitunon Village. Ranu Grati Lake is a volcanic lake which is a naturally formed lake. This lake is visited by many local residents or visitors from outside the area as a tourist destination, as well as to capture photos of the sunset.

The second potential of the area is a religious and Islamic area so it is known as the City of Santri. The nickname actually cannot be separated from the existence of Pasuruan Regency itself, which is widely known as the City of Santri in East Java Province. This area is a place for the growth of Islamic boarding schools since the days of the Dutch East Indies. This makes Pasuruan Regency, including Grati Subdistrict, decorated with the growth and size of religious organizations, as well as the development of Islamic religious activities; including recitations, prayer groups, congregations of tahlilan, istighotsah, and others. In addition, the third potential is a strategic location, where the Kecamatan Grati area can be reached by three transportation accesses, namely highways, trains, and toll roads. Pasuruan-Probolinggo (Exit Toll Grati Km 809).

Based on the analysis of the situation, it can be said that these potentials open up a large space for community economic transaction activities so that they become local potentials that must be improved and optimized again, especially in the economic development sector, especially for MSMEs. Hayati and Fatarib (2022), in their research found that MSMEs play a crucial role in expanding employment opportunities, contributing significantly to economic growth, promoting income equality, and enhancing the competitiveness and resilience of the national economy. However, MSMEs face various challenges, including declining sales, difficulties and high costs of raw materials, hindered operational distribution, capitalization issues, and production constraints. Therefore, the recommendations from this study emphasize the importance of micro and small businesses adapting to current technologies to enhance product competitiveness. Additionally, optimizing the potential of financial institutions can serve as an alternative source of funding for rural MSMEs. In carrying out economic development for MSME, creativity is needed to increase local competitiveness. Munro (2017) argues that creativity is understood as the main driver of the national economy, so that the development of creative industries is needed to increase local competitiveness. MSME is a stand-alone productive business unit, which is carried out by individuals or business entities in all economic sectors (Tambunan, 2012).

This Community Service focuses on the food and beverage sector business belonging to LAZISNU (Lembaga Amil Zakat and Shodaqoh) in Kecamatan Grati, which is centered in the Pujasera MSME Center in Gratitunon Village. The development of this food business is one of the activities of LAZISNU Grati. LAZISNU is one of the institutions in the NU organizational management structure at the sub-district level. The NU board at this level is called the NU Branch Representative Council (MWC NU). LAZISNU itself is an institution in charge of managing donations from the community for activities that are beneficial to the people around them. One of these fundraising and management programs is known as Koin NU, which is the collection of funds from members and their use is addressed to NU members.

The NU Coin Program empowers its members to be independent through financing the basic needs of citizens in the fields of health, economy, assistance issued to help disaster victims, education, being a source of financing for NU activities, as well as providing business capital for members. In the ongoing business development by LAZISNU, there have been two street food businesses, namely PKL Rombong egg rolls and Rombong cassava cakes (jemblem). So far these two street vendors are managed by LAZISNU members and want to be developed as businesses that increase their sales units and business income and strive for the availability of healthy snacks. Farida (2018) states that by seeking the availability of healthy, halal, and short-cooking food, is one of the business opportunities in the culinary field.

Furthermore, another thing that needs to be developed also in community groups in Grati Subdistrict is the entrepreneurial spirit which is pursued by the established group (MSME Mamin) so that it can produce business units that are managed together and the results are used together so that it can be ensured that community empowerment in Kecamatan Grati is running. This statement is in line with research by Rakib (2020), The findings suggest that the implementation of the community's economic empowerment strategy has positively impacted the socio-economic status of individuals. The participants' skills and knowledge have notably improved, and the model has effectively supported residents in their business endeavors. As a result, they have experienced increased income and gained proficiency in business management. Consequently, it is crucial for the government to provide facilitation and support to these individuals, enabling them to further enhance their entrepreneurial skills and business management capacities within their local communities. This statement is in line with (Kesi, 2011) that the higher the empowerment process will be able to create community empowerment. This is in line with the goal of community development itself which is to empower individuals and groups through strengthening the capacities needed to change the lives of their communities.

Community development itself is divided into several aspects, namely the goal of generating full participation of the community, and the ultimate goal of realizing the ability and integration of the community to develop themselves. In the community development process, the most important aspect is the involvement of the community itself, therefore this planned community service is Economic Empowerment through the Development of Food and Beverage Micro Enterprises in Kecamatan Grati, Pasuruan Regency.

Dogan (2015) argues that in a business attitude there needs to be a management model and the objectives of the strategy include forming a vision of the future by preparing, organizing, coordinating, and controlling future activities. Hitt, M. A., et al (2017) stated that strategic entrepreneurship is entrepreneurial action that is taken with a strategic perspective. Entrepreneurial action using a strategic perspective is helpful to identify the most appropriate opportunities to exploit and then facilitate the exploitation to establish competitive advantages (hopefully ones that are sustainable for a reasonable period of time). The originality of this service program is that MSME actors can increase their income, product diversification, and product added value, through technical guidance which is carried out by inviting speakers from the agricultural technology field for practicing food processing.

There were several previous studies that also discuss economic empowerment and entrepreneurship. According to Toma, S. G., Grigore, A. M., & Marinescu, P. (2014) Entrepreneurship is a multifaceted phenomenon, being analysed as a process, a resource or a state-of-being. Entrepreneurship is therefore a creative human process, one which mobilizes resources from one level of productivity to another, a superior one. The essence of entrepreneurship is the ability to create something new and different (to create new and different) through creative and innovative thinking. Entrepreneurship is one type of independent business founded by an entrepreneur or commonly referred to as an entrepreneur. An entrepreneur is someone who has the ability to create new jobs and research better ways or techniques to use resources, reduce waste, and produce goods and services to meet the needs of others.

Arya et al. (2023) conducted community service in the village of Sembalun Timba Gading, where the farmers directly sell their harvest without processing it. In order to enhance the economic value in Sembalun Timba Gading Village, there is a need for creativity in utilizing the existing commodities to produce high-value products. In terms of product marketing, it is expected that the community can leverage information and technology platforms such as social media and others. Anatan, Lina dan Nur. (2021) stated that To be able to achieve this goal, digital-based business transformation needs to be conducted and requires the support of two key factors, namely the level of digital literacy and high quality of products or services. Some strategies that can be done are to focus on core competencies, mastering skills, customer centric strategies, reduce production costs, and expand market share to the international level.

Sumiati and Panjaitan (2022) conducted a community service project titled "Assistance in Brand Design and Product Packaging of MSMEs in Segunung Hamlet, Karang Wulung Village, Wonosalam District." The outcomes of this initiative are evident in the planning of branding and the design of product packaging, encompassing aspects such as shape, structure, materials, colors, images, typography, and design elements with product information. These enhancements enable broader marketing opportunities for the products. An exemplification of the project's success is the flagship product of Dusun Segunung, Tahu Walik Udang, which now boasts an attractive packaging design. Consequently, the packaging serves not only as a means of wrapping but also as a means of protection, prolonging the product's shelf life, facilitating brand identification, and distinguishing it from competitors in the market.

Frederick, H., O'Connor, A., & Kuratko, D. F. (2018) describe that entrepreneurship is at the heart of our socioeconomic evolution, providing new jobs, creating new wealth and influencing change in our social and industrial landscape. For a business attitude, there must be a management model, namely strategic management in its management, the purpose of the strategy is to form a vision of the future by preparing plans, organizing, coordinating and controlling future activities as shown by Dogan (2015). Based on Sari et al. (2016), characteristic of entrepreneur is divided into three variables (i) Personal (Individual) Characteristic, which is explained by indicators of age, education, experience (related with entrepreneurship) and cosmopolite. (ii) Psychological Characteristic, which is measured by indicators of hard working, self-confident, discipline, dare to take the risk, tolerance to uncertainty, innovative, self-reliant, and responsible; (iii) Entrepreneurship Competency, which is described by indicators of managerial competency, conceptual competency, social competency, decision-making competency, and timing competency.

Therefore, this community service aims to enhance the economic potential or mamin (food and beverage) businesses owned by LAZISNU (National Alms Agency of Nahdlatul Ulama) as well as local Micro, Small, and Medium Enterprises (MSME) in the mamin business center in Grati District, Pasuruan. The objectives include developing and providing guidance in business planning for the participants, as well as evaluating the impact of the business planning on increasing revenue and profits. One of the first goals in the SDGs program is to eradicate extreme poverty, namely people with purchasing power of less than IDR 7,800 per day. This point is in line with economic empowerment, especially for micro, small and medium actors in the food and beverage sector in this Grati sub-district. Micro, small and medium enterprises are expected to be more productive and able to improve their standard of living.

METHOD

This community service activity is carried out in Grati District, Pasuruan Regency. Grati is one of the districts in Pasuruan Regency, located in the eastern part and approximately 15 km away from Pasuruan City. The location and distance of Grati District to Malang City (Brawijaya University) are in Figure 2.

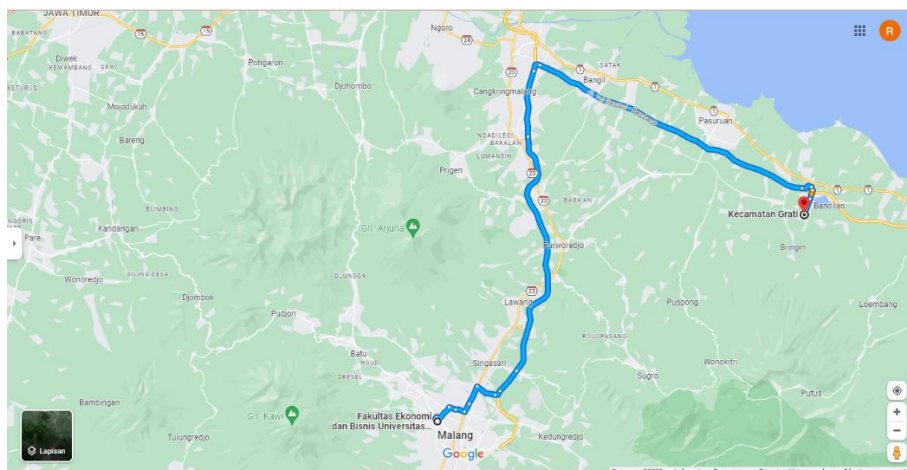


Figure 1. The location and distance of Grati District to Malang City (Brawijaya University)

In this community service, we have implemented a range of structured and tested methods to achieve our established goals. The methods employed involve meticulous planning, systematic data collection, in-depth analysis, and the application of relevant and sustainable solutions. We also adopt a participatory approach that involves collaborative activities with relevant stakeholders, such as the local community, non-governmental organizations, and local government authorities. Through these methods, we aim to achieve significant and sustainable outcomes in our efforts to improve the well-being and address the conditions in the Grati sub-district, Pasuruan Regency.

a. Conducting Focus Group Discussions to find the core problems faced by partners

Focus group discussion is frequently used as a qualitative approach to gain an in-depth understanding of social issues. The method aims to obtain data from a purposely selected group of individuals rather than from a statistically representative sample of a broader population. Even though the application of this method in conservation research has been extensive, there are no critical assessment of the application of the technique. In addition, there are no readily available guidelines for conservation researchers (O. Nyumba et al, 2018).

This focus group discussion activity was attended by the service team, LAZISNU, and MWC NU administrators as institution that coordinate and drive the economy in the Grati area. This activity is led by a moderator from the service team. The purpose of this activity is for members of LAZISNU who own food and beverage MSMEs to gain new insights or knowledge through the organized BIMTEK (Training and Workshop).

b. Technical Guidance

Technical guidance is an activity where participants are given useful trainings in improving competence which is carried out by delivering speakers related to Economic Empowerment through the Development of Micro Food and Beverage Enterprises. Badriyah (2019) stated that the training aims to provide guidance and sharing. Firstly, in this stage, we undertake the process of conceptualizing, strategizing, and organizing various individual components to form a cohesive entity that functions as a system design (Mariane et al, 2021).

c. Evaluation Stage

In the Evaluation Stage, it is carried out to assess how the impact of the business planning training, especially on the participants in the food and beverage businesses owned by LAZISNU and MSME as well as the food street owned by the local Grati community, is carried out. There are four indicators of the success of the business plan training. First, increased turnover from businesses in the food and beverage sector (egg rolls and cassava) owned by LAZISNU and increased turnover from food street and MSME owned by local communities in the Grati area. Second, increased profit/profit from the food and beverage business owned by LAZISNU and food street and MSME owned by local communities in the Grati area. Third, the increasing number of rombong from the food and beverage business (egg rolls and cassava) owned by LAZISNU and food street and MSME owned by local communities in the Grati area. Fourth, product advantages from the variety of menus, attractive presentations and competitive selling prices from the food and beverage business (egg rolls and cassava) owned by LAZISNU and food street and MSME owned by local communities in the Grati area.

The importance of evaluation stage was described by Ardle and Murray in their research about the evaluation in community development (2020). Their contention is that a comprehensive comprehension and consensus on the purpose and procedures of community development, encompassing the recognition of community within and beyond a specific location, are vital for effective "measurement." By referring to global evaluation standards and frameworks, we deduce that community development initiatives can gain valuable insights from them, provided that communities hold central decision-making positions. We propose a set of principles to guide evaluation endeavors in community development, asserting that sound community development processes and the resulting outcomes inherently embody a theory of change.

These are the three stages carried out by the team in this community engagement activity. The determination of these three stages is also based on research conducted by González-Tejero and Molina (2022). The findings revealed a clear and

direct correlation between the organization and the development of business leaders through skill-building and competency programs. Additionally, this training demonstrated a strong connection to the implementation of corporate entrepreneurship processes within the organization. Nevertheless, there exists an indirect association between organizational activities and processes and the occurrence of intrapreneurship activities.

RESULTS AND DISCUSSION

Based on the FGD, as the first step taken by the service team with MSME actors, one of the main problems for MSME actors is how to maintain their business so they don't lose competition with cafes that are often found and tend to sell views. From the discussion session, the speaker gave an answer that there is willingness to pay, calculation of cost of goods sold, good business management is applied to cafes that sell this view. Based on the results of the FGD, it is known that micro, small and medium enterprises still need to improve the quality of their products, especially regarding product diversification. Therefore, product diversification assistance is carried out. Not only material is delivered, but product processing and product diversification are also carried out. One of its products is making corn tortilla chip products and fish sauce (Figure 2).

Dani et al (2021) stated that product differentiation and brand image have a positive effect on competitive advantage. Wilar et al., (2017) state that product differentiation is a company's product offering that has something better and cheaper that will create higher value for consumers than competing products. Therefore, in this service, material related to the diversification of food commodities was also presented by speakers from the Faculty of Agricultural Technology. It aims to make it easier for MSME actors to diversify their products so that they can increase their turnover and profits.



Figure 2. Door prizes were given to the active participants

As shown in the figure above, the community service team provides a quiz at the end of the counseling session as an evaluation to assess participants' understanding of the presented material. Furthermore, the team awards a door prize as a reward to participants who actively engage in the discussion. The second stage, carried out the delivery of material and BIMTEK, where the presenter said that the competitor mapping had to be apple to apple, if a coffee shop was compared to a cafe, it became unbalanced because cafes have cost components including tax costs, advertising and so on which costs are not included in the ordinary coffee shop. Likewise, with MSME players, if you want to develop your business, you need to conduct a competitor analysis so that your business can be sustainable and identify the level of competition. Labib and Wibawa (2019) stated that as many as 56 companies were declared direct competitors and 35 companies were declared as indirect competitors, so it can be said that the mobile payment industry in Indonesia currently has a very high level of competition.

Furthermore, MSME actors can identify their competitors by analyzing competitor maps. Identification of competitors can be divided into competitors who have similar or dissimilar businesses that have the same market share. For example, MSME (egg roll business) actors can make MSME (cilok/batagor) actors their competitors because their business sectors are both engaged in the food sector. Then, a competitive analysis can be done both in terms of price and product variations).

Competitiveness, as defined by the World Economic Forum (WEF) (2021), pertains to the overall competitiveness of a country, measured on a macro level. At the regional, industry, and enterprise levels, the primary goal of enhancing competitiveness is to improve performance and attain a competitive advantage. Competitive advantage is attained through the implementation of a unique strategy that distinguishes a company from others, resulting in reduced production costs, capitalizing on market opportunities, and countering competitive challenges. Based on this, MSME

actors also need to understand the needs of their consumers, such as by directly asking consumers what business improvements need to be made.

Kotler and Armstrong, (2010) suggest that the identification of competition can be seen from two perspectives, namely the industry point of view and the market point of view, because in determining competitors a company must understand the existing competition patterns and how a company tries to meet the needs of the same customer. Based on this, MSME actors also need to understand the needs of their consumers, such as by directly asking consumers what business improvements need to be made.

Still in the session of delivering material and BIMTEK, the presenters also mapped the problems faced by MSME actors so that they could be known in more detail regarding the obstacles faced both from the production side, from the marketing side and from the financial management side. It is known that several MSME actors face problems in terms of raw materials for producing apple cider and crispy fish. This is because the raw materials are obtained seasonally. Therefore, it is necessary to substitute raw materials so that MSME actors can still produce and sell their products.

Based on these problems, the BIMTEK activities carried out were the production of corn tortilla chips and fish sauce and socialization of PIRT business legality permits. The community service activities related to product training were carried out by making corn tortilla chip products which were delivered by a team of students who assisted the community service activities. The choice of making tortilla chip products is intended because these products are more popular with generation Z, so that their market share will also be easier. In addition, the process of making corn tortilla chips is relatively easy because the ingredients used are easier to find. Processing of fish sauce is also carried out because the superior product at Grati is lempuk (Figure 3).

The impact obtained by MSME actors on BIMTEK activities carried out were the production of corn tortilla chips and fish sauce. First, Improved skills and knowledge: Food diversification training will provide MSME actors with the necessary knowledge on various ingredients, techniques and recipes to create diversified food products. They will learn about market trends, customer needs and how to develop exciting new products. This will enhance their skills and abilities in producing different and innovative products. Second, increase in product added value: Food diversification can help MSME actors to create products with higher added value. With the right training, they can incorporate new ingredients, create flavors, improve product quality, or present products to specific market segments. This will help them produce more attractive products and differentiate themselves from competitors.

Third, expansion of market share: Food diversification training will open opportunities for MSME players to expand their market share. By having a variety of products, they can reach a wider and more diverse customer base. This will help them attract new customers and expand their distribution network. In the long run, expanding market share can result in increased sales and better business growth. Forth, increased competitiveness: Food diversification will help MSME actors to increase their competitiveness in the market. By having a more complete product portfolio, they can offer their customers more choices. This will help them meet different customer needs and preferences, and create a competitive advantage. Higher competitiveness will help them survive and thrive in an increasingly competitive industry.

Fifth, improved brand image: With food diversification, MSME players can build a stronger and more diverse brand image. They can be considered as creative, innovative and high-quality food manufacturers. This will help them gain customer trust, increase brand loyalty and differentiate themselves from competitors. A good brand image will also open up opportunities for better cooperation and business partners. Sixth, Business continuity: Food diversification can help MSME actors to achieve better business sustainability. By having diversified products, they may face risks associated with changes in market trends or customer demands. If one product experiences a decline in sales, other products can still provide a stable source of income. This will help MSEs.



Figure 3. Production of corn tortilla chips and fish sauce

Based on these problems, the BIMTEK activities carried out were the production of corn tortilla chips, fish sauce and socialization of PIRT business legality permits. The community service activities related to product training were carried out by making corn tortilla chip products which were delivered by a team of students who assisted the community service activities. As we can see from Figure 3, community service team decided to choose Tortilla Chips and Fish Sauce as a product to be created in BIMTEK activities. The choice of making tortilla chip products is intended because these products are more popular with generation Z, so that their market share will also be easier. In addition, the process of making corn tortilla chips is relatively easy because the ingredients used are easier to find. Processing of fish sauce is also carried out because the superior product at Grati is lempuk.

Innovation has become crucial for SMEs, as evidenced by a research study conducted by Adam and Alarifi (2021). The findings of their study revealed that the implementation of innovation practices by SMEs has a substantial influence on their performance and viability. Furthermore, the findings validate the noteworthy and moderating function of external support extended to SMEs during the COVID-19 pandemic crisis and their business sustainability. The study's results reveal that the measures adopted by the Saudi government to mitigate the adverse effects of the COVID-19 pandemic on SMEs, such as the provision of various financial support packages and the promotion of collaboration with non-governmental organizations, are anticipated to enhance the resilience of these enterprises in effectively dealing with such a crisis.

The impact obtained by MSME actors on BIMTEK activities carried out were the production of corn tortilla chips and fish sauce are: (1) Improved skills and knowledge: Food diversification training will provide MSME actors with the necessary knowledge on various ingredients, techniques and recipes to create diversified food products. They will learn about market trends, customer needs and how to develop exciting new products. This will enhance their skills and abilities in producing different and innovative products. (2) Increase in product added value: Food diversification can help MSME actors to create products with higher added value. With the right training, they can incorporate new ingredients, create flavors, improve product quality, or present products to specific market segments. This will help them produce more attractive products and differentiate themselves from competitors. (3) Expansion of market share: Food diversification training will open opportunities for MSME players to expand their market share. By having a variety of products, they can reach a wider and more diverse customer base. This will help them attract new customers and expand their distribution network. In the long run, expanding market share can result in increased sales and better business growth. (4) Increased competitiveness: Food diversification will help MSME actors to increase their competitiveness in the market. By having a more complete product portfolio, they can offer their customers more choices. This will help them meet different customer needs and preferences, and create a competitive advantage. Higher competitiveness will help them survive and thrive in an increasingly competitive industry. (5) Improved brand image: With food diversification, MSME players can build a stronger and more diverse brand image. They can be considered as creative, innovative and high quality food manufacturers. This will help them gain customer trust, increase brand loyalty and differentiate themselves from competitors. A good brand image will also open up opportunities for better cooperation and business partners. (6) Business continuity: Food diversification can help MSME actors to achieve better business sustainability. By having diversified products, they may face risks associated with changes in market trends or customer demands. If one product experiences a decline in sales, other products can still provide a stable source of income. This will help MSEs. It is supported by Purnamasari et al (2021) stated product diversification by producing ant sugar can expand market share, increase production and increase the competitiveness of MSMEs. In addition, the expansion of market share is also expected to help increase the income of the ant sugar business actors. Furthermore, this activity is expected to help Sugar Ant MSME actors to overcome economic problems that occur mainly due to the Covid-19 pandemic.

Then, socialization was carried out regarding the licensing of the legality of the PIRT business which was delivered by a team of students who helped with the service. In delivering the material, licensing for the legality of the PIRT business needs to comply with the general provisions and appropriate food criteria in the PIRT licensing. In addition, the PIRT licensing requirements are also based on BPOM regulation no. 22 of 2018 concerning "Guidelines for Issuing PIRT Production Certificates". This BPOM regulation states that food products that are not included in the PIRT permit are imported food products, claimed food, and fortified food. In addition, the procedure for registering SPP-IRT through the OSS (Online Single Submission) website and the SPP-IRT application is also explained. With socialization regarding the legality of the PIRT business to Grati MSME actors, it is hoped that they can understand and know the types of products that PIRT must register, so that potential consumers become safer and more confident about these products (Figure 4).

The following are some of the benefits that can be obtained from PIRT socialization for MSME actors. First, compliance with regulations: PIRT socialization helps MSME actors understand and comply with regulations related to food safety and food production requirements. They will gain a better understanding of sanitary standards, safe use of raw materials, correct production processes and product labelling. This will help them maintain the quality and safety of their products and comply with applicable regulations. Second, product quality improvement: PIRT socialization can help MSME players improve the quality of their products. With a better understanding of good sanitation practices, the use of the right raw materials and the right production processes, they can produce food that is fresher, hygienic and of high quality. This will help them gain customer trust and enhance the reputation of their products.



Source: Author Documentation

Figure 4. Socialization About Licensing of The Legality of The PIRT Business

Third, customer trust: Through PIRT socialization, MSME actors can demonstrate their commitment to food safety and quality to customers. By meeting the PIRT requirements, they can obtain a label or certificate indicating that their product is safe for consumption. This will help build customer trust, especially in terms of food safety, and increase customer loyalty. Forth, access to a wider market: MSME actors who meet the PIRT requirements will get easier access to a larger market. Many shops, supermarkets or institutions require a PIRT certificate as a requirement to sell food products. By having a PIRT certificate, MSME players can open up opportunities to market their products through wider and more prestigious distribution channels. This statement is supported by Jupri et al., (2021) that PIRT can guarantee food safety and can attract interest so that it can be trusted by consumers. (Epriliyana, 2019) stated the benefits if the product has a PIRT Permit including, the product is freely marketed, is suitable for distribution, product safety and quality is guaranteed, increases product selling value, products can enter modern stores (Supermarkets) and of course increased buyer confidence.

Fifth, consumer protection: PIRT aims to protect consumers from food that is unsafe or unfit for consumption. By complying with PIRT regulations, MSME actors can help protect consumers from health risks that may arise as a result of consuming food products that do not meet safety standards. This will strengthen the image and good reputation of MSME players as food producers who care about the health of consumers. Sixth, increased professionalism: PIRT socialization can also help increase the professionalism of MSME actors. They will learn about the principles of production management, hygiene, labelling and related regulations. This will help them manage their business better, increasing operational efficiency. This statement is supported by Fahira & Yasin (2022) that through this service there is an increase in product value by obtaining a PIRT permit, Halal Certification and a wider market reach by using the marketplace platform for Parijoto syrup products.

In the final stage, filling out the g-form, there were MSME actors who were constrained in terms of product marketing because there was no transportation to market their products outside of Kecamatan Grati. Regarding these problems, the service team suggested to divide the workforce so that there are workers who focus on production needs and there are workers who focus on marketing in Kecamatan Grati and market their products outside Kecamatan Grati. By doing this, the competence of Human Resources (HR) can be increased. In this case, the increase in the competence of Human Resources (HR) is carried out with a professional division of labor. Widjaja, et al (2018) suggest that improving MSME performance can be done by increasing HR competencies through increasing knowledge and skills which are the key in improving performance (Figure 5).



Figure 5. Students helping MSME actors to fill out the G-Form

In the picture above, the students are assigned to help participants from various MSMEs fill out a G-form that pertains to collecting data on the constraints and challenges faced by MSMEs. This data collection is utilized to derive solutions and determine the subsequent actions for the community service team in assisting MSMEs to enhance the value-added of their products, boost MSME competitiveness, and stimulate regional economic growth.

Finally, in the last stage as indicated from the Figure 5 above was filling out the g-form. There were MSME actors who were constrained in terms of product marketing because there was no transportation to market their products outside of Kecamatan Grati. Regarding these problems, the service team suggested to divide the workforce so that there are workers who focus on production needs and there are workers who focus on marketing in Kecamatan Grati and market their products outside Kecamatan Grati. By doing this, the competence of Human Resources (HR) can be increased. In this case, the increase in the competence of Human Resources (HR) is carried out with a professional division of labor. Widjaja, et al (2018) suggest that improving MSME performance can be done by increasing HR competencies through increasing knowledge and skills which are the key in improving performance.

The discussion results from this community service activity, which involved training sessions, have shown significant outcomes in the form of recipe sharing and knowledge transfer regarding digital marketing for micro, small, and medium enterprises (MSMEs) in Grati sub-district. Throughout the training, various recipes and insights on digital marketing strategies were shared. The participants successfully enhanced their understanding of utilizing digital marketing techniques to effectively promote their products and services. They received valuable knowledge transfer on online marketing strategies, social media optimization, e-commerce platforms utilization, and data analysis to improve their business competitiveness. By providing these recipes and knowledge transfer, it is expected that the MSMEs in Grati sub-district can expand their market reach, increase sales, and achieve sustainable growth.

The involvement of students in community service activities is also an extraordinary positive aspect. Besides benefiting themselves, the ideas they propose have a significant impact on the core of community service activities. This is further supported by statements in the research by Bhanot et al (2021) that suggested limited evidence of the positive impact of involving young individuals in civic service and training one year after the intervention. There is no noticeable change in attitudinal indicators of social capital, and there is no reported increase in volunteering or donations. Furthermore, the intervention does not seem to have an effect on secondary outcomes such as life skills and human capital. In fact, there is some indication of a negative impact of the training-only intervention on the likelihood of reporting any income-earning activity.

Other than that, all of the activities that driven from community service team to MSMEs in Grati also important for their future. The sustained existence of a company is contingent upon its ability to cultivate competitive advantages in its products, enabling it to secure customer loyalty and expand its market share through product innovation. Consequently, companies are compelled to embrace product innovation and establish a conducive environment by means of: fostering research and development (R&D) activities, allocating financial resources to support novel innovations, implementing efficient programs and policies, and motivating individuals who drive innovation (Reguia, 2014). From this statement, we know that all of the activities could be classified as an effort to sustained the existence of MSMEs in Grati.

CONCLUSION

This training and mentoring aims to empower the economy through the development of MSME in the food and beverage sector in Kecamatan Grati, Pasuruan. The choice of MSME in the food sector is due to the strategic location of the Grati sub-district, which is close to the Grati lake which is a tourist attraction, and is a religious and Islamic area so it is known as the City of Santri. In addition, the third potential is a strategic location, where the Kecamatan Grati area This can be reached by three transportation accesses, namely highways, trains, and the Pasuruan-Probolinggo toll road (Grati Toll Exit Km 809). The service methods carried out include FGD, material delivery and BIMTEK.

The first stage of service, namely FGD, showed that several MSME actors were constrained in finding substitutes for raw materials, product marketing due to lack of access to transportation and unprofessional division of labor and lack of understanding related to financial management. The second stage is the delivery of materials and BIMTEK activities carried out were the production of corn tortilla chips and fish sauce sambal as well as the socialization of PIRT business legality permits. The impact obtained by MSME actors on BIMTEK activities carried out were the production of corn tortilla chips and fish sauce are (i) improved skills and knowledge (ii) increase in product added value (iii) expansion of market share (iv) increased competitiveness (v) improved brand image (vi) business continuity. Next, the impact obtained by MSME actors on BIMTEK activities about socialization PIRT are (i) compliance with regulations (ii) product quality improvement (iii) customer trust (iv) access to a wider market (v) consumer protection (vi) increased professionalism. The last stage, which is filling out the g-form, is known in more detail about the obstacles and problems faced by MSME actors so that it can be easier to map out the constraints faced by MSME actors. The next stage of this service program is the practicing of food processing to increase the product diversification and added value by presenters from the agricultural technology field, so that MSME entrepreneurs are expected to increase their turnover, profit sales volume and obtain PIRT (Pangan Industri Rumah Tangga) permits. This community service has provided assistance regarding product diversification which is

expected to increase market share. However, micro, small and medium enterprises can still increase their product market share through marketing using social media.

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