

## Empowerment of “Terasi Rebon” Seafood Processed Industry Craftsmen for the Development of Leading Potential for Highly Competitive Coastal Areas in Tuban, East Java

Mahmudah Enny Widyaningrum<sup>1</sup>, Muslichah Erma Widiana<sup>2\*</sup>, Abdul Fattah<sup>3</sup>, Soehardjoepri<sup>4</sup>

<sup>1,2,3</sup> Faculty of Business and Economic, Bhayangkara University

<sup>4</sup> Faculty of Mathematics, Computation, and Data Science, Institut Teknologi Sepuluh Nopember

[erma@ubhara.ac.id](mailto:erma@ubhara.ac.id)\*

**Abstract:** One of the superior products from processed sea fish in the famous Tuban coastal area is Terasi. Regional Superior Product Development Program (PPPUD) entitled Empowerment of Processed Sea Product Industry Craftsmen “Terasi Rebon” for the Development of Leading Potential for Highly Competitive Coastal Areas in Tuban, East Java. The problem with partners in terms of production in individual companies is the strengthening of production. So far, operational activities have not been carried out in a professional manner, still with a family system and there is no variety of flavors and packaging, so it is necessary to strengthen the operational management functions which include marketing, finance and tax management, information, human resources and production. For product development, partners need to innovate and be creative with flavor variants and packaging of rebon shrimp paste. Individual partner companies in marketing their products are done in a conventional way so that marketing is still limited around the East Java area. SOLUTIONS to this community service program are: Improving the quality, energy efficiency and processing time of rebon shrimp paste production through the design of the "Tray dryer" machine as a bamboo and shrimp paste dryer, increasing knowledge and ability in scientific management operational functions which include marketing management to maintain stability and business development partner individual companies need to innovate and create flavors and packaging of rebon shrimp paste product development, financial and tax management, information and human resources by opening a store. Design and update product information through e-commerce in order to expand the market. Prepare business and product standardization.

**Keywords:** entrepreneurship; community service; community empowerment

### INTRODUCTION

In terms of tourism objects and geography, the city of Tuban has the potential to attract tourists. One of the marine resources of Tuban Regency that has been used as an export commodity is the potential of shrimp. In addition to food crops, exports of various marine commodities are of significant value, such as shrimp at around Rp. 5.4 billion and anchovies worth Rp. 46.2 billion. Because marine products in the form of shrimp are very abundant, VIA processes them into food seasoning in the form of shrimp paste. Terasi is a type of food flavoring in the form of pasta, has a distinctive smell from fermented shrimp, fish or a mixture of both with salt or other additives. Almost all countries in South and Southeast Asia have this product, namely Hentak, Ngari, and Tungtap in India, Bagoong in the Philippines, Terasi in Indonesia, Belacan in Malaysia, Ngapi in Myanmar, Ka-pi in Thailand. Fish or shrimp paste is usually made from various types of freshwater and marine fish and shrimp (Nugraha, 2006). Tuban not only saves natural potential but also business potential that has high economic value, including the following:

- a. Agricultural Potential: rice, corn, peanuts.
- b. Plantation Potential: Siwalan fruit, Gayam chips, etc.
- c. Fisheries and Marine Potential: rebon shrimp paste, anchovy processing, seaweed cultivation, coral reefs.
- d. Craft Potential: Gedok batik, pottery, woven bamboo, bird cage.

The UKM partners are the craftsmen of processed shrimp products, namely the rebon shrimp paste VIA. Rebon shrimp paste is one of the larger products of the Tuban area. The address is at Karang Agung Barat Rt/Rw: 01/01 Ds. Karang Agung Kec. Palang Tuban, East Java, and the owner is Mr. M. Sya'Ronie with the business name HM. Son of the Sea.

The shrimp paste traded in general can be divided into two types based on the raw materials, namely shrimp paste and fish shrimp paste. Shrimp shrimp paste usually has a reddish brown color, while fish shrimp paste is black. As mentioned above, ideally the raw material for making shrimp paste is fresh fish or shrimp (rebon). The benefits of shrimp paste: a savory flavor enhancer with a distinctive aroma that arouses the appetite for various types of food, especially chili sauce, stir-fry and soup dishes.

The following are partner problems in terms of the operational management function aspect:

### **1. Marketing**

Marketing problems experienced by sole proprietorship HM. Putra Bahari is limited in market accessibility. It is unfortunate because the rebon terasi has a large market opportunity for both household consumers and cooking business organizations because it is a basic ingredient that has a unique taste that cannot be replaced by other products, and has competitive prices so that HM. Putra Bahari with rebon shrimp paste products has no difficulty in obtaining markets outside East Java, outside the islands and even export markets considering that not all regions can produce them. Because HM. Putra Bahari has not fully used marketing techniques to open and serve new markets because it does not yet have a showroom or website to display its products.

### **2. Production**

During this time in the production process of HM. Putra Bahari invested funds for the expansion of the business premises, 2 units of milling machine, 5 units of wood mixer, 20 wood printing equipment, 200 pieces of shrimp paste drying boxes, 2 Mitsubishi L 300 fleets but do not yet have a dryer from bamboo shoots as raw material or shrimp paste which has been produced so that the drying process uses a land size of 8m x 10m so that the land is not productive, the focus of attention is on the unsanitary processes that are taking place and the fluctuating hot air.

### **3. Finance**

There is an imbalance in the circulation of the flow of funds because the raw materials have so far been purchased using the cash system, while sales, among others, are with a selling point system, where money is taken whenever there is a terasi product that sells for a souvenir center. And also restaurants. There is no accounting system and periodic tax reports.

### **4. Information**

So far, for information activities using a face-to-face system, HP, wa for marketing information systems for consumers are still waiting for consumers to come to the sales agents/gift center.

### **5. HR**

Currently, there are 8 permanent employees who are their own family. And 20 non-permanent employees who come from the area around HM. Putra Bahari is producing. The 20 non-permanent employees work according to their needs and the system is wholesale.

Can be submitted HM. Putra Bahari in carrying out its business activities is carried out traditionally without involving technology and other people. Starting from planning and recording raw materials, it is still done simply by the owner himself, Mr. M.Sya'Ronie.

The problem that was agreed to be resolved within 3 years is the problem of operational management functions which include: Marketing Management, Production, Finance, Information, HR.

## **LITERATURE REVIEW**

### **Micro, Small and Medium Enterprises (SMEs)**

Seeing the scale of their business, srundeng craftsmen can be categorized as small and household industries. The definition of small and household industries follows the definition of MSMEs based on Law no. 20 of 2008 article 6 (UU no 20, 2008). Micro enterprises are business entities that have a net worth of not more than Rp.50,000,000.00 (fifty million rupiah) excluding land and buildings for business premises; or have annual sales proceeds of not more than Rp. 300,000,000.00 (three hundred million rupiah). Small Business is a business entity that has a net worth of more than Rp.50,000,000.00 (fifty million rupiah) up to a maximum of Rp.500,000,000.00 (five hundred million rupiah); does not include land and buildings where the business is carried out; or have annual sales proceeds of more than Rp. 300,000,000.00 (three hundred million rupiah) up to a maximum of Rp. 2,500,000,000.00 (two billion and five hundred million rupiah).

Mujiyadi and Gunawan (2007: 34) say that there are several steps in empowering the poor:

1. Community empowerment is a prerequisite for poverty reduction efforts. The concrete step is to increase people's critical awareness of their position in the socio-political structure in which these poor people live.
2. Efforts to break the exploitative relationship with the poor. This means allowing the critical awareness of the poor to emerge to carry out reorganization in order to increase work productivity and quality of life.
3. Instill a sense of togetherness (egalitarian) and provide an image that poverty is not destiny but as an incarnation of social construction.
4. Realizing the formulation of development by fully involving the poor.
5. The need for social and cultural development for the poor
6. The need for a more equitable redistribution of development infrastructure.

### **Local Wisdom of the Tuban Coastal Area**

In general, the meaning of Local Wisdom is ideas, values or views from a place that has a wise and good value character which is followed and believed by the people in that place and has been followed from generation to generation.

Local Wisdom has several characteristics, namely:

1. Have the ability to control.
2. Is a fortress to withstand the influence of outside culture.
3. Having the ability to accommodate outside cultures.
4. Have the ability to give direction to cultural development.
5. Having the ability to integrate or unite external cultures and indigenous cultures.

Local wisdom is explicit knowledge that emerges from a long period of time and co-evolves with the community and environment in the area based on what has been experienced. So it can be said, local wisdom in each region varies depending on the environment and the needs of life.

## **Community Economic Empowerment Based on Local Wisdom**

Efforts to encourage stakeholder participation in social development can be done through: (1) reorientation of the bureaucracy towards effective relations with the community through a community network coalition; (2) increased sense of responsibility where people develop themselves, awareness of understanding their needs, problems, abilities and potentials; and (3) facilitate communication between various local stakeholders. It is necessary to apply the guiding principle, namely coming to the people, living with the people, learning from the people, planning and collaborating with the people, starting with being known by the people, building and developing, teaching by example, introducing patterns not showing off, showing the system not creating obstacles, harmonizing perceptions, changing creative patterns, and provide creative freedom (Moeljarto, 1991). The concept of people-centered development with a focus on community empowerment is a strategic approach, in which creative initiatives from the people form the basis of development policies.

Building community welfare needs to involve the people in the process so that policy makers understand carefully the real problem. Key success factors are: (1) commitment to policy makers; (2) the ability of the facilitator to assist the community; (3) the environment supports mutual change; and (4) there is a guarantee for change and study results as a source or reference in making policies. Interventions are needed in strengthening and understanding the community to identify and develop certain sectors through a participatory approach. This can help the community to know and understand the resource management process, so that the implementation of development programs becomes more sustainable (Moeljarto, 1991).

Based on the information technology-based relational marketing model, a more targeted local wisdom-based community economic empowerment can be implemented, so that the goals and objectives of development that take place in the regions can be achieved, namely:

1. The implementation of efforts to accelerate local economic development through the involvement of the government, business community, local communities and civil society organizations in a participatory process.
2. Developed and developed strategic partnerships and alliances in an effort to accelerate local economic development among stakeholders in a synergistic manner
3. Development of economic facilities and infrastructure that support efforts to accelerate local economic development.
4. The realization of the development and growth of SMEs in an economical and sustainable manner.
5. The realization of an increase in people's income, reduced unemployment, a decrease in the level of poverty.
6. The realization of increased equity among community groups, between sectors and between regions.
7. The creation of resilience and economic independence of local communities.

## **METHODS**

Develop a link and match process between universities, industry and local governments and the wider community. The solution agreement for the proposing team from Ubhara Surabaya and ITS Surabaya with HM partners. Putra Bahari, the solutions offered in this program refer to the objectives of the program, the problems faced by partners, and the capacities of the universities. It should also be noted that this program not only provides benefits to partners, but also provides benefits to related parties, including: UPT for Quality Development of Industrial Products and Creative Technology Surabaya, Industry and Trade Office, East Java Provincial Government, District Fisheries and Livestock Service Office. Tuban in this program so that this mutually beneficial partnership can run continuously.

## RESULTS

Of all the activities, the team and partners are still focused on achieving good synergy until in the end it takes 2 (two) months to be able to start mentoring activities in partner locations. Thus, the process that has begun to take shape needs to be followed up that is faster than the scheduled time. These activities include:

Preliminary visits to partners I and II preparations include:

- a) Conduct initial communication about planned activities between the Implementing Team and the two Partners. Determine the schedule for the implementation of activities that have been mutually agreed upon between the Implementation Team and the two Partners with guidance according to the schedule from ITS. Determine and discuss the types of partner participation to support each activity proposed by the community service Implementation Team. This activity has gone according to plan.
- b) Improving the production process to improve the quality of results using technology by doing design (engineering), training, practice, and assistance of spinning machines. So that in the implementation of production it is more efficient for production, it does not change quickly and is durable. This activity has been carried out with the help of a spinning machine.
- c) Conduct training, practice, and assistance in the preparation of a business plan as a form of preparation for a professional business. The business plan serves to design the initial business strategy and plan. A business will be difficult to develop if it is run without a business plan or plan. For this reason, it is very important for an entrepreneur to compile a business plan so that the business they are engaged in is more focused and oriented correctly and can achieve success.



Fig.1. Graphic showing production of Terasi Rebon in Tuban 2020

- d) In the graph, it can be seen that there was an increase in production starting from June after using the modern tools provided, while the decline in production from February to May was due to a decrease in supply production due to a decrease in demand due to the COVID-19 pandemic.

- e) Finding sources of funds from a business plan that has been prepared is useful for bringing in parties such as investors, banks or others who will help run the business. This means that the business plan that has been made can become a kind of proposal or complement to the proposal that will help get business capital.
- f) Business plans can also be used to predict the future of the business that you are running. Because, when compiling a business plan, you will see a short, medium and long term picture for the business to be run. Business plans can also increase the level of business that is being run. A well-prepared business plan and design will create a special passion for business people to run their business.



Fig.2. Documentation of activities with Terasi Rebon SME partners and technology transfer

## CONCLUSIONS

The Regional Superior Product Development Program (PPPUD) is entitled PPPUD for Empowering Craftsmen of the Processed Sea Products "Terasi Rebon" with Tray Dryer Technology for the Development of Flavor Variants and Packaging Potential for Superior Competitive Coastal Areas Ds. Karang Agung Kec. Cross Tuban, East Java. PPPUD partner is HM. Putra Bahari, the owner as well as the leader, is Mr. M. Sya'Ronie, who produces rebon shrimp paste products for unique culinary flavors.

Partner problems are viewed from the production aspect in HM sole proprietorship. Putra Bahari are as follows:

1. The existence of a brand image in MSMEs is expected to show the identity of the shrimp paste product. So that every marketing carried out by the MSME uses and distributes its products with the "VIA" brand. So that the PPPUD solution at this stage is to strengthen partner institutions through the shrimp paste brand mark that has been given by Disperindag. The implementation method is through counseling, practice and assistance in increasing knowledge in the operational functions of HR management, marketing, finance, information and production.
2. The way to market products is still using the marketing system of word of mouth, storage and selling plainly. so that the market share achieved is only a small scope. The PPPUD solution at this stage is to help prepare a showroom for increasing partner marketing in Tuban and other cities in East Java while continuing to run the marketing system that is already running.
3. So far, production activities at the milling stage still use a grinder using gasoline so that the aroma of the mixture cannot be completely contaminated sometimes. The PPPUD solution at this stage is to increase knowledge and ability in the field of production with a wet grinder machine with electric power, which is expected to not contaminate the resulting aroma.
4. In the second year PPPUD activities can result in product development, namely fish paste that has not been sold/produced by other IKM because this product is the only one that is innovative by making petis made from fish. The PPPUD solution at this stage is the TTG heat gun machine

to glue the lid of the fish paste package so it won't spill. The implementation method is through counseling, practice and assistance in increasing knowledge in the field of production functions.

5. Sole Proprietorship HM. Putra Bahari in marketing their products is done in a conventional way so that marketing is still limited around the East Java area. So the solution for PPPUD in year 3 is to design and update product information through e-commerce in order to expand the market. With the implementation method through training, practice and mentoring to increase HR competence through e-marketing to add insight and expand the marketing of rebon shrimp paste products and north coast marine products online outside the East Java region, outside the island and even exports. Training and mentoring of entrepreneurial spirit within the sole proprietorship of HM Putra Bahari.

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### Conflicts of Interest

There is none conflicts of interest between the author or regarding the partnership of this community services.

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