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## Financial Management Planning and Implementation of Digital Based Marketing Strategies in Increasing Coffee Business Management in Pajahan Village Tabanan Bali

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### Abstract

Pajahan Village is a producer of robusta coffee with the majority of people working as coffee farmers. Coffee is a commodity that provides prosperity and creates jobs for the community in Pajahan Village, Pupuan District, Tabanan Regency. The development of the coffee business, which is marked by the growth in the number of coffee shops, is a business opportunity that can be exploited by coffee producers in Pajahan Village to be able to improve the economy and community welfare. The aim of this international community service program is to empower groups of coffee farmers by providing education and training regarding the importance of using organic fertilizer, the importance of financial literacy and training in developing digital product-based marketing strategies. The target partners for this program are members of the coffee farmer group in Pajahan Village. The methods used are in-depth interviews, group discussion forums, education and training and questionnaires. The results and output targets of this international community service program are an educational program on the importance of using organic fertilizer for coffee plants, a program to increase financial literacy and the preparation of marketing strategies based on digital products which were implemented smoothly and the results of the evaluation carried out received good marks.

**Keywords:** Organic Fertilizer, Financial Literacy, Marketing Strategy, Digital Products

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### 1. Introduction

Indonesia is the country with the largest exporter in the world of robusta coffee production. Coffee has become part of society in Indonesia, coffee lovers are increasing as coffee shops increase throughout the region. This is become one of the opportunity for coffee producing regions to be able to develop their coffee production so that they can provide increased welfare for the community. However, the development of coffee production in the region still experiences several obstacles such as financial limitations and limited marketing knowledge. (Kaido *et al*, 2021) <sup>[5]</sup> explained the fundamental challenges of the coffee industry in Indonesia and found that quality inconsistency, price fluctuations, lengthy and bureaucratic export administration, absence of bank loans, and lack of government support were an obstacle in developing the Arabica coffee business in Indonesia. (Kembaren & Windirah, 2021) <sup>[6]</sup>. Also explained in their research that there are several challenges faced by the coffee industry in Bener Meriah Regency, such as post-pandemic trading conditions, climate change, post-harvest handling and high transportation costs. Pajahan Village in Tabanan Bali is one of the coffee producing areas in Bali Province. Pajahan Village produces robusta coffee up to 1000 tons per year. Pajahan Village in the Pupuan Area is at an altitude of 500 to 1000 above sea level which is the right area for growing robusta coffee, this is one of the potentials of Pajahan Village which must be utilized optimally. Pajahan village has several coffee farmers who have joined into several groups. One group of coffee farmers in Pajahan village developed a brand of coffee, namely sobean coffee. Sobean coffee is a brand that focuses on producing and selling robusta coffee. This group of coffee farmers consists of several families who for generations have managed coffee trees and produced coffee beans into sobean coffee products.

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The Pajahan village coffee farmer group faces several challenges in managing and increasing the yield of robusta coffee beans. Based on the results of interviews with representatives of coffee farmer groups in Pajahan village, several information was obtained regarding the problems faced by coffee farmers and business people in Pajahan village, including; 1) coffee farmers' awareness of organic fertilizer is still very low, 2) coffee farmers have low financial literacy, and 3) Coffee farmers and coffee entrepreneurs still do not have the ability to develop marketing strategies. Several problems captured through interviews can be of concern to interested parties so they can create appropriate solutions for coffee farmers and entrepreneurs to be able to increase coffee production to the maximum.

Implementation of several strategies needs to be implemented in order to solve several problems that occur in the field. A strategy that focuses on increasing financial literacy and implementation of digital – based marketing strategies are the main keys to overcoming existing obstacles. (Herawati & Dewi, 2020) <sup>[4]</sup>. Explain that the process of acquiring the knowledge and ability to manage finance is known as financial literacy. Financial literacy includes 10 types of intelligence that humans must have (Akmal & Saputra, 2017) <sup>[1]</sup>. Financial literacy which consists of awareness of managing finances and accessing financial institutions can make good abilities for entrepreneurs and coffee farmers in utilizing sources of funds available and managing these funds well. Besides that, budgeting is an important thing that must be mastered in order to be able to plan financial sides very well. Financial literacy is closely related to person's competence in managing and administering finances (Putra *et al*, 2023) <sup>[7]</sup>. One strategy that can also be done is implementing a digital-based marketing strategy. Digital marketing is a marketing action such as branding which applies web-based media, namely blog, website, e-mail and social networks (Fawaid, 2017) <sup>[2]</sup>. Marketing by viralizing brands on social media, including Instagram, has also proven effective in improving purchasing decision and consumer satisfaction (Hendrawan & Suarjana, 2019) <sup>[3]</sup>. Development of social media must be able to utilized by entrepreneurs and coffee farmers in order to increase productivity and sales optimally. Digital marketing strategies, particularly integrated ones involving social media, search engines and paid campaigns are crucial for sustained business success (Sayudin *et al*, 2023) <sup>[8]</sup>. The marketing strategy that will be implemented in this project will be integrated with social media such as Instagram and Tik Tok and how to create an attractive packaging to increase customer interest. Optimizing organic fertilizer incorporation practices in cropland is essential to enhancing crop productivity and soil health (Zhou *et al*, 2022) <sup>[9]</sup>. It is hoped that outreach on the use of organic fertilizer to this group will increase the productivity and quality of coffee plants and coffee beans in Pajahan village.

This international community service program is carried out to help groups of coffee farmers and coffee entrepreneurs in Pajahan village to be able to solve the challenges and problems they face by carrying out a series of educational and training activities regarding the importance of organic fertilizer, the importance of financial literacy as well as training in preparing marketing strategies based on digital products.

## 2. Method

The implementation of this international community service program was carried out through collaboration between a team of lecturers from the Faculty of Economics and Business, Warmadewa University and a team of lecturers from the Faculty of Economics and Business, Dili Institute of Technology. International community service program activities in Pajahan village began with an initial observation and interview process with representatives of the coffee farmer group in Pajahan village which was carried out by the head of the international community service program team assisted by a team of lecturers and students. The interview activities carried out found several problems which became the basis for compiling and implementing an international community service program for the Pajahan village coffee farmer group.

This program was attended by 15 members of the coffee farmer group with resource persons consisting of a team of lecturers from the Faculty of Economics and Business, Warmadewa University and Dili Institute of Technology as well as 2 students who helped in preparing activities in the field. The following are several activities carried out by the international community service program group for coffee farmer groups in Pajahan village:

### 1. Initial Observations and Interviews

This activity is the initial activity of an international community service program carried out by the program group leader and group members who get to know representatives of the Pajahan village coffee farmer group and carry out initial observations and interviews to find out what the current conditions are and the problems being faced by the coffee farmer group in the Pajahan village. The observation and interview process went well which became the basis for the international community service program group in developing programs and activities to increase knowledge and abilities that can help the coffee farmer group to face the challenges and problems they face and be able to increase their productivity and welfare in a long term. Based on the results of interviews that have been conducted, it was decided that the program that will be implemented is a program about increasing understanding of organic fertilizer, education the importance of financial literacy and training in preparing marketing strategies for digital product-based coffee products.

### 2. Educational and Training Activities for Coffee Farmer Groups

This activity was carried out after the program was prepared based on the results of initial interviews with representatives from the Pajahan village coffee farmer group. At this stage, the international community service program group carries out educational activities regarding the importance of organic fertilizer and financial literacy as well as training in preparing digital product-based coffee marketing strategies. This activity was attended by 15 coffee farmers who are members of the Pajahan village coffee farmer group and a joint team between lecturers from the Faculty of Economics and Business, Warmadewa University and the Dili Institute of Technology. The joint team of lecturers between Warmadewa University and Dili Institute of Technology consists of 5 people who provide educational and training

materials and are assisted by 2 students who help prepare training facilities and assist with activity documentation. After the education and training activities were carried out, the event continued with a session providing assistance to each member of the coffee farmer group in the hope of being able to help coffee farmers to maintain and increase coffee production in a sustainable manner.

### 3. Monitoring and Evaluation

The monitoring process is needed to see the level of acceptance and understanding of coffee farmers regarding the program being implemented. To determine the level of acceptance and understanding from the coffee farmers, a pre test and post test will be carried out. Evaluation is carried out to see the results of the program implementation that has been carried out. Evaluation is also needed to determine strategies that can improve program quality and better quality results in the future. The questionnaire consists of 12 questions containing questions about educational activities regarding organic fertilizer and financial literacy as well as regarding training activities in preparing marketing strategies based on digital products.

### 3. Results

The international community service program for the Pajahan

village coffee farmer group began by conducting initial interviews with representatives of the coffee farmer group and getting an overview of the current conditions as well as several problems and challenges faced, one of which was the use of chemical fertilizers which were feared to be able to affect the productivity of coffee trees in the long term. So far, coffee farmers have used chemical fertilizers which are feared to have a negative impact on the quality and quantity of coffee beans in the long term. It is hoped that education regarding the importance of using organic fertilizer will increase the awareness of coffee farmers so that the quality and quantity of the coffee harvest can be maximized. Apart from that, the financial literacy of coffee farmers is still considered low and necessary socialization related to increasing financial literacy. Financial literacy is one knowledge and understanding regarding how to manage personal and household finances well in order to improve long-term prosperity. Members of the Pajahan village coffee farmer group also have insufficient knowledge in developing marketing strategies based on digital products such as social media (Instagram or Tiktok). It is hoped that the preparation of a social media-based marketing strategy will be able to increase public awareness regarding Pajahan village coffee products which will ultimately be able to increase consumer demand for Sobean coffee products.



Pic 1: Introduction and Assistance Activities



Pic 2: Education and Training Activities

In general, the international community service program for the Pajahan village coffee farmer group can be said to be running well and smoothly. This can be seen from the comparison of the pre-test and post-test results which show an increase in understanding of the importance of organic fertilizer, financial literacy and ability in preparing marketing

strategies based on digital products. This program was also supported by the head of the Pajahan village coffee farmers group and assistance from students who helped prepare facilities in the field. The head of the Pajahan village farmer group expressed his appreciation for this international community service program because so far coffee farmers

have had limitations in understanding, knowledge and ability in using organic fertilizer, financial literacy and marketing strategies for coffee products.

#### 4. Conclusion

The Pajahan village coffee farmer group has an understanding of the importance of organic fertilizer and is able to produce organic fertilizer using a simple composter. This group of coffee farmers also has increased knowledge regarding financial literacy which can help them in managing personal funds and managing business finances to create prosperity and business sustainability in the future. Training on preparing marketing strategies for this group of coffee farmers also helps them develop marketing methods using digital products so that their coffee products can be known to the wider public.

From an economic and marketing perspective, the impact can be seen that developing a marketing strategy using digital products such as social media can increase public awareness of Pajahan Village or Soeban coffee products which will ultimately increase the income and profits of coffee entrepreneurs and coffee farmers in Pajahan village.

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