



Micro and Small Enterprises (MSEs) Onboarding Programs for Online Selling: Insights & Best Practices



### **Executive** Summary

#### **Research Objective & Method**

This research aims to uncover best practices in onboarding programs tailored for Micro and Small Enterprises (MSEs) to sell online. This research was conducted through interviews with 19 stakeholders who was involved in creating or running the MSEs support programs, from the government, NGOs, universities, digital selling platform companies, independent program facilitators to MSMEs support organizations.

#### **Key Insight**

**MSEs** must go through different stages to successfully sell online, such as business consistency and basic financial skills. Further mastery is crucial to enhance competitiveness and efficiency, with each digital selling platform (DPSs) requiring a specific pathway for advancement due to its unique business model and operations.

However, programs are often designed with specific objectives and constraints, making it **challenging to cover all stages simultaneously**. This creates varied program archetypes that serve different participants and topics.

#### **Best Practices Towards Program Success**

- 1. Collaboration with relevant partners in the ecosystem
- 2. Curation of MSEs that are suitable for the program
- 3. Engagement with community and key influencers
- 4. The right amount of rewards at the right time
- 5. Clear picture of the benefits and the effort to get there
- 6. Pre-assessment to understand needs and gaps
- 7. Tailored delivery to suit participant's characteristics
- 8. Dedicated hands-on practices
- 9. Ongoing and aftercare support and mentoring
- 10. Evaluation to measure impact and as input for future improvements

#### **Gaps and Opportunity Areas**

- 1. Pressure to show success can entice program makers to use workarounds, shifting focus away from impact to MSEs.
- 2. Lack of MSEs database leaves certain MSEs untapped
- Limited program discoverability hinders MSEs from accessing and continuing programs
- 4. Women's lack of time, financial, and decision power constraints growth of women-led businesses.





### Table of *Contents*

- Background
- Research Insights
  - <u>Understanding MSEs and factors that influence their success in online selling</u>
  - B <u>Understanding programs and how they are designed</u>
  - Best practices in program implementations
  - **D** Gaps, Opportunities, and Future Research Area
  - **Additional findings**
- Appendix



### Acknowledgment

This report was written by Rayi Harjani, Nathaniel Orlandy, Ketut Sulistyawati, and Chin Chin Burkolter (Somia CX).

We are grateful for the time and effort for everyone that is involved in this research and report. We are grateful for the advisory and editorial support from the DFS Lab team including Jake Kendall (Managing Director, DFS Lab), Juliet Maina (Senior Policy Researcher), and Leila Haroon (Research Analyst).

This research depends on the generosity of the 19 expert stakeholders who took time to speak with us about the platform ecosystem in Indonesia, including:

- 1. Ratna Hartiningtyas, Advisory Lead at ANGIN Advisory
- Tania Adialita, Vice Dean and Lecturer at Faculty of Business & Management in Universitas Jenderal Achmad Yani (FEB Unjani)
- Yohanes Arya Duta, MSMEs facilitator from Yayasan Muwara Daya
- Nadia Karina, Policy Manager at J-PAL and Adiyati Putri Dwitami, Senior Policy Associate at J-PAL
- Florentia Karunia Lengkong, MSMEs Facilitators in Rumah BUMN Airmadidi, North Minahasa, North Sulawesi
- Andi Ikhwan, Director of Agriculture, Entrepreneurship, and Financial Inclusion at Mercy Corps Indonesia
- 7. **Maria Silangen**, Program Director of Satu Tampa
- Yudhistira Haryo Nurresi Putro, MSMEs Consultant in Government Organizations
- 9. **Reihan Abhipradana**, Government Relation in Tokopedia

- Danisa Myra Putri, Associate Manager in Kopernik;
   Jean Sonia, Senior Analyst at Kopernik, and
   Muhammad Qareza, Analyst at Kopernik
- 12. Iqbal Muslimin, Co-founder & Chief of Sustainability at Evermos
- Dewi Meisari, Founder and Chief Editor of UKMIndonesia.id and CEO of tumbu.co.id
- 14. Caroline Mangowal, Founder of RISE Indonesia
- Leonard Theosabrata, President Director of SMESCO Indonesia
- 16. One of the e-commerce platform
- Kiki Putri Pasai, Regional team of one of Indonesia e-commerce
- Muhammad Neil El Himam, Deputy for Digital Economy and Creative Product at Kemenparekraf
- 19. **Risti Ulfha**, Product Design Manager at eFishery
- Chantal Novyanti, Secretary of the Singkawang City Tourism, Youth, and Sports Department

We are also grateful to those we interviewed briefly, who shared valuable insights and facilitated connections with other stakeholders. These individuals include: **Maisyalina Agustiana** - Senior Lead in one of Indonesia Ecommerce; **Rosianna Rusly (Ochie)** - MSME Practitioner of Be Practical; **Faye Wongso** - Founder & Chairperson, KUMPUL.ID.; **Harry Mawardi** - Director of KREASI Jabar; **Kurniawan Joko** - Lecturer at Primakara University; **Luthfan Zulkaisi** - Business Development Support at Rumah BUMN Telkom; **Tulus Sendiko**; **David Simpaty** - Digital Marketing E-commerce Handler; **Dr. Ir. Mahir Bayasut** - Head of Corporate Social Responsibility at Kadin DKI Jakarta;

\*The name and institution mentioned above are based on the consent given by the interviewee. The stakeholder names are displayed in accordance with the interview schedule order.





### Glossaries

Ads: Advertisement

App: Application

B2B: Business to Business

**B2C: Business to Customer** 

CSR: Corporate Social Responsibility

Disperindagkop & UKM: Department of Industry, Trade, Cooperative,

& SMEs

DSP: Digital Selling Platform

FB: Facebook

FnB: Food and Beverages

**GDP: Gross Domestic Product** 

IG: Instagram

Kemenparekraf: Ministry of Tourism and Creative Economy

MSEs: Small and Micro Enterprises

MSMEs: Medium, Small, and Micro Enterprises

NGO: Non-governmental organization

**UMKM: Indonesian for MSMEs** 

**UNDP: United Nations Development Programme** 

WA: WhatsApp







# I Background

# Micro and Small Enterprises (MSEs) dominate the business landscape in Indonesia.

Current MSMEs contribution in Indonesia

(Ministry of Cooperatives and MSEs of Indonesia, 2019)

60.5%

**GDP** (Gross Domestic Product)

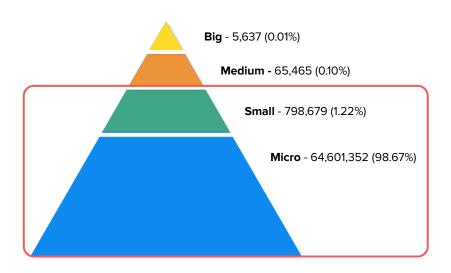
97%

of total Indonesian workforce (around 119.6 million people)

**15.7**%

**Export contribution** 

According to the Ministry of Cooperatives and SMEs of Indonesia (2019), 99.89% of businesses in Indonesia are classified as Micro and Small Enterprises, with Micro Enterprises as the largest portion comprising of 64.6 million businesses.



Big, Medium, Small, and Micro Enterprises based on the class (Ministry of Cooperatives and MSEs of Indonesia, 2019)



Recognizing the significant potential of MSEs, the Indonesian government targets to **scale-up micro enterprises** into small and medium enterprises. One strategy is to *expand their market reach through digital platforms*.

<u>Target to increase the proportion</u> <u>of Small and Medium Enterprises</u>

**1.32%** → **5**%

(2019) (2045)

MSMEs online selling onboarding target

**24** million → **30** million (2023) (2024)



#### Pemerintah Optimis Target 30 Juta UMKM Go Digital Tercapai di 2024







Perajin menyelesaikan pembuatan kerajinan tas berbahan Pandan di arena pameran UMKM. Pemerintah menyebut saat ini terdapat 27 juta pelaku UMKM yang sudah masuk ekosistem digital.

Kementerian Koordinator Bidang Perekonomian mencatat sebanyak 27 juta Unit Usaha Kecil Menengah (UMKM) telah masuk ke dalam ekosistem digital.

Deputi Bidang Koordinasi Ekonomi Digital, Ketenagakerjaan, dan UMKM Kemenko Perekonomian, Rudy Salahuddin mengatakan saat ini pihaknya akan terus mengedukasi dan memberikan literasi kepada para UMKM untuk masuk pasar digital.

Source: katadata.co.id





#### **Research Objectives**

#### This research aims to:

- Scan the landscape of programs that are working to help small and micro enterprises onboard to different digital selling platforms.
- Identify what is working and not working in the existing programs with a view towards producing localized insights and best practices for onboarding and continued usage.

#### **Research Methods**

This research used **qualitative method** and **desk research** to map out and understand the online selling onboarding programs.

We interviewed 27 respondents (19 in-depth interviews and 13 short calls) with different roles (program makers, program officers, program facilitators, etc) from the following organizations:

- 1. Government
- 2. NGO
- 3. University
- 4. Digital Selling Platform Company
- 5. MSMEs Support Organization

This research is commissioned by <u>DFS Lab</u>, funded by <u>The Bill & Melinda Gates Foundation (BMGF)</u>, and conducted by <u>Somia Customer Experience</u>. This research was conducted from January to April 2024.

#### Limitation of the research:

- This report may not represent the whole program landscape due to the limited scope of interviewees within our network and time constraints.
- This research does not represent MSMEs' viewpoints, as this research phase primarily focused on gathering perspectives from program makers and key stakeholders.









### **Research Insights**

#### Research Insights Outline







Understanding MSEs and factors that influence their success in online selling



**Understanding Programs** and how they are designed



Marrying the SMEs and Support Programs: Best Practices in Program Implementations



Gaps, Opportunities, and Future Research Area



**Additional Findings** 



# Understanding MSEs and factors that influence their success in online selling





- 1. Online selling is more *suitable for certain types* of MSEs
- 2. Barriers and mindset that stop MSEs from online selling
- 3. DSPs have their *specific requirements* and *fit* different types of MSEs.
- 4. MSEs must progress through *stages*, acquiring not only digital literacy but also essential business skills, for online selling success.
- 5. Selling online is just a fraction of running a business;
  MSEs need further support to grow and reach new markets.

#### Online selling is more *suitable to certain types* of MSEs



Centralized higher tier city > remote rural area

Limited availability of food delivery service and logistic services in less centralized cities hinders online selling. Also, high delivery costs between islands can outweigh product prices. Some MSEs resort to local selling through social but unreliable internet remains a challenge



Finished goods sectors > raw fresh goods

DSPs mainly support finished goods, given the challenges associated with **long-distance delivery** of raw, fresh agricultural products, which are prone to **spoilage**, **damage**, **or deterioration** during transit.



Branded and
Well-Packaged Goods >
Producer focused MSEs

To compete online, products must be branded and well-packaged for delivery, yet many MSEs focus solely on production, lacking the marketing skills and product preparation for online sales. Some businesses shifted this responsibility to resellers or other parties.



Business to Customers (B2C) > Business to Business (B2B)

Most DSPs are created to facilitate B2C interactions. Many businesses thrive on bulk transactions, like supplying large quantities for exports or to hotels and restaurants, rather than selling in small quantities on DSPs. For them, online selling means a change in their business models.



#### Agriculture sector faces greater barriers to sell online.

Only a few programs cater to the agricultural sectors due to the complexity and effort required to have these products sold online.



Large quantities of harvested goods with limited time for sale

Harvesting agricultural goods, like plants or fish, often yields large quantities. Hence, these goods are typically **sold to bulk-order agents**. Direct online sales to end customers face challenges, especially with perishable products, where there is a strong customer preference for visually appealing items.



Expensive & difficult fresh-produce logistics

Given the perishable nature of agricultural goods, maintaining high quality until delivery to the customer is costly to bear by the farmers themselves, especially without temperature-controlled transportation. This challenge is worsened for customers residing outside urban areas



Processing the harvest is not always possible due to resource issue

Selling certain fresh products online, like fish, presents challenges. As a result, some businesses choose to process fresh produce into items like dried salted fish or fish floss for online sales. However, not all agricultural producers have the **capability**, **time**, and **resources for such processing**.

#### Barriers and mindset that stop MSEs from online selling

Lack of resources especially, when the business is only operated by one person. Lack of accessible information and education impedes MSEs from advancing in online selling due to insufficient digital and business skills.

Fear of technology in financial matters due to fraud and unfamiliarity deters MSEs from onboarding, despite their already proficient use of phones for WhatsApp, games, and social media

#### Acceptance mentality

limit motivation to improve, as many MSEs are feeling satisfied with their current lives.

#### Burdensome transaction fees on top of taxes and promotional fees, discourage MSEs from selling online.

(<u>Gofood</u> charges 20% and <u>Shopee</u> up to 8.5% respectively),

### Fear of competition and knockoffs

worries MSEs about their product quality, price and the risk of being copied on digital selling platforms





# The *unaffiliated*one-person-operation MSEs in Indonesia

In Indonesia, the MSEs landscape cannot be separated from individual workers. Many MSEs often consist of individual casual workers, producers, and service providers **operating on their own**.

Some of them group themselves informally in communities to work together.

Typically, these individual MSEs sell their goods directly to brokers, middlemen, or distribute them to local shops and traditional markets without product branding. Without a **recognized brand**, selling online could be a challenge for them.



## Women-led businesses make up the majority of MSEs. Yet, they face more barriers in growing their business and selling online.

<u>64.5% of all MSMEs</u> in Indonesia are led by woman, which amounts to approximately 37 million businesses. They often engage in business activities to supplement household income while their husbands work or are involved in agriculture.

However, women encounter various challenges in business development, particularly in selling online, due to\*:

- Balancing business with domestic duties and caregiving responsibilities
- The stigma against women earning more than men, combined with husbands'
  dominant economic and decision-making authority restricts the growth potential of
  women-led businesses.
  - Societal stereotypes suggesting women are best suited for domestic roles hinder both business growth and women's pursuit of learning opportunities by undermining confidence.
  - Limited access to credit, typically requiring husband's approval and collateral.
  - Reluctance to hire external staff, viewing the business as a secondary venture, leads to the rejection of potential opportunities.
- Difficulty participating in entrepreneurship programs due to traditional gender roles

During our research, we found some programs that focused on woman, such as Mamora from Mercy Corps and Kopernik program, in partnership with Aisyivah.



#### \*Sources

- cips-indonesia.org
- glints.com

#### Concerns about *fraud and scams* made some MSEs hesitant to sell online.

Some micro and small enterprises (MSEs) were hesitant to start selling online because they have heard about scams and frauds from news, social media, or word of mouth. These stories make them feel worried, which prevents them from expanding their businesses online. They feel more secure selling offline, where they have experience and can meet customers face-to-face.

Many programs added digital security materials in the curriculum to decrease the fear of fraud and scams and ensure that the newly onboard business able to avoid from any fraudsters.

Some programs focus on e-commerce or food delivery as they have better regulation to protect their sellers compared to social commerce.

#### Punya Online Shop? Perhatikan Hal Ini saat Menerima Bukti Transfer dari Pembeli

kumparanBISNIS

19 September 2022 13:13 WIB · waktu baca 2 menit











Kumparan reports that online shops must pay close attention to the transfer proofs provided by customers due to the increasing number of fraud cases, particularly in transactions from social commerce platforms, where consumers might fabricate transfer proofs.

#### DSPs have their specific requirements and fit different types of MSEs.

#### Websites and social commerce







### Suitable for most products and services

Platforms like WhatsApp, Facebook, Instagram, and websites allow negotiation on delivery, opening them up to a wide variety of products and services (haircuts, cleaning, produce, fish).

#### **Food Delivery Platforms**







### Suitable for fresh food and urgent deliveries

Food delivery platforms shine for **speedy delivery with a premium price** within a specific area. They are perfect for fresh, perishable foods needing quick consumption. While some non-perishables like phone chargers appear occasionally, urgency often drives these purchases.

#### E-commerce











### Suitable for products that are ready for nationwide delivery

As e-commerce platforms expand nationwide, MSEs must focus on **long-distance delivery and branding** to stand out.

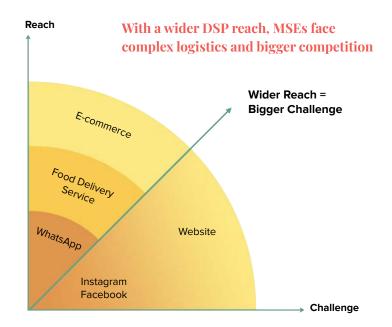
Despite some goods being location-specific, platforms enable sellers to set delivery limits within their app, facilitating sales of items like fresh foods



# Different digital selling platforms have different ranges of reach.

The goal of using digital selling platforms (DSPs) is broader market access, though each DSP's reach varies due to its unique offerings and business models.

As their product reaches a wider audience, they must brace themselves for tougher competition from other MSEs.



#### Reaching Customers:

- WhatsApp: MSEs leverage existing contacts for targeted marketing through stories and broadcast messages.
- Food Delivery Apps: Reach is limited by delivery radius (<u>GoFood limits</u> their food delivery service from 28 to 25 km depending on the location)
- E-commerce: Nationwide reach is possible, depending on courier options and seller restrictions.





### **Whatsapp/Facebook** vs **E-commerce/Food Delivery Platforms**: Which ones should program makers focus on?

Platform suitability for MSEs varies by their needs and development stages. **WA and FB are widely used, while e-commerce and food delivery platforms provide greater reach.** Some initiatives use WA/FB to smoothly transition MSEs to more advanced platforms.

#### WhatsApp or Social Media (Instagram/Facebook)

MSEs support organizations and local governments in less centralized areas often focus on basic social commerce platforms (like WA or FB), considering limited digital literacy and lack of service availability of the food delivery services and logistics

#### **Enabling conditions**

- Onboarding MSEs via Whatsapp and Facebook is easier due to their familiarity with the platforms, and fewer preparations are needed due to less competition and market reach
- Can operate almost anywhere without logistical or service availability challenges

#### Challenges

- Transactions are not scams-protected and more difficult to regulate by the government
- The impact is harder to measure

#### **E-commerce or Food Delivery Service**

The central government, e-commerce, and food delivery companies prioritize e-commerce or food delivery platforms due to alignment with goals, easier regulation, and impact measurement.

#### **Enabling conditions**

- Platforms protect sellers from scams and are heavily regulated
- Platforms have built-in performance measurements like profit, items sold, etc and therefore more easier to measure success
- E-commerce offers nationwide reach, while food delivery platforms provide access to unfamiliar customers.

#### Challenges

- Despite nationwide reach, e-commerce and food delivery services have fewer users in Indonesia.
- Due to unfamiliarity and bigger competition, more preparation, and learning are required
- Limited operation areas due to logistical and service availability





### Facebook and Instagram: Flexibly *local* or *globally* expansive

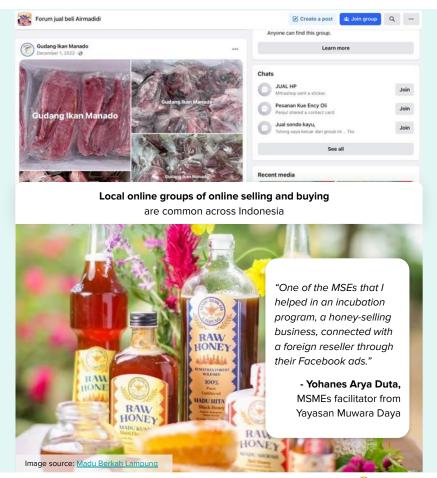
Facebook and Instagram can reach local communities and neighborhoods, but they can also market MSEs products to the international market, depending on **how they are utilized.** 

#### Flexibly local

Where e-commerce and food delivery services are not available, many MSEs advertise their products on WhatsApp status, groups, or direct messages; or on Facebook marketplace or local community groups. Orders are often fulfilled through self-delivery, with some offering free local deliveries.

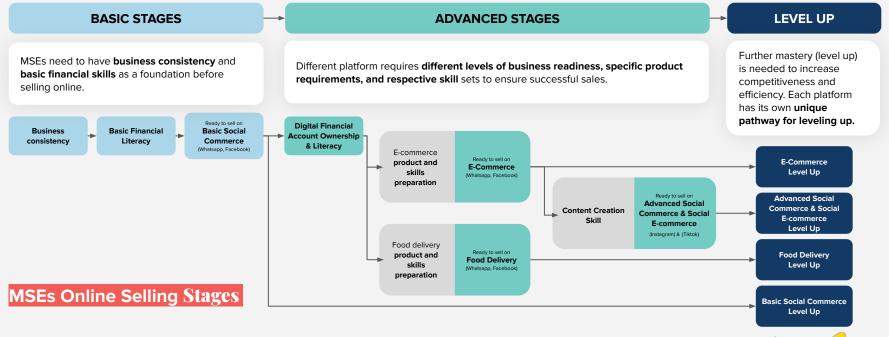
#### Globally expansive

On the other hand, some MSEs, including B2B exporters advertise their products on Facebook and Instagram. Ads can reach potential resellers from abroad, who would then resell the products in the countries they reside.



### MSEs must progress through *stages*, acquiring not only digital literacy but also *essential business skills*, for online selling success

**Onboarding is only a small part** of transitioning MSEs to online selling. Other skills are needed to ensure success and continuity in selling online. Furthermore, as the interactions, requirements, and business model differ, **proficiency in one platform does not necessarily translate to others.** 



**Produk** 

"Selling in e-commerce for MSEs is **fiercely competitive** with millions of sellers, but it can serve as the crucial first step. However, success isn't just about opening a store, uploading photos, and writing captions. MSEs must also **address challenges such as marketing.**"

- Muhammad Neil El Himam, Deputy for Digital Economy and

Creative Product at Kemenparekraf

Menampilkan 1 - 60 barang dari total 3.9jt+ untuk "kopi"

Toko

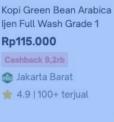












24

### MSEs need to have *business consistency* and *basic financial skills* as a foundation before selling online

#### **BASIC STAGES**

#### **Business consistency**

#### Gig workers

Uncertain work / produce

Many Indonesians opt for casual or gig work due to the scarcity of formal job opportunities, irregular availability of continuous employment (e.g., seasonal farming), and insufficient education or qualifications for formal jobs, leading to unstable livelihoods without consistent day-to-day work.

### Stable Producers/Resellers Regular work / produce

We discovered programs that seek out product opportunities for these individuals, educating and collaborating with them on production while also supplying the resources needed to enhance their output.

#### **Basic Financial Literacy**

### No basic accounting skills

(E.g. cannot calculate profit)

Many MSEs do not track the profits of each product sold. Additionally, many fail to separate personal finances from business finances. This lack of profit calculation and financial separation may result in unwittingly selling products at a loss.

### Acquiring basic financial skills

(E.g. Able to set price)

Many programs, especially incubation programs, would teach the MSEs basic financial skills before providing them with digital literacy skills

#### **Basic Social Commerce**

(Whatsapp, Facebook)

Skills to use WhatsApp or Facebook is a simple step towards utilizing digital tools to market products

Basic social commerce requires only basic skills, as sellers can handle delivery and payments independently, free from platform restrictions.





### Stories from programs focusing on product opportunities for gig workers

#### **Ruang Terampil Ecoprint**



In the village of Liposos,
Singkawang, Borneo,
ex-leprosy citizens reside,
often ostracized due to
misconceptions about
the disease, despite being no
longer contagious after being
cured. With formal
employment difficult to secure
due to their condition, most
work as farmers.

However, challenges like the climate make farming increasingly difficult. To improve their livelihoods, Sepatokimin Initiatives partnered with the Singkawang local government to identify alternative income opportunities. Ecoprints emerged as a viable option, suitable for production by ex-leprosy citizens. Initially, the program focused on educating and preparing them for ecoprint production before including them in more advanced programs. After they are ready for production, only then they are introduced to online selling.

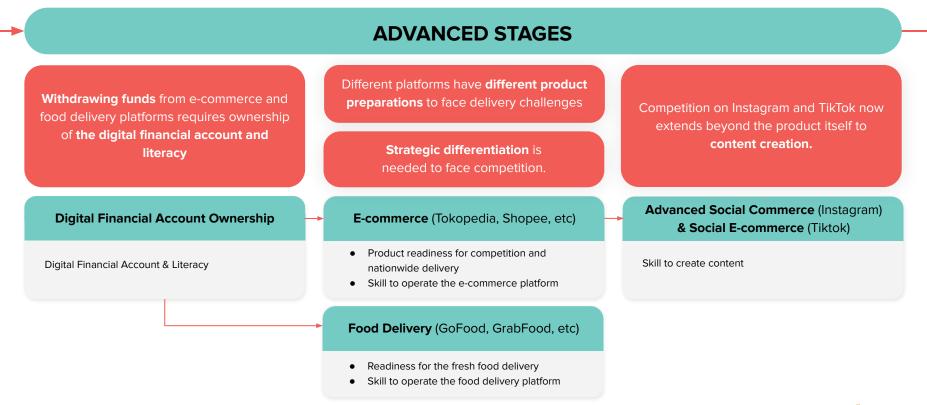
### MSEs stories: Daily salary taker with no profit in mind

#### Including simple accounting in FEB Unjani program



During pre-assessment interviews, FEB Unjani lecturer Tania encountered a group of sellers who lacked **awareness of their income or profits**. They **paid themselves a small salary daily** and reinvested the rest into their business, **selling some goods at a meager profit and others at a loss.** While this approach worked for local sales, it posed risks when expanding online, especially when losing items were sold in larger quantities. As a result, Tania introduced basic accounting into the programs, before onboarding the MSEs to online selling.

### Different platforms require *different level* of business readiness, specific product requirements, and respective skill sets to ensure successful sales.



#### **Understanding the nuances**

Your order has been confirmed. Please transfer to my bank account: Bank BRI with number 12324521, in the name of Rini Supriyanti. Do you want to pick up the food or want us to deliver it?

I don't have an bank account. Can I pay using cash instead? And I'm not home yet by 12.00 as I'm still picking up my kids from school. Can you deliver it by 13.00?

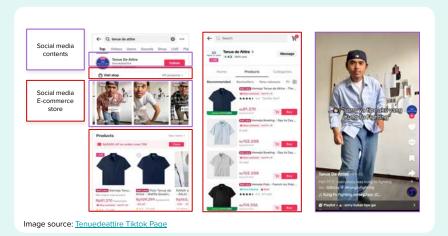
It's okay. My employee will deliver the food using motorcycle. He'll arrive at your place on 13.00. Please hand over the money to him. Here's his number



### WhatsApp and Facebook lack of restrictions enables MSEs to sell without requiring advanced skills or product preparations.

Sellers and buyers can negotiate the terms of delivery, payment, and transportation freely in social commerce, including:

- the freedom to determine the product's condition (whether it's raw, refined, well packaged or not),
- transportation method (via couriers, or delivered by the owners themselves),
- and payment options, such as bank transfers or cash



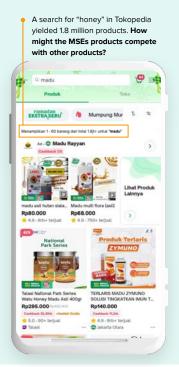
### Competition on Instagram and TikTok extends beyond the product itself to *content creation*.

A clothing brand creates social media content to successfully promote their store and products on Tiktok

## Strategic Differentiation: Enhancing *Product Value* and *Branding*for Digital Selling Success

When MSEs sell in DSPs, especially e-commerce, they need to face **search friction** among millions of other products.

To gain a competitive advantage, the MSEs must develop better branding & marketing strategies and increase the value of their products to have key differentiators.







#### Brand and product development prioritization

Many programs aim to improve MSEs' competitiveness by redesigning products, packaging, or exploring new opportunities. Others assist with branding and business planning.

For example, farmers in Lombok were helped to rebrand their coffee as "the coffee for motorcyclists," targeting trail motorcycle tourists in the area.

"The Kemenparekraf Minister have this principe: Product is king, and packaging is queen."

- Muhammad Neil El Himam, Deputy for Digital Economy and Creative Product at Kemenparekraf Further mastery is needed to increase *competitiveness and efficiency*. Each platform level up demands a *specific pathway* due to distinct business models, operations, and interactions.

#### **LEVEL UP**



- Change Personal to Business Account
- Advanced data analytics, dashboard, and tools usage
- Create and manage catalogue
- Broadcast messages & set up automated reply
- · Create ads in IG and FB leading to WA, etc.



- Advanced data analytics, dashboard, and tools usage
- · Strategize groups and communities to join
- Create ads
- Enhance in-app SEO



#### **E-commerce**



- Join platform campaign
- Create ads
- Enhance in-app SEO
- Manage store and product displays
- Manage discount codes, other
- Broadcast messages & set up an automated reply
- After-sales service and rating & review management



Enhance in-app SEO

Manage product display

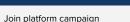
readings, and tools usage

Manage discount codes, other

promotions, and marketing programs

Advanced data analytics, dashboard

Create ads







- Social media strategy
  - Create ads

Social Media &

Content creation skills

Social E-commerce

- Collaboration with content creators
- Page display strategy
- Enhance in-app SEO

\*Due to time constraints and limited access to certain program details, our coverage may not be exhaustive and details about other platforms may not be fully represented here.

- promotions, and marketing programs
- Advanced data analytics, dashboard and tools usage

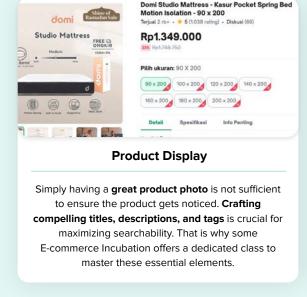


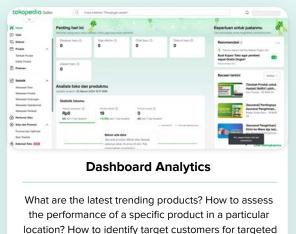


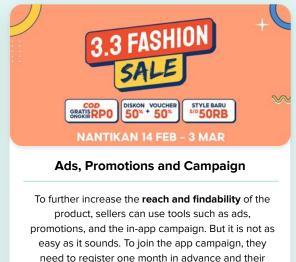
Example platforms:

#### A peek into *leveling up* in e-commerce

Starting a journey in e-commerce is just the beginning. To truly excel and connect with the MSEs' target audience, **mastering the advanced tools and strategies** offered by e-commerce is essential. Here are some examples:







stores need to hit a specific target beforehand.

Thinking this is confusing? Many MSEs also find it overwhelming. That is why some platforms offer **Account Managers** to assist once **specific targets are met.** Alternatively, other MSEs can choose to **outsource** their e-commerce operations to experts who have the necessary skills.

ads? Mastering the app dashboard is crucial to get

these insights and to plan for a competitive business

strategy.

### Selling online is just a fraction of running a business; MSEs need *further support* to grow and reach new markets.

### **Business Formalization**

Some programs offer legal and business formalization support:

- Business Registration Number /
   "Nomor Induk Berusaha (NIB)" to unlock benefits such as
   business loan eligibility and
   access to more government aid
   and programs
- P-IRT, Halal, BPOM License to gain more trust from the consumers
- Intellectual Property Rights / HAKI - to fight against plagiarism, especially in the creativity areas like crafts

#### Production Advancement

Many MSEs require support to help them with production challenges:

- Not having enough tools or resources to increase production capacity
- Struggling to prepare products for online delivery, such as drying or packaging, due to lack of knowledge and access
- Facing difficulties in getting their products certified, due to using non-standard methods in production, sticking to traditional methods, or not knowing about standardization requirements

### Financial Support

Access to capital to accelerate business growth opportunities.

- Attaining business loan some support programs offer loan assistance to MSEs to help their difficulty in securing loans due to informal operations and financial limits
- Venture capital offers MSEs access to investors for collaboration, to help enhance their business operations and growth

### Other Selling Channels

Some programs also help MSEs expand their reach beyond online platforms

- Sales exhibitions in their respective cities or in more centralized cities
- International export targets
   businesses with bulk and
   export-friendly products, offering
   connections to global exhibitors
   and preparing them for showcases
   and international shipping.
- Partnership: expanding channels beyond traditional storefronts, via partnerships with retail stores or resellers



For many MSEs, especially the underprivileged ones, support is not limited to business development, but other aspects like *livelihood improvement*.

"We look into coffee-origin communities with high stunting prevalence because addressing that is crucial for women. So, we designed the program with a bundle of health education, financial literacy, digital marketing, and digital payment for women coffee farmers, coffee farmers' wives, and young women. Additionally, we conducted the Gender, Equality, and Social Inclusion (GESI) analysis in the program design.

 Andi Ikhwan, Director of Agriculture, Entrepreneurship, and Financial Inclusion at Mercy Corps Indonesia.



MAMORA, a program by Mercy Corps Indonesia, empowers women in coffee-origin communities in Humbang Hasundutan and Tapanuli Utara Regencies, North Sumatra Province. The women in North Sumatra also struggle to manage daily household finances. To fulfill their households' economic needs, women coffee farmers/farmers' wives frequently take on additional work to earn extra income. As a result, the women experience time poverty, parental time decreases and family emotional, hygienic, and nutritional well-being are adversely affected resulting in children's growth stunting.

The program will improve the health and economic resilience of women coffee farmers/farmers' wives and their families through hybrid (in-person and digital) health education, financial literacy, and business literacy training and mentoring.





В

# Understanding Programs and how they are designed

- MSEs support programs are tailored for specific purposes. Limited by their design and constraints, most programs do not cover all the MSE's online selling stages.
- 2. Understanding digital transitioning Program archetypes.
- 3. Program makers and grantors' purpose, target, and constraints define the goals and design of a program.

### Programs are initiated by *various organizations*; each has their *strength* and *challenges*

#### **National Government**

- Have the authority to create large-scale and comprehensive programs
- Have access to different supports such as formalizations, selling channels
- Lack of access to local MSEs due to widespread across countries
- Lack of human resources to run the programs

#### **Local Government & Organizations**

- Access to local MSEs and maintain their own databases.
- Limited budget, resources, and expertise in creating MSEs support programs.

#### NGOs, MSEs Support Org. & Associations

- Have the expertise to run the program
- Have human resources to run programs
- Limited access to MSEs.
- Budget depends on grantors

#### **Digital Selling Platforms**

- Knowledge of how to sell on DSPs,
- Access to DPSs and internal database
- Limited budget as they are profit-driven,
- No access to new local MSEs outside their database

#### **Company & CSR Providers**

- Have funds to run the program
- No access to MSEs outside their own fostered MSEs network
- Usually lack of expertise in running MSEs support programs

#### Universities

- Have human resources to run the programs (students takes the role as program officers)
- Have expertise to run the program
- Limited timeline due to academic constraints
- Limited budget
- Lack of access to MSEs.

\*These are examples found during interviews







Challenges

#### **Examples of various programs by the program makers:**

#### **National Government**

- Presidential Decree- <u>Gerakan Nasional Bangga</u>
   Buatan Indonesia (Gernas BBI)
- SMESCO <u>Indonesia Digital MeetUp</u>
- Kemenparekraf AKI
- KemenKopUKM Entrepreneur Hub
- Bank Indonesia WUBI
- Kamar Dagang Indonesia (<u>KADIN</u>)

#### **Local Government & Organizations**

- Jakarta Entrepreneur
- Singkawang Creative
- Rumah BUMN a support hub initiated by State-Owned Enterprises to foster the growth and development of Micro, Small, and Medium Enterprises (MSMEs), located in 251 cities in Indonesia

#### NGOs, MSEs Support Org. & Associations

- Mercy Corps <u>STRIVE</u>
- Kopernik Women Go Digital
- YCAB Karya Perempuan
- UKMIndonesia
- Tumbu.co.id
- ESSENCE
- Satu Tampa
- <u>iDEA</u> (Indonesian E-commerce Association)

#### **Digital Selling Platforms**

- Each e-commerce platform typically have their own education platform
- Shopee Seller Education Center
- Tokopedia Seller Education Center
- Bukalapak Seller Education Center
- Tiktok Maju Bareng Tiktok

#### Other collaboration programs

TikTok & Kemenparekraf - <u>Jalin Nusantara</u>

#### **Company & CSR Providers**

- BNI Kampoeng BNI Nusantara
- Mandiri Wira Usaha Mandiri
- Telkomsel <u>Digital Creative Enterpreneur</u>
- SiCepat Ekspres Program Sanubari
- Sinarmas Pasar Rakyat Go Digital

#### Universities

#### Student-based Programs

- Universitas Jenderal Achmad Yani
- Universitas Gadjah mada
- Institut Teknologi Surabaya

#### Other Universities Collaboration

• Universitas Padjajaran

Note: From our interviews and desk research, we identified various programs offered by Indonesian ministries, local governments, state-owned enterprises (BUMN), DSPs, universities, NGOs, and MSEs support organizations. Each organization potentially numerous programs annually. However, not all program details are accessible publicly; some are held internally for various reasons, including a lack of necessity for online publication, lack of resources, or confidentiality related to the organization's nature. The sheer volume of programs and limited public information makes it challenging to catalog all of them comprehensively.



#### MSEs support programs are tailored for *specific purposes*. Limited by their design and constraints, most programs do not cover all the MSE's online selling stages.

#### Programs mapped by their types:

#### **Specific Participants**

#### **Topical One-off Program**



Shopee Learning Webinar



Halal Learning webinar



**BPOM** registration how to - webinar



Kopernik's UMKM Go-Digital Program



Program

Jakpreneur

Program



Mercy Corps's STRIVE Program



Incubation





Strategy for facing pandemic webinar

**Generic One-off Program** 



**SMESCO** Indonesia Digital MeetUp



SME as Game Changer Webinar



Rumah BUMN

Fostered MSEs









UMKM Binaan

Pertamina

Kemenkeu Learning Centre

Self-learning programs

Note: The programs highlighted above represent just a few examples among the multitude of programs available.





#### Understanding digital transitioning Program archetypes.

There are many different types of programs, and they can be broadly categorized in these archetypes

#### **Specific Participants Programs**

are crafted to ensure uniformity and tailored fit or specific information transfer for specific participants.

#### **Generic Participants Programs**

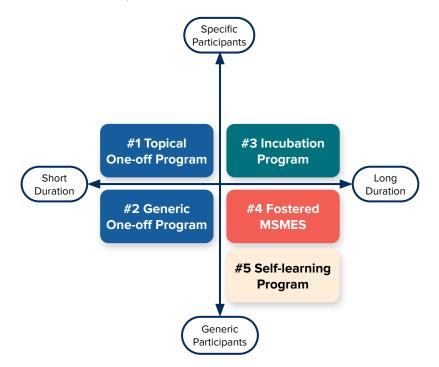
are typically designed to include as many participants as possible.

#### **Short Duration Programs**

are typically implemented due to budget constraints, when the information can be quickly delivered, or to accommodate many participants in a single session.

#### **Long Duration Programs**

like incubations, extend over a significant period, yet constrained by budget and resources, or until their objectives are achieved. Meanwhile, continuous MSE acquisition efforts may persist indefinitely, guided by target achievements or profitability.





#### **#1.** Topical one-off programs

MSEs learn **one topic,** in **one session**, in **one large class**. For example social media advertisement classes or Halal certification courses for Food and Beverage businesses.

#### **#2.** Generic one-off programs

Similar in nature with the above but topics are generic. For example business legalization and formalization or generic marketing class.

These programs typically select MSEs based on their (1) knowledge needs, (2) similar stages in their entrepreneurial journey, (3) digital savviness, (4) similar platforms, or (5) industries.

#### Challenges

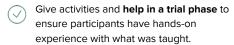


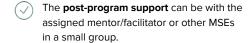
Impact measurement is inaccurate since it is conducted in a day, hence, for longer term impact, some offer extended post-program support in the form of group studies or support group.



**Might not be effective to transition** MSEs into digital. However, the one-off class can be used as a curation to participate in further next program.

#### **Key success factors**





Grouping MSEs with similar criteria for optimal learning and discussion

Method	A homogenous MSEs grouping through one-off class / training / workshop
Торіс	A <b>specific</b> or <b>generic</b> topic to a specific participants type
Participants Profile	Selected to ensure uniformity for optimal group learning and discussion
Number of Participants	Big group; up to hundreds
Duration	Within a day



#### **Topical one-off programs we found:**



#### One-off programs with specific topics

Programs such as Halal Certification education or BPOM License registration education **cater to specific participants** and typically do **not require follow-up sessions**, as all necessary information can be provided in a single session.



#### DSPs program to upscale MSEs with specific topics

Shopee, a leading e-commerce platform in Indonesia, offers a comprehensive <a href="Learning system">Learning system</a> for its sellers, aimed at enhancing their online store's performance. Through the Shopee Seller Education Center, sellers can access free daily webinars covering specific topics such as order management, sales monitoring, caption creation, and promotional strategies.

Additionally, the Shopee Campus roadshow brings offline classes to various cities, providing hands-on training and networking opportunities for sellers to improve their stores.

#### Generic one-off programs we found:

#### **Business support events**

Besides digitalization, program makers offer programs on general business topics like legalization, formalization, and marketing, open to a wide range of MSEs. Some programs also facilitate networking by connecting MSEs with key enablers in a single event.



#### SMESCO Indonesia Digital MeetUp: Connect the MSEs with the Enablers

The Indonesia Digital MeetUp (IDM) aimed to drive Indonesian MSEs' transformation, attracting 3,200 participants and over 15 speakers to discuss business challenges. The event also featured 80+ exhibitors, providing direct interaction opportunities for MSEs on Business Legality, Production Support, Distribution Support, Marketing Support, Business Support and Funding Support

"We need to enable the enablers too, empowering those who can directly assist MSEs, by connecting them with MSEs, so they can reach them effectively."

- Leonard Theosabrata,
President Director of SMESCO Indonesia

#### One-off programs with generic topics

Mass onboarding events aim to onboard numerous individuals simultaneously or target general participants on broad topics, like how SMEs navigate a pandemic. These one-off programs suit many MSEs and often seek to maximize participant numbers. However, effective onboarding should include practical exercises and aftercare to enable participants to ask questions and gain experience for continued selling.



WEBINAR PENGABDIAN MASYARAKAT



#### #3. Incubation program

In an incubation program, MSEs can learn **several topics across a longer period**, in hope that they become independent in their entrepreneurial journey. Also, impact measurement is more accurate given the longer duration to capture data that can go towards improving the programs.

#### Challenges



As the duration is usually long, maintaining the participant's engagement might be a challenge. Strategizing incentives, recruiting from the community to build familiarity within the MSEs, and engaging important figures such as local leaders, can help retain participants in the program.

#### **Key success factors**



Homework and evaluation so the MSEs can have hands-on practice, as it is essential for their learning and application



Assign mentors to support, guide, and engage participants throughout the program, keeping them accountable through regular check-ins



Participants are selected based on certain criteria for relevant learning and discussions, so that the curriculum can be designed to cater to specific stages, business models, and platforms.

Method	Catering MSEs through different stages using a series of classes, homework and mentoring.
Topic	Covering a range of topics in various stages
Participants profile	Heavily curated to ensure uniformity in fitting the program.
Number of participants	Low
Duration	1 week - 2 years



#### Incubation programs we found:

#### **DSPs** learning incubation programs

Some incubation programs focus on the learning of specific DSPs. The programs are not only covering onboarding, but also educating the participants on using the platform tools, such as dashboard analytics, ads, or other specific features in the platforms.



#### **UKM Indonesia**

introduces an education program on WhatsApp Business, aimed at helping MSEs learn advanced features like catalogues and auto-reply to broaden their market access.



#### **E-commerce Regional Teams**

employs door-to-door visits and database searches to recruit potential merchants, offering an incubation program to ensure their successful and sustainable integration into the platform.

#### **Comprehensive learning incubation programs**

Comprehensive Empowerment Programs go beyond DSPs' capabilities, but also prepare MSEs for **business growth, product development, livelihood enhancement, or other aspects** as well. Some programs prioritize the underprivileged for improved livelihoods.



Kemenparekraf AKI Program incubates MSEs not only to facilitate their online sales but also assists in improving the design of the SMEs products



#### **FEB Unjani Program**

goes beyond teaching MSEs how to onboard to e-commerce; it also provides support in basic accounting and product design development, better preparing them for online sales.

#### #4. Fostered MSEs / "UMKM Binaan"

Various organizations **nurture MSEs under their corporate umbrella** to foster growth. They are invited to relevant programs on an ad-hoc basis. In some cases, profit-based organizations may also recruit MSEs to onboard on their platforms or sell products to them.

To be eligible, MSEs must first be recruited into the organization's MSEs community or list, typically through methods such as **door-to-door outreach**, **online forms advertised through ads**, **or engagement in WhatsApp/Facebook communities**. These organizations employ officers who handle recruitment, provide support, and serve as a central point of contact for the MSEs.

#### Challenges



Not many **MSEs are very keen on joining** the programs, and many of them distrust the project officer during the door-to-door recruitment



A lot of MSEs are **not actively engaged** in the Fostered MSEs community

#### **Key success factors**



The organization's field officers play a vital role in recruiting and fostering strong relationships with MSEs under their care.

Method	Gather MSEs to join an organization MSEs community, so they could be recruited to other programs if needed
Topic	There's no specific topic, but later the MSEs will be invited to other programs that fit their needs
Participants Profile	General participants, but some organizations have specific business sectors as criteria
Number of participants	Most organizations are trying to recruit as many MSEs as possible for this program
Duration	Continuous program without time constraints. The number of recruitment is usually the program's KPI



#### Fostered MSMEs programs we found:

Organizations that provide MSEs support programs typically **establish hubs in various cities** and **appoint officers** in each city to recruit and assist MSEs. This approach ensures that even MSEs with limited digital proficiency can visit these hubs for support or program registration.

Later on, other programs often rely on fostered MSEs programs when they want to recruit participants. The fostered MSEs hub also collaborates with local government and other organizations to support the MSEs in their respective area.

Numerous organizations established MSEs support programs:

- Program for MSEs' advancement such as from CSR initiatives (Pertamina, PLN, BRI, Telkom), government entities (Dekranasda, Pemda, etc), and MSEs support organizations (Rumah BUMN, Satu Tampa, Jakpreneur);
- Merchant acquisition programs
   e-commerce and food delivery service (e.g. Tokopedia regional expansion team, Kampus UMKM Shopee, etc).

#### Story from Mrs Flow, facilitator of Rumah BUMN Fostered MSEs in Airmadidi, North Sulawesi



Mrs. Flow has been working since 2016 at Rumah BUMN Airmadidi. While working there, she and 1-2 of her colleagues successfully gathered 4,000 MSMEs under their wings. In the early days of her work, she conducted door-to-door recruitment of MSEs in the area, going from one business to another to invite them to join the MSEs program. She was often rejected, but she didn't give up. Mrs. Flo's strategy was to **visit these MSEs and purchase their products several times until she gained their trust** to invite them to participate in the MSEs program.

Mrs. Flow was given a target to recruit MSEs and also offered Telkom products (internet and other digital solutions). Besides carrying out her main tasks, Mrs. Flow also **built relationships with MSEs there and provided support and consultation** to them, such as how to package and develop products, business formalities, and how to sell online. Mrs. Flow also **helped market the products** under her supervision by creating online and offline stores at the BUMN home office.

#### **#5** Self-learning programs

When resources are very limited, some programs are designed for **independent** self-paced learning. These are generally more suited for highly motivated MSEs.

#### Challenges



Low motivation and lack of digital and business savviness pose challenges for MSEs to consistently engage or complete self-learning programs

#### **Key success factors**



A high willingness to learn is required since it is a self-learning program



The participants must have some level of digital and business savviness to make use of the program

Method	Providing self-learning materials and educational resources for platform onboarding and business growth
Topic	Depends on the materials or purpose
Participants profile	General participants The participants are given access to the self-learning materials and they can choose materials that suit them
Number of participants	As much as possible or limited participants depends on the organizations
Duration	Continuously running without a time constraints or a self-learning class with time duration



#### **Self-Learning programs we found:**

### Self-onboarding instructions and guidelines from e-commerce and food delivery service

E-commerce or food delivery services provide clear step-by-step instructions and a simple onboarding journey, **enabling MSEs to onboard on their own**. Additionally, self-learning resources for business growth are provided, allowing self-onboarded MSEs to **learn at their own pace and convenience**.





Platforms like Tokopedia and <u>Gobiz</u> ease their onboarding journey to cater to more MSEs to do self-onboarding. They ensure the instructions are easy to understand and the process can be done within a short period of time.

### Self-learning programs for fostered MSEs and incubation follow-up

Due to constraints like limited budgets and facilitators for in-person programs, channels or self-learning platforms are established to provide MSEs with access to informational materials and resources for self-paced learning.



Tokopedia offers a <u>seller education</u> <u>center</u> where MSEs can learn how to do self-onboarding and learn how to effectively utilize and optimize their stores.



UKMIndonesia and <u>Tumbu.co.id</u> provide platforms that enable MSEs to access learning materials at their own pace and convenience, covering various topics.

# Program creation journey started with the program makers and grantor setting the *goals* and *targets*, which then guides the overall program design

**Preparation During Program Implementation** After Program **Define Goals and Program Design Invite and Onboard** Find and **Retain & Ongoing Deliver Curriculum** After Care **Find Partners Evaluate** Curate MSEs **MSEs** Support Find partners needed Look and recruit MSEs Convince MSEs to Programs have Provide mentors or WhatsApp or Evaluation is crucial to to deliver the program, to join the programs. onboard by different curriculum, facilitators to offer Telegram groups to assess impact and as they don't have the communicating the delivery formats, support during offer ongoing suitability. Curate the MSEs to capacity or resources value and curriculum duration, and program to ensure assistance, support, make sure participants Some programs to run the programs of the program, or participants based on build connections, and continuous assess participants themselves. occasionally, offer the purpose participation and invite participation in to determine their incentives learning. future programs. participation in the program and offer incentives to those who successfully Program creation journey complete the program.





<sup>\*</sup>There may be some variations across different programs, but the fundamental steps are relatively similar.

### Program makers and grantors' *purpose*, *target*, *and constraints* define the goals and design of a program.

#### **Considerations from organizations**

#### Purpose & Target:

- What does the organization want to get out of this program?
- What target/outcome do they want to achieve?

#### Constraints:

 What are the constraints in terms of budget, time, resources, and locations?

#### **Program goals**

#### Program goals & KPI:

- What are the specific goals of this program?
- What are the measurement metrics to define success?

#### **Program Design**

### Target participants Who to target to help achieve the program goals?

**Curriculum**What curriculum is most suitable for the target participants and to achieve the program goals?

#### **Target platform**

What platforms to include, to best serve the program goals?

#### Duration

What is the program's duration to meet its objectives while aligning with constraints?



# What are the resources and costs needed behind a program?

Budget is one of the key considerations that the program makers need to carefully take care of when designing a program.

On the right are the various costs and resources required in the program.

#### **Pre-Program marketing activities**

Some programs conduct marketing activities for broader exposure to MSEs. For example, creating social media advertisements on Facebook and Instagram.

#### **Facilitators and experts**

Programs may hire experts as facilitators or mentors to support the MSEs.

#### **Incentives**

Several programs give incentives to MSEs when they participate in the program and/or rewards after tasks completed along the program.

#### Venue, F&B and equipment

These expenses are high, especially for offline programs; from facilities to refreshments to equipments needed like banners, projectors, etc.

#### **Transportation and logistics**

Costs for the working team and participants in the field program. Some even provide transportation reimbursement for participants, since they might live far away.



#### Example how organizational purpose can shape the program design:

Organizations	Org. Goals	Program objectives	Implications of program design
Government	Society advancement	A massive number of MSEs are being onboarded (Government aims to onboard 30 million MSMEs in 2024, up from 24 million in 2023)	Shorter-duration programs by ministries and local governments to reach more MSEs.
NGOs and Aid Organizations	Social welfare improvement	Improving the livelihood of underserved MSEs	Prioritize less privileged participants for longer incubation programs to tackle their unique challenges.
DSPs	Increase activity and sales on their platform	Merchants' acquisition and growth	Targeting those with big potential for increased success, and providing support and incubation instead of only onboarding
Companies & CSR providers	Elevate company profile	Government relationship & media coverage	Collaborates with government or invite high profile media/ stakeholders to get acknowledgment and to increase credibility of the program
Universities	Educate students	Creating a class to educate their students while supporting MSEs	Target high-potential and tech-savvy MSMEs to safeguard class experience and student performance. Adjust program duration to university semesters.
Kemenparekraf	Advancing the tourism and craft industries in Indonesia.	Advancing MSEs and their products to compete in the market, including against international products.	Kemenparekraf programs focus on product development, targeting sectors like handicrafts, fashion, and food.









### Best Practices in Program Implementations

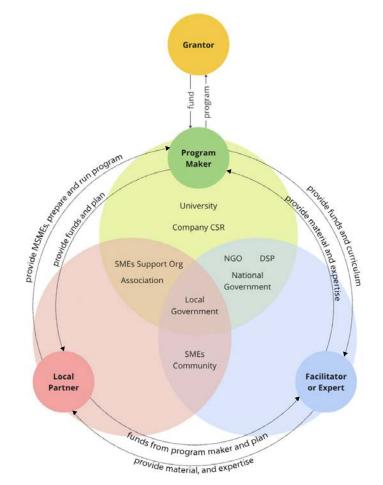
#### Best practices towards program success

Preparation **During Program Implementation** After Program **Define Goals and Program Design** Find and Invite and Onboard Deliver Retain & **Find Partners** After Care Evaluate **Curate MSEs MSEs** Curriculum **Ongoing Support** 3. Engagement with community and key influencers 1. 2. Curation of Collaboration MSEs that are 4. The right amount of rewards at the right time with relevant suitable for the partners in the program ecosystem 5. Frequent communication of the benefit and the effort 6. Pre-assessment to understand needs and gaps 7. Tailored delivery to suit participant's characteristics 8. Dedicated hands-on practices 9. Ongoing and aftercare support and mentoring 10. Evaluation to measure impact and as input for future improvements

### **Collaboration** with relevant partners in the ecosystem

Running a program requires many elements from finding the target MSEs to delivering the program curriculum. It is impossible for all of these roles to be well covered solely by one organization. Tapping on experts in the ecosystem can bring the best potential toward program success.

Program maker	Coordinate the overall program
Grantor	Provide funding to run the program
Local partner	Provide local insights, help run the programs, recruit participants, and prepare logistics
Facilitator / Expert	Provide domain knowledge, curriculum design, facilitate curriculum delivery, and mentorship. On top of this, DSP as a partner is also required to get access to data as part of evaluation metrics.





#### Curation of MSEs that are suitable for the program

The program's success is highly dependent on the right matching between the program design and the MSEs who participate in the program. Thus, the **curation of participants** becomes one of the key success factors. Here are some factors considered when selecting MSEs participants:

#### Motivation of the MSEs

Motivation is key to ensure that the MSEs would participate actively until program completion. Motivation can be evaluated through:

- Passion for the business
- Growth mindset toward the future
- Have run the business for a period of time
- Substantial efforts put into the business operations
- The business serves as the owner's primary source of income

#### MSEs online selling stages

Curating participants at similar stages of digital proficiency / online business maturity to avoid having the content either too basic or too advanced for their current level of experience.

#### For example:

- A basic WhatsApp program should exclude advanced e-commerce sellers.
- Advanced programs (eg. ads, dashboard analytics) should not enroll beginners with no online selling experience.

#### Industry/business types

Alignment between the program's focus and the participating MSEs' business types to prevent the inclusion of incompatible businesses.

#### For example:

- Program in Halal Certification should not include pork product sellers
- Food delivery onboarding should not include non-culinary MSEs





#### Immediate Outcome-driven Program

Some programs are aimed at immediate outcomes, targeting quick high success. These programs typically have a rigorous curation process, gathering higher-potential candidates for online selling success. Factors considered include:

#### **Product Potentials**

Given the competitive nature of e-commerce, products with significant potential are prioritized. This selection is often influenced by various factors, such as market demand and trends.

### Availability of human resources and digital tools

For example, e-commerce digital onboarding programs mandate owning a smartphone and bank account.

"After three months of onboarding, if they achieve the targeted revenue and transactions, they become eligible for further incubation and receive additional support, such as enhanced marketing campaigns and access to more features."

- One of the e-commerce field onboarder

#### Mission-driven Program

Mission-driven programs, targeting underserved populations, often work with MSEs that have lower levels of digital, business, and financial literacy compared to those targeted by more profit-focused initiatives. Consequently, a long-term incubation program is necessary to support these MSEs as they progress from the early business stage to be able to sell online independently.

These programs target marginalized or vulnerable communities to engage in the program such as women groups, disabled groups, communities in coastal areas, lower income groups or people in tier 3 cities and remote areas.



#### Other examples of Mission-driven Programs

#### Tier 3 city coastal area focused programs.



The ESSENCE program, initiated by the collaboration of UK-Indonesia Tech Hub, Kumpul, Kemenkomarves, AIS Forum, and UNDP, aims to help MSEs from tier 3 coastal cities to transition online, prioritizing underprivileged groups like women, youth, and persons with

**disabilities**. Since then, the online training has assisted over 1,500 MSMEs, while face-to-face training sessions have aided 125 participants in Manado, Lombok, Kupang, and Bangka Island.

In accordance with UNDP's mantra **'Leave No One Behind',** ESSENCE has equipped the underrepresented coastal communities in Indonesia.

- Norimasa Shimomura, UNDP Resident Representative, from ESSENCE Bantu Komunitas Berinovasi Secara Digital article by lyfebengkulu.com

#### Women focused programs



Kopernik, in partnership with JICA, collaborated with 'Aisyiyah (a women autonomous organization under Muhammadiyah) to launch an MSME support program for women MSMEs in Yoqyakarta It caters to all business types and ages, including single-player enterprises. The

year-long program emphasizes practice and mentoring, covering various stages of MSEs growth. To ensure sustainability, Kopernik trains Aisyiyah to independently replicate the program in the future.

"Women find it harder to compete due to their lack of digital literacy, limited opportunities and because they hold a bigger domestic responsibility."

- Danisa Myra Putri, Associate Manager in Kopernik



#### How do program makers *look for and invite* MSEs to join their programs?



Reaching out organizations' fostered MSEs / "UKM Binaan"



Reaching out local communities



Spreading registration information online



**Door-to-door recruitments** 



Database or online research

#### **Best Practice 3**

### Engagement with *communities* and *key influencers*

MSEs typically connect with each other to form groups. These connections are great opportunities for program outreach.

The community to tap into can be an informal group of sellers in a traditional market, an online regional-based selling-buying group on Facebook, or a formal community with branches in many cities.

In longer duration programs, keeping participants engaged is hard. Involving someone they trust in the program creates familiarity and encourages them to stay involved throughout.

Examples of key persons could be:

Local leader

Community Head

**Fellow MSEs** 

Other respected members



#### GROUP PETANI JAGUNG LAMPUNG

Join

Public group · 20K members

#### About

Saling menceritakan dan membagi pengalaman bertani jagung, serta memberi solusi dan sharrin dalam dunia pertanian jagung, boleh berjualan sarana dan prasarana pertanian dalam jangkaua disekitar daerah lampung, diluar lampung, wajib menggunakan Rekber resmi atau sistem cod. Unta

Online communities are commonly found in social media like Facebook



"A lot of rejection at first. But the key is to be close with the MSEs that are well known by their communities. I went to the village head and the community lead, to help me connect to the MSEs."

- **Florentia Karunia Lengkong,** MSMEs Facilitators in Rumah BUMN Airmadidi, North Minahasa, North Sulawesi



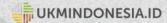
### The right amount of *rewards*, at the right time

Some participants are motivated to join programs not just for knowledge, but also for networking opportunities, additional business support like equipment aid, as well as for rewards or incentives from program makers.

However, there have been cases where MSEs became solely fixated on obtaining rewards, rather than making the best use of the program to grow their businesses. In order to avoid this, it is best to **reward participants** only after the completion of the program or when they have achieved certain milestones.

The incentives and rewards might take shape in different forms, such as money incentives, phone credit, or digital wallet vouchers.

#### tumbu



#### BENEFIT

- ▼ Ilmu & Pengalaman seru belajar secara langsung bersama fasilitator dan mentor berpengalaman Tumbu
  - **▼** E-certificate
- Dapatkan Saldo ogopay senilai Rp. 50.000,00
  - ♥ Hadiah menarik bagi peserta terbaik



Image source: ukmindonesia.id

One of the training programs offered by UKMIndonesia and Tumbu.co.id incentivizes participants with e-wallet balance rewards upon completion and submission of assigned homework. Incorporating rewards helps program makers ensure active participation and engagement throughout the training.

"Incentives are important in retaining participants and gain feedback for monitoring and evaluation. MSEs who attend classes, complete assignments, and actively participate will be rewarded."

 Dewi Meisari, Founder and Chief Editor of UKMIndonesia.id and CEO of tumbu.co.id

#### Why are rewards important?



To make up for the lost opportunity cost due to commitment spent in training

Leaving their merchant activities can lead to losing customers as they are not attending their store, and therefore, losing money. Offline training adds transportation costs, while online training uses up their internet data, which can be used for entertainment or other needs.

Rewards are needed to cover these costs.



### To motivate and encourage participation in the programs

Currently, there is not yet an established learning culture among the ultra-micro entrepreneurs targeted for this program, so they need a push to motivate them to learn and participate.

### Frequent communication of the **benefit** and the **effort**

From pre, during, and post program, MSEs should be informed and reminded of the tangible benefits to expect upon program completion. This helps to keep them inspired and motivated.

For example, **showcasing a real case study from other MSEs** that they can relate to, including the impact of online selling on the MSEs' business conditions or earnings. In order to paint a clear picture, the benefit examples need to be clearly shown using images, screenshots, or even invite the established MSEs to share the story directly with the program participants.

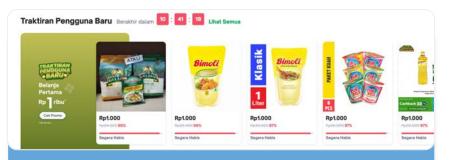
On top of that, experiencing the immediate benefit of online selling, such as receiving their first order from DSP, is a great motivator and confidence boost



"We need to clearly show them the good and the bad things of selling online. So they know that they need to put in an effort and that it is a long process. That's why we like to invite our bigger sellers to share their success stories."

- Yohanes Arya Duta, a freelance facilitator

### Witnessing their *first and early transaction* s is a big motivator to continue their efforts in online platforms.



#### Address the search friction for new sellers

Search friction is common for new sellers in e-commerce. To tackle the issue, e-commerce platforms employ several strategies:

- Providing vouchers to new MSEs so they can attract more customers using discounts.
- Encouraging MSEs to participate in campaigns for new sellers.
- Implementing algorithms to promote more new sellers within the same region.



#### Simulate the first digital transaction

Some facilitators simulated the DSP process by personally purchasing goods from the MSEs. Also, MSEs could reach out to their customer database and ask them to try buying from their new 'online stores'.

This practice helps MSEs to experience what it is like to receive and process transactions in the future.



### **Pre-assessment** to understand needs and gaps

Conducting a pre-assessment prior to the program is beneficial to gain insights into the conditions and challenges faced by MSE participants. This allows the program maker to:

- tailor the assistance and companionship that the MSEs need
- enable mentors to track progress and adjust their approach to cater to each MSEs specific needs
- provide a baseline for before-and-after condition evaluation to objectively measure progress, and
- build rapport even before the program begins.

The pre-assessment can be conducted through interviews with MSEs or by asking them to complete a pre-training questionnaire.

This approach is particularly common in programs catering to participants from less centralized areas, as program makers from major cities like Jakarta may not fully understand the MSEs needs without prior interaction.



"In our needs assessment, we also analyze the digital literacy of participants and ask whether the participants have an email and use any social media channels. That helps us to identify gaps. So we can determine whether we should begin with the digital literacy training and mentoring first or proceed directly to the financial literacy and business development training and mentoring."

 Andi Ikhwan, Director of Agriculture, Entrepreneurship, and Financial Inclusion at Mercy Corps Indonesia.

### **Tailored delivery** to suit participant's characteristics

No delivery format fits all. Understanding the participants allows program makers to tailor program delivery that can help participants absorb the content easily and reduce their anxiety.

#### Incorporate local context and nuances

Locality and familiarity throughout the program are necessary for full engagement and understanding of the materials.

For example, local, daily, and simple language that is easy to understand, both in the presentation deck, hand-out materials, or the words used by the facilitators. Conduct the training in a casual environment instead of a classroom setting.



#### Bring informality to the table

Informality in the delivery can ease the concerns or fears the participants had during the program. The informality can be in the form of two-way interactions, informal gatherings, or inserting games and guizzes.

"At times, when the program is set up like a school, participants worry about making the 'teacher' mad. That's why it's important to make them comfortable. Make the class interactive, such as use games during the training."

- Maria Silangen, Program Director of Satu Tampa





#### **Understanding the nuances**



#### Informal approach goes a long way

Chantal Novyanti, Secretary of Singkawang City Tourism, Youth, and Sports Department, manages around 200 creative actors under the local government. She told us the importance of **establishing close relationships with MSEs to optimize their development and foster dialogue**, a goal that can be achieved through **informal settings**.

Within her local government agencies, they implemented a range of programs and assistance initiatives, including digital training, product development support, and logistics facilitation.

"At least once a year, we gather with all MSMEs, dining at a hawker stall, and have conversations. This allows us to ask about their current situation and share our own.

Gathering at government offices can be awkward and lacks the fluidity of informal settings."

- Chantal Novyanti, Secretary of Singkawang City Tourism, Youth, and Sports Department

### Supporting program makers in selecting between *online* and *offline* delivery channels

#### **Online Delivery**

#### Cost

Lower cost to run the class

#### Topic

- Suitable for less technical topics (eg. Halal Certification, Business Registry Numbers)
- Suitable for easier onboarding (to WhatsApp Business)

#### **Participants**

Suitable for both big and small groups with homogeneous stages of business

#### **Offline Delivery**

Higher cost to run the class

- Suitable for practical classes (eg. product photography)
- Suitable for harder onboarding that requires close assistance (to e-commerce or food delivery service)

Suitable for less savvy groups to form a closer engagement and assistance

#### **Hybrid Alternative**

To tap into the benefits of both online and offline, many programs have adopted a hybrid approach.

For example, an offline program that provides in-person training may incorporate an online aftercare or follow-up system with assigned mentors.



#### Dedicated *hands-on practices*

As the digital selling platform is an unfamiliar channel, **hands-on**, **trial and error practices** are important to overcome fear and to make participants feel confident interacting with DSP independently on their own.

Trying it using their own hands gives very different experience to just learning and watching someone else doing it.

#### Ways to embed "hands-on, trial and error" practices

- Assign homework and follow-up session
- Templates with guided steps to perform tasks
- Hands-on workshop with tutors or facilitators
- Group sessions to practice with other MSEs
- 1:1 coaching or mentoring session



### Ongoing and after care support and mentoring

#### Serve as a helpline for guidance and assistance

Having a mentor available to support, and address questions and challenges: from navigating the program to technical inquiries to broader business concerns, is essential for their continued engagement. This can be offered during class, dedicated mentoring sessions, or through ad-hoc messaging applications like WhatsApp.

#### Post-program networking

Due to budget, time, and resource constraints, program makers often conduct one-off sessions with limited duration. Despite that, some program makers extend the learning experience by inviting participants to join larger networks with other MSEs, via WhatsApp or Telegram. This enables participants to connect, share experiences, and get ongoing support from the community.



"Follow-up is key, because materials can be found anywhere, with many free options on YouTube. But we also need to encourage them that it's okay to ask questions in the group, no need to worry."

- Maria Silangen, Program Director of Satu Tampa

# **Evaluation** to measure impact and as input for future improvements

#### Evaluation is important to:

- Check if the outcome is aligned with the intended goals and program design
- Provide insights for future programs and continuous improvements

#### Several good practices are:

- Embedding evaluation throughout the program, instead of waiting until the end; especially for long duration program
- Evaluating impacts not only from organizational perspectives but also from MSEs perspectives
- Evaluating not only the big picture, but also the details of the program curriculum and delivery

#### What kind of evaluations can be done?

End outcome	Evaluating the end outcome against program goals and KPIs, such as:  Number of participants successfully onboarded Growth in sales and earnings The number of graduates from the class
Behavior change	Embedding evaluation throughout the program, to see if there has been any behavioral change, such as:  Login to ecommerce platform on a daily basis  Start using the tools  Reach out to contacts to promote online stores
Program evaluation	Evaluating program curriculum and delivery, such as:         Topic fit of the material         Clarity of the speaker in presenting the material

Behavior change and program evaluation can be assessed via surveys, feedback sessions, or homework assigned to monitor participants' progress over time. Pre-assessments enable comparison of MSEs' conditions before and after the program, enhancing evaluation accuracy.









# Gaps, Opportunities, and Future Research Area

## Pressure to *show success* can entice program makers to use *workarounds*, shifting focus away from impact to MSEs

Ideally, a successful program should help MSEs to expand their market, increase their income, and improve their livelihood.

However, this is difficult to achieve; it requires a long journey and there are many factors that influence success that cannot be controlled by the program makers alone, which can't guarantee success.

As a result, there are different workarounds observed, such as:

- Choosing easier to achieve KPIs —for example: program completion, fund absorption, number of participants— as opposed to an increase in MSE's earnings or market reach.
- Recruiting already established businesses to guarantee target achievement, even though these businesses do not really need the programs.



How might we create programs that give *meaningful impacts* to the MSEs while also accommodating internal targets and constraints?

## Lack of MSEs database leaves certain MSEs *untapped*

There is a lack of MSEs database, particularly their online selling stages and program participation history.

This can lead program makers to:

- Invite the same MSEs to join programs, resulting in redundancy
- Face challenges in selecting MSEs that best fit the program
- Unintentionally exclude MSEs that are beyond their network's reach



How might we help program makers *identify suitable MSEs* to avoid redundancy or unintended exclusion?

# Limited program *discoverability* hinders MSEs from accessing and continuing programs

To be successful in online selling, MSEs have to go through different stages. However, most programs do not cover all of these stages. This is worsened by the lack of discoverability of different programs available out there.

For MSEs, limited program discoverability can lead to:

- Unaware that there are programs that can help them
- Challenges in progressing through online selling stages due to difficulty finding programs that support their continued growth

While for program makers, a lack of program discoverability and coordination between programs can lead to the:

- Providing redundant topics that have been covered by other programs
- Starting new initiatives rather than continuing existing ones

Note: Researchers in this project initially struggled to discover available programs via desk research due to limited information publicly available on the internet.



How might we *increase*program discoverability so
that MSEs can easily find and
progress through them?

Integrating and consolidating information on MSEs support programs can facilitate access for both programs and MSEs, meeting their respective needs effectively. For example, local governments could effectively act as integrators, due to their wide-ranging networks of organizations and fostered MSEs.

"UMKM programs should be continuous and sustainable, involving collaboration with multiple stakeholders. Currently, there have been numerous training sessions, but they lack synchronization."

- **Tania Adialita**, Vice Dean and Lecturer at Faculty of Business & Management in Universitas Jenderal Achmad Yani (FEB Unjani)



#### A story of coordination between programs

Before creating MSEs support program in Singkawang, Chantal Novyanti (Mrs. Vivi), Secretary of the Singkawang City Tourism, Youth, and Sports Department, discussed with Singkawang City <u>Disperindagkop & UKM</u>. She learned that they had already initiated a program to enhance MSEs' products and packaging. **To avoid redundancy, Mrs. Vivi adjusted her department's program focus** to marketing skills.

This chat was something that happened informally. One of the barriers of collaboration is bureaucracy, which makes some organizations reluctant to find out more about other programs.

# Women's lack of *time, financial*, and decision power constraints growth of women-led businesses.

Women play a vital role in Indonesia's MSE sector, leading the majority of MSEs. However, they encounter obstacles hindering their business growth.

Time constraints from household duties and childcare responsibilities limit women's ability to focus on business expansion. Furthermore, societal stereotypes, such as the expectation for women to rely on husbands' approval, limit their financial and decision-making autonomy, stifling impeding innovation and opportunity.

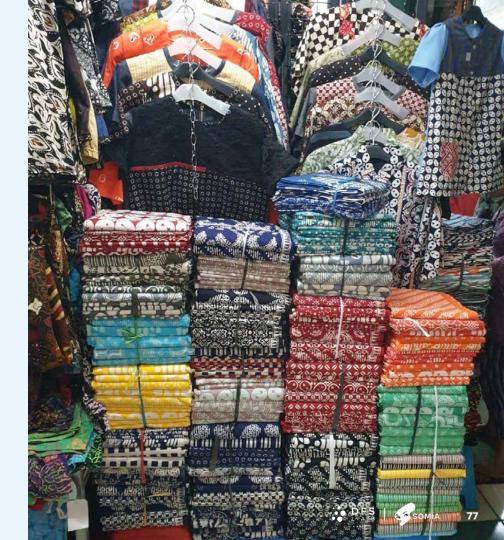
By empowering women in business, Indonesia can unlock the full potential of its MSE sector, driving economic development and prosperity



How might we enhance women's empowerment to foster the growth of their businesses?

#### Further *Research* Area

- Dive deeper into the perspective of MSEs to see:
  - Their experiences in finding, participating, and assessing the impact of online selling and support programs.
  - Their journeys into adopting digital selling platforms.
- Ideate solutions for the gaps and opportunity areas, prototyping, and testing the solutions.
- Engage with different program makers and stakeholders to explore possible interventions to address the challenges from a systemic perspective.







# **E** Additional Findings

## Recognizing the hurdles faced by certain MSEs in selling online, various entities bridge the gap by acting as *intermediaries*.

Due to many <u>barriers</u> and <u>lack of fit</u>, not all MSEs are ready to manage online selling activities. In such a situation, intermediaries serve as a bridge between them and the DSPs. These intermediaries often do this for profit, either via commission or marking up the price of the products sold on DSPs.

Ad-hoc Organized

#### **#1 Promotion support**

Organizations, including government agencies and specialized private firms, assist MSEs with DSP platform promotion.

## **#2 Reseller &** management services

Resellers and private firms help MSEs to market their products online. In return, they receive payment, profit sharing, or profit from price markup.

## **#3 Matchmaker to** reseller services

A platform that **connects local MSEs with resellers** to help promote their products.

## #4 Intermediary organization

Some companies serve as intermediaries for sectors like agriculture to help sell products online, handling large volumes, and leveraging established customer bases.



#### **#1 Promotion Support**

#### **#2** Reseller & management services



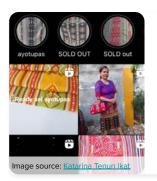
## Individual Initiatives to help local MSEs go digital

Florentia, MSEs facilitator at Rumah BUMN Airmadidi, supports additional helps to local MSEs to market their products in diverse channels, such as e-commerce and personal social media accounts.



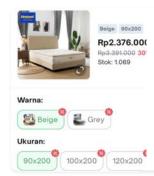
#### Local government and agencies as intermediaries

Local governments and agencies promote local MSEs' goods via official government accounts, broadening the customer base and higher credibility through government endorsement.



### Informal resellers to help sell local offline MSEs

A reseller supports Timor Island's women artisans by expanding their customer base for tenun fabric through Instagram, sourcing from various suppliers, and generating profit through reselling.



### Private digital agencies to handle DSP

Private digital agencies offer services to build and manage DSP accounts for MSEs, including product uploading and customer interactions, as well as branding services to improve online store performance.

#### **#3** Organizations as Matchmaker

#### #4 Company as Middle Platform



#MudahBukaUsaha

Usaha online tanpa modal dan gratis belajar bisnis dipandu tim berpengalaman.

Reseller kami telah berhasil meraih omzet hingga ratusan juta rupiah dan komisi hingga 10 juta Rupiah. Kamu juga bisa seperti mereka dengan jadi reseller di Evermos.

Mulai Berjualan Sekarang



### **Evermos**: connected commerce to bridge local MSEs to a wider reach through resellers' network

Evermos offers over 80,000 products from 700 local brands to 700,000 active resellers. They provide end-to-end support by managing logistics and facilitating delivery, allowing resellers to focus on sales. Evermos also offers training programs to empower resellers and MSEs in marketing and community engagement.



#### Company as supply chain intermediaries

eFishery and Aruna specialize in agricultural sectors, connecting small farmers and fishermen with broader markets. They tap into the ecosystem, including harvest agents, to strengthen their penetration to the agriculture system. These companies also tackle operational and logistical hurdles in delivering fresh produce to end customers efficiently while maintaining quality.









#### **List of Programs (1/6)**

From our interviews and desk research, we identified various programs offered by Indonesian ministries, local governments, State-Owned Enterprises (BUMNs), DSPs, universities, NGOs, and MSE Support Organizations. Each organization potentially runs multiple programs. However, not all program details are accessible publicly; some are held internally for various reasons, including a lack of necessity for online publication, lack of resources for publications, or confidentiality related to the organization's nature, making it hard to comprehensively catalog all programs.

Organizations Type	Program Maker & Collaborators	Program Name & Link to Sources	Short Description
	Presidential Decree	Gerakan Nasional Bangga Buatan Indonesia (Gernas BBI)	A national movement aimed at promoting and supporting locally-made products to boost domestic consumption and pride in Indonesian craftsmanship.
	SMESCO	Indonesia Digital MeetUp	2 days event that gather MSMEs to connect with fellow businesses and enablers.
	Kemenparekraf	Apresiasi Kreasi Indonesia (AKI)	Community Service to help MSMEs market their product and get fund.
	KemenKopUKM	Entrepreneur Hub	Initiative to support and nurture small and medium enterprises through resources, training, and networking opportunities.
National Government	Kementerian BUMN	Rumah BUMN	A collaborative platform initiated by state-owned enterprises in Indonesia, offering mentoring, funding, and market access support in 244 locations.
	Bank Indonesia	WUBI	A program designed to foster new entrepreneurs by providing them with financial literacy training, mentorship, and access to financial resources
	Kamar Dagang Indonesia (KADIN)		Focus on empowering small and medium-sized enterprises through advocacy, capacity building, market access, and networking opportunities
	Kementerian Keuangan	Kemenkeu Learning Centre	Online learning media that discusses various materials including MSME Micro learning that can be accessed by general public



#### List of Programs (2/6)

Organizations Type	Program Maker & Collaborators	Program Name & Link to Sources	Short Description
National Government	Kementerian Informasi	<u>Digital Entrepreneurship</u> <u>Academy</u>	Training scholarships aimed at prospective MSMEs to upgrade digital technology usage to improve the business.
Local Government	Jakarta City	Jakarta Enterpreneur (Jakpreneur)	Jakarta government initiative aimed at fostering entrepreneurship by providing comprehensive support to local startups and small businesses through local government and district level.
	Singkawang City	Singkawang City Creative Center	A hub designed to boost the creative economy in Singkawang, Indonesia, by providing local artisans and entrepreneurs with spaces for collaboration, exhibition, and sales, alongside workshops and training programs.
NGO, MSEs Support Organizations, & Associations	Mercy Corps	STRIVE	A global initiative that aims to strengthen resilience and economic opportunities for MSMEs by focusing on 3 topics: Go Digital, Get Capital, and Supporting Ecosystem.
	Kopernik	Women Go Digital	Targeted training and support to enhance the digital skills of women entrepreneurs, enabling them to enter, compete, and thrive in the digital market
	YCAB	Karya Perempuan	In collaboration with Facebook SheMeansBusiness, focuses on empowering Indonesian womenpreneurs by providing them with digital marketing and financial literacy skills.
	<u>UKM Indonesia</u>		A comprehensive web portal that offers information, knowledge, and opportunities for micro and small enterprises (UMKM) to support their growth.



#### **List of Programs (3/6)**

Organizations Type	Program Maker & Collaborators	Program Name & Link to Sources	Short Description
	Tumbu.co,id		An online entrepreneurship training platform designed to boost community productivity by offering easily accessible, free, and structured video content suitable for MSMEs looking to grow their business
	KUMPUL	<u>Essence</u>	Initiated by UK Tech Hub in collaboration with KUMPUL.ID, is a scale-up initiative designed to enhance digital literacy skills, internet safety, and financial access for SMEs
NGO, MSEs Support Organizations, & Associations	Satu Tampa		
	<u>iDEA</u> (Indonesian E-commerce Association)		Collaborates with the Communication and Informatics Ministry to launch a digital training program for MSMEs, demonstrating a commitment to enhance, empower, and strengthen these enterprises within Indonesia
	Inotek Foundation	Inotek SME Program	A business incubator to support the development of start-up, small and medium enterprises based on appropriate technology.
Digital Selling Platforms (DSP)	Grab	Kelas Terus Usaha	Free training program for Indonesian MSMEs to improve their digital skills to upgrade and compete
	Gojek	<u>KAMUS</u>	Learning ecosystem to support the development of Indonesian MSMEs through a community and a series of business skills training aimed at Gojek MSME business partners



#### List of Programs (4/6)

Organizations Type	Program Maker & Collaborators	Program Name & Link to Sources	Short Description
Digital Selling Platforms (DSP)	Shopee	Kampus Shopee Offline	support provided by Shopee Indonesia for MSME players in developing their business by starting to sell online.
	Tokopedia	Tokopedia Seller Education Center	The Tokopedia Seller Education Center offers comprehensive resources and training for sellers on the platform, equipping them with the knowledge and tools needed to start and grow their online businesses.
	Bukalapak	Bukalapak Seller Education Center	Also known as "Akademi Pelapak," offers a learning platform on website and YouTube, providing guides, tips, tricks, and the latest information to help sellers on Bukalapak enhance their online selling skills.
	Tiktok	Maju Bareng Tiktok	Offers intensive training to help businesses grow, with free online classes covering everything from understanding the digital marketing ecosystem to mastering TikTok ads.
Company	Sampoerna Entrepreneurship Training Centre	UMKM Untuk Indonesia (UUI) https://setc.id/	Sampoerna Untuk Indonesia (SUI) sustainability program to develop the digital technology capabilities of MSME players in DKI Jakarta and West Java Provinces
	Coca-Cola Company Europacific Partners	Pelatihan Ibupreneur CCEP for Communities	Training on the basics of being an "lbupreneur"; business financial statements, marketing and branding, business digitalization and business optimization through social media.



#### **List of Programs (5/6)**

Organizations Type	Program Maker & Collaborators	Program Name & Link to Sources	Short Description
Company	Telkomsel	Digital Creative Enterpreneur	An accelerator program, offering intensive mentorship to Indonesian SMEs. It focuses on digital marketing, creative content tips, and product promotion.
	SiCepat Ekspres	Program Sanubari	Support the digitalization of MSMEs, featuring a series of webinars on digital marketing training and a business plan competition.
	Sinarmas	Pasar Rakyat Go Digital	A digital empowerment initiative for MSMEs focusing on digital literacy education, digital wallet usage, online store management, and market access assistance through collaborative efforts with banks and digital startups.
	BNI	Kampoeng BNI Nusantara	Empower communities through partnership credit distribution and ongoing capacity building.
	Bank Mandiri	<u>Wira Usaha Mandiri</u>	Support the growth and development of young Indonesian entrepreneurs through competitions, showcasing business talents and innovation, and providing extensive training and mentoring.
University	Universitas Gunadarma	Workshop Reka UMKM Cerdas Series	Photography training for 50 SMEs in Depok.
	Universitas Jenderal Achmad Yani		Community development that involved students to give training, mentoring, and companionship to boost business condition in MSMEs within Cimahi City.



#### **List of Programs (6/6)**

Organizations Type	Program Maker & Collaborators	Program Name & Link to Sources	Short Description
University	Universitas Gadjah mada		Support provided by Shopee Indonesia for MSME players in developing their business by starting to sell online.
	Institut Teknologi Surabaya		UGM students, through the Gerakan Digitalisasi Desa initiative, are assisting dozens of MSMEs in Jatimulyo Village, Bantul, to develop their businesses using digital marketing and e-commerce platforms.
	<u>Universitas Padjajaran</u>		The program aims to enhance MSMEs' digital capabilities and financial management post-COVID-19, featuring training, platform usage instruction, and technical assistance, involving faculty, students, and MSME participants from West Java.







## Thank you!

Get in touch with us to learn more about the insight of this report

Jake Kendall | jake@dfslab.net Rayi Harjani | rayi@somiacx.com

#### **April 2024**

This report is based on research funded by the Bill & Melinda Gates Foundation. The findings and conclusions are those of the authors and do not necessarily reflect positions or policies of the Bill & Melinda Gates Foundation.