

# Financial Literacy Training for SME's Activities: Online Media Optimization

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## ABSTRACT

The background of the service program is the lack of access of SME's entrepreneurs in the Cibadak sub-district to financial institutions, which can be caused by the low level of financial literacy of micro-food entrepreneurs typical of the city of Rangkasbitung, Banten. This community service method is a workshop on financial literacy by partner groups in marketing their products. As a result, micro-food businesses typical of the city of Rangkasbitung, Banten, are given knowledge and insight into what financial literacy is through financial inclusion and how to obtain business capital so that the business they run can grow and develop. In order to make access to financial institutions easier, participants are also provided with ways to obtain business capital from third parties. During the training, every time the material is finished, the participants are given assistance in preparing financial management and how to conduct online transactions.

**Keywords:** Financial institution, Financial literacy, Training, SME's.

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## I. INTRODUCTION

One of the backbones of the economy in Banten is the creative industry, where currently the number of creative industries has reached 98%. One of the food processing industries that are typical of the Karangasbitung area of Banten, such as sticky rice opaque, rengginang, gipang, melinjo chips, and fish ball crackers are still developing and able to survive quite well until now. In addition to souvenirs which are typical snacks from Banten, there are many other culinary delights that are typical of Banten, including angeun pepper, rabeg goat, marrow rice, duck satay and various other culinary offerings. But unfortunately, these products are only known by the surrounding environment, without being known more widely, because indeed the promotions carried out are only limited to participating in exhibitions or even not promoting at all. Based on some of the studies mentioned above, a social media-based promotional approach can be used to increase the sales results of these SME's products. Therefore, the service here wants to make a directive, especially with regard to promotion using social media for Rangkasbitung SME's products because with the promotion it is hoped that the wider community will be more familiar with the product so that in the end they will try and buy.

One of the problems that often arise is that several obstacles are found in its development, where the main obstacle is in terms of capital and then in terms of marketing.

Problems in terms of capital found that the capital owned was still minimal, and business actors also experienced difficulties in accessing financial institutions. This is due to the low performance of several aspects of the business, such as aspects of management, target market, technical, finance/cash flow, legality, and innovation. Even though the performance of these aspects is a consideration for financial institutions when they will distribute financing to business actors. This is in line with what Yahya, a small and medium-sized entrepreneur in tempe handicrafts, resident of Rangkasbitung, Lebak Regency, said on Saturday. He said that before the increase in soybeans as a raw material for tempeh, business craftsmen could earn between 20-30 percent per day. However, he said, currently the profit is only 10% per day after the increase in raw materials. "We are confused that the profit of about 10% can only provide for the family economy," he said. help tempe craftsmen.

Business actors who will be partners are micro-food businesses typical of the Rangasbitung area, Banten. Where this partner in carrying out the production process is only limited to local needs. According to partners, this is due to the lack of funds for business development. The lack of capital owned by partners due to a lack of knowledge about financial management as seen from traditional financial planning and management and in the marketing sector, partners only sell conventionally.

The lack of access for SME's entrepreneurs to financial institutions can be caused by the low level of financial literacy of handicraft business actors. Financial literacy can be interpreted as financial knowledge, with the aim of achieving prosperity [1]. Financial literacy as a person's ability to obtain understand and evaluate relevant information for decision making by understanding the financial consequences it causes [2]. Individuals need basic financial knowledge and skills to manage financial resources effectively for their well-being. Low financial literacy can result in low access to financial institutions and hinder prosperity. Financial literacy is in the form of financial knowledge with the aim of achieving prosperity [3].

So far, small and micro food businesses still market their products conventionally. In addition, it also only relies on tourists visiting the city of Rangkasbitung, and when there are exhibition activities carried out by the government or business associations. This has an impact on small business sales turnover which can be said to be in a seasonal sales cycle. These business actors really want their marketing to expand to other areas, but because of problems with funds for promotion, this desire has not been realized until now. If funding problems can be overcome and product marketing can be expanded, it will increase purchasing power so that production will automatically increase and this will bring the welfare of the business community. According to [1], low financial knowledge affects future financial planning, while ignorance of basic financial concepts can be related to low investment planning.

Referring to these conditions, the Jakarta Veterans National Development University, which is a conservation university and is located adjacent to the area, has a great responsibility in improving the above conditions and cares about the surrounding development. This family financial management training program will focus more on developing the ability of housewives to understand financial literacy so that mothers can manage their finances better. Furthermore, the formulation of the problem in this service activity is how to make mothers who manage household finances able to manage their finances well, so they are able to set aside money to save for a better future.

## II. IMPLEMENTATION METHOD

The partners of this training activity are housewives of the micro food business group typical of the Rangkasbitung city, Banten. The participants were 15 people who came from the housewives of the micro-business group. The service methods offered in order to solve the problems faced by partner groups and at the same time support, this program is through a workshop on financial literacy. In general, this activity aims to increase the knowledge and ability of partner groups in running their businesses, to make them more competitive. Workshops are held in the form of lectures and discussions. Where the material will be delivered by the resource person with the help of PowerPoint media, then it will be continued with a discussion on the material that has been delivered.

Indicators of success after running this workshop, it is hoped that the participants will be able to find solutions to several partner group problems, including the following:

- a. Understand financial literacy. Training materials on financial literacy can be understood by groups of embroidery and embroidery craftsmen.
- b. Participants have knowledge and understanding in finding alternative sources of funding for business development. Training materials on funding sources can be mastered by partner groups.
- c. The partner group has the knowledge and understanding of how to access each financial institution to obtain additional funding sources for their business. The training materials can be mastered well by the participants.

## III. RESULTS AND DISCUSSION

The training participants involved in this service activity are housewives who have micro businesses. The participants of this service activity amounted to 15 people. The presenters and instructors involved in this activity provide knowledge and insight into financial literacy in which the speakers are competent people and instructors in their fields.

Participants who were invited to take part in this training were very excited when they were invited to attend the training, this could be seen from the quite enthusiastic response shown by the participants who arrived on time on the set schedule, and the number of delegates who attended was as expected. they can spread this knowledge to housewives who do not attend this training.

In the implementation of this training activity, the mothers were given knowledge and insight about what financial literacy is through financial inclusion and how to obtain business capital so that the business they run can grow and develop. So, after participants know about financial literacy, especially about financial inclusion, it is hoped that it will increase public access to financial institutions, products and services. In addition, to make access to financial institutions easier, participants are also provided with ways to obtain business capital from third parties. Apart from the financial side. During the training, every time the material is finished, the participants are given assistance in the preparation of financial management.

Before starting the event, the organizers conducted a question and answer session with participants regarding the participants' understanding of financial literacy. In the material activities regarding financial literacy and the process of how to apply for loans to financial institutions. Each material will be delivered by different and competent speakers in their respective fields.

The presentation of the first material as well as discussion, namely, regarding financial literacy, which is more focused on financial inclusion, will be held after the opening ceremony on Friday, March 18, 2022, starting from 9.30 AM to 12.00 PM. According to the speaker, financial inclusion became a trend after the 2008 crisis, mainly based on the impact of the crisis on the lower-middle economic group (at the bottom of the pyramid), which generally do not have access to and services from financial institutions (unbanked), which are recorded to be very high outside developed countries. Meanwhile, the purpose of inclusion is to increase public access to financial institutions, products and services.

In addition, to improve the provision, use, and quality of financial products and services.

With the completion of the delivery of service materials on March 18, 2022, training activities will continue in the form of mentoring programs. In this mentoring program, the implementation team asked participants and reviewed whether the knowledge about financial literacy that had been conveyed to the participants had a positive impact on business financial management. Through the mentoring program, it is hoped that there will be an increase in participants' knowledge about financial literacy.

#### IV. CONCLUSION AND RECOMMENDATION

The micro food business of Rangkasbitung city, located in Cibadak district, Serang, Banten, is a hereditary business that has been carried out. This business is a home industry as a source of livelihood for local residents. The efforts that are made really need guidance, the guidance that is carried out does not have to be given by the Government Service. The role of universities can also help improve the abilities of housewives. From the community service activity entitled financial literacy training for SME's actors in Cibadak sub-district, it can be seen that before the training was held there were still many participants who did not know about financial literacy and how to make sales online, either by having their own web or by joining stores. -online shop that has been available. After holding this service activity, it is hoped that participants will be able to know and understand financial literacy.

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