

Research article

Bumdes Marketing Strategy and the Role of Village Government in Bumdes Development: A Case Study on Bumdes Terus Jaya Sehati

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Abstract.

Village-owned enterprises or *Bumdes* are a source of village strength to support and improve the village economy by empowering village communities, village development, and assisting underprivileged residents in contributing toward the advancement of their village. Many *Bumdes* are scattered across Indonesia, one of which is *Bumdes Terus Jaya Sehati*, located in the Sukajaya Village, Sukabumi Regency. This *Bumdes* has succeeded in managing and developing village businesses within its territory. The role of the village government is certainly one of the important factors in the success of a village-owned business unit. To find out, researchers used descriptive research methods with a qualitative approach to study the ongoing activities and processes in *Bumdes*. Research was conducted through interviews, observation, and documentation. The results of the study show that the marketing strategy carried out by the *Bumdes Terus Jaya Sehati* using the mixing method has been effective, and the role of the Sukajaya Village Government in developing the *Bumdes Terus Jaya Sehati* has been very good starting from the assistance to the evaluation stage.

Keywords: *Bumdes*, marketing strategy, village government, village development

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1. Introductions

Village-owned enterprises or *Bumdes* are a source of village strength to support and improve the economy in a village, including helping empower village communities, encouraging village development, providing assistance for underprivileged residents, to making facilities and infrastructure for progress in a village. The potential of a village can be maximized properly if *Bumdes* can manage the potential in the village well. If managed properly, it will provide welfare for the community in the village, where one of the economic cycles in the village will run in the village itself. Village communities do not need to bother anymore to buy various kinds of needs to the city, because everything is already available in the village. This, of course, will work well if there is collaboration, good coordination, and cooperation between the Village Government and the *Bumdes* management itself. No matter how great the *Bumdes* and its administrators are, if they

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cannot synergize with the Village Government, the results will be far from satisfactory. If it can synergize well, then the welfare of the village community will increase.

One of the Bumdes that aims to help develop its village is the Bumdes Terus Jaya Sehati which is located in Sukajaya Village, Sukabumi Regency, West Java Province. Bumdes Terus Jaya Sehati which was established in 2008, has several business units, including Bumdes Mart, which provides the daily needs of the community at affordable prices. Apart from that, the Bumdes Terus Jaya Sehati also has several other business units such as buying and selling LPG gas, pertashop, culinary businesses, and several other types of businesses. In addition, the many visits and appreciation from various agencies and organizations are also proof that the Bumdes Terus Jaya Sehati is developing for the better. Of course, this achievement comes with the business strategy carried out by the Bumdes Terus Jaya Sehati and the support from the Sukajaya Village Government. Based on this, researchers are interested in conducting more in-depth research on how the strategy carried out by Bumdes Terus Jaya Sehati and the role of the Sukajaya Village Government in developing the potential that exists in Sukajaya Village.

2. Literature Review

2.1. Village Owned Enterprises

A village-owned business entity or better known by the abbreviation Bumdes is a business entity formed by the village as a driver of the village economy where the types of businesses owned by Bumdes vary widely, ranging from mini markets, management of nature tourism, savings, and loans and several businesses by prioritizing interests and welfare. Village environment. Bumdes is a business entity or institution established by the village whose capital comes from the wealth of the village and is owned by the village [1]. With the many potentials and diversity possessed by the village, Bumdes is expected to be one of the weapons to encourage village welfare. Bumdes has the task of maximizing the potential of natural resources, the potential of human resources, and economic potential to improve the welfare of the village community where the Bumdes is formed based on the potential and needs in each village.[2]. However, this does not mean that Bumdes is the only party responsible for the village economy, but that Bumdes is one of the village institutions that helps solve village economic problems.

The types of businesses that can be run by Bumdes include (1) social businesses, namely simple types of business services to the community in the hope of obtaining

profits even though the profits obtained are not optimal, some examples of which are drinking water management businesses and various related businesses. With appropriate technology and local resources owned by the village, (2) leasing business, namely a type of business that can contribute to the village's original income and is to serve the needs of the village community, including meeting the needs, equipment, and equipment needed by the community such as rent. Shop or kiosk, vehicle rental, catering needs, party needs and various other needs related to the rental business, (3) sales business, either in the form of goods or services that so far cannot be made by the community individually or in several goods that can be marketed widely, one example is gas stations or fuel stations for two-wheeled or four-wheeled vehicles, for fishing boats or establishing a factory to meet the needs of the Village community, (4) intermediary business, namely as an intermediary for commodities between farmers and the market so as to shorten distribution channels for farmers where this method is one way for farmers to be separated from middlemen so that they can have a positive impact on farmers and Bumdes can also play a role in marketing some of the products owned by farmers so that farmers are helped and have no difficulty in marketing their products, (5) joint ventures, where this business was formed to combine several business units owned by local communities, for example the utilization and management of tourist destinations in the village and providing access for the community to be involved in various roles needed in the context of managing tourist destinations, (6) contractor services, Bumdes can be a partnership partner with the Village Government in carrying out development projects in the village, especially since 2018 the Village Government is not allowed to use the services of outside contractors to carry out activities in the village, this is certainly an advantage for Bumdes in order to assist the Village Government in carrying out existing activities in the village as well as (7) financial service businesses, where this business helps residents to access financial services with low interest and a much easier way in the hope of helping the community from moneylenders who roam a lot in the village.

2.2. Marketing Strategy

Every company has its own character and way to carry out the marketing process, but basically, the end goal will lead to customer satisfaction, several concepts of marketing strategy include market segmentation, *market positioning*, market entry strategy, marketing mix strategy, and timing strategy[3]. From some of these strategic concepts, to get maximum profit, stakeholders usually use a marketing mix strategy where this

strategy is a good marketing tool within the company because the company is able to control it in order to influence the response of the target market [4]. The marketing mix strategy consists of four variables known as the 4Ps, namely product, price, place, and promotion, which, when combined, can produce the response desired by the market [5]. The product consists of quality, variety, features, design, packaging, service, and brand name, in other words, it is a combination of goods and services. Price pricing will directly determine the position of a product in the market, so it must be carefully considered, while the price variable consists of discounts, price lists, payment periods, and credit terms or simply the amount of money that must be paid by customers to obtain a product. Promotion consists of personal selling, advertising, public relations, and sales promotion, which means that promotion is any type of activity to persuade customers to buy a product. The place consists of coverage, sorting, channel, location, inventory, transportation,

2.3. The Role of the Village Government

The importance of Bumdes and its functions for the welfare of a village cannot be separated from the contribution of the Village Government, where The Village Government needs to socialize with the community in order to achieve Village independence through Bumdes. The Village Government also acts as a facilitator of information to Bumdes and its cadres related to the rules or policy developments from the Central Government that can be implemented in the management of Bumdes so that it is hoped that it can encourage community creativity in order to achieve the ideals of the Village community, namely community welfare.(2).

The basis for the formation of Bumdes is through village regulations in which the Bumdes consists of advisory elements, namely the Village Head, Directors namely community members who are determined by a decree from the Village Head, and other supervisory elements. The position of Bumdes is outside the organizational structure of the Village Government. However, the Village Government is obliged to supervise, monitor, and evaluate the performance of Bumdes and all its cadres or management team. The supervision process carried out must run continuously, and the Village Government can invite the community to oversee the running of the Bumdes management in their village. Thus, the role of the Village Government is to act as a companion, facilitator, mentoring, coaching, conduct socialization related to the benefits of Bumdes, and encourage Bumdes to collaborate with various third parties related to Bumdes business development.[6].

2.4. Previous Research

In the village Balung Kulon, Bumdes Karya Mandiri implements a marketing strategy that has a significant and positive effect on purchasing decisions partially through product, price, place, and promotion variables where marketing strategies that have been running so far can be developed by improving product quality, innovating, product variations and set prices that are able to compete in the market [7].

Meanwhile, in Purwosari Village, the marketing strategy of Bumdes Mina Barokah uses the 4P marketing mix technique with an explanation of the products produced and sold are gourami fish, starting from nurseries to being developed to produce carp with superior quality and the Bumdes Mina Barokah accepts various types of sizes for products. The resulting carp. In terms of price, Bumdes Mina Barokah sells at standard prices according to the prices prevailing in the market, from the promotion side of Bumdes Mina Barokah not too worried because there are third parties who are ready to buy the product when the harvest season arrives and from the location side it is located in a rice field area that is far from residential areas so that the location is not strategic in addition to the status of land that is not owned (rented) so that will have an impact on the costs and profits of Bumdes Mina Barokah. In other words, the marketing strategy carried out by the Bumdes Mina Barokah is quite good, but it will be maximized if the location is in a much more strategic place.[8]

In contrast to several previous studies, in Pattani Village, Mappkasunggu District, Takalar Regency, the role of the Village Government was deemed less than optimal, causing the existing Bumdes to not be effective in helping the village to achieve independence in a village. Lack of supervision and guidance provided by the village government causes village managers to be less creative in developing available capital, on the other hand, Patani village has potential that can be developed, including buying and selling goats and brick management. The lack of collaboration between the Village and Bumdes causes the management of Bumdes to be undirected so that the existence of Bumdes in the community is also largely unknown to the community.[9].

3. Research Methodology

This research uses qualitative research methods and is presented in a descriptive form that discusses the marketing strategy carried out by the Bumdes Terus Jaya Sehati in marketing the products of its business units and what role the Village Government plays in developing and take advantage of the potential in the area.

Data collection is obtained by going directly to the field in order to obtain accurate data related to the object under study. The data collection technique used is the method of observation, interviews, and documentation. Observation is collecting data directly based on observations made in the field to get a picture of attitudes, behavior, actions, and interactions between humans with the aim of researchers getting data that are not directly disclosed by participants [10]. Observations in this study, researchers, went directly to the office of Bumdes Terus Jaya Sehati and its business units to observe the activities and activities carried out by Bumdes Terus Jaya Sehati and also the office of the Village Government of Sukajaya. Interviews in this study used a structured interview method with the aim of obtaining information that was not obtained by the researcher through the observation method and conducted in-depth interviews by asking permission from the participants to then be rewritten, summarized, analyzed, and the results of these activities will be formulated and interpreted by the researcher. Researchers into research results. In this research, the interviewees will be the Bumdes manager and the Sukajaya Village Head.

4. Discussions

The name Bumdes Terus Jaya Sehati has the means of moving forward, always victorious and built-in mutual cooperation by the entire community of Sukajaya Village so that village-owned enterprises or Bumdes Sukajaya are always in the heart. Bumdes Terus Jaya Sehati also has a vision of gotong royong and a meaningful mission for *Tikukur ti urang ku urang ker urang* (from us, by us, for us) which means that the circulation of the economy like money that goes into rural communities returns to rural areas and does not leave rural areas.

In running its business, the Village-Owned Business Entity Terus Jaya Sehati initially only had one business unit, namely rice milling. The change in management in 2014 changed the color of Bumdes Terus Jaya Sehatito be more developed, however, the development of this Bumdes has not been an easy journey when it was initiated from the beginning until now it has several business units, namely Pertashop, LPG gas agent, vehicle rental, mochi cake, Bumdesmart , bamboo crafts, culinary centers, savings and loans, sales agents and marketing melon farmers.

Bumdes Terus Jaya Sehati has several assets, including 3 cars consisting of 1 (one) grand max car and 2 (two) pick up cars, catering equipment, gas to pertashop. For the recruitment of employees, the selection of employees chooses prospective employees

from low-income groups and recently graduated from school, not money-oriented so that employees are truly loyal to contribute to building the village.

4.1. Bumdes Marketing Strategy

In marketing its products, Terus Jaya Sehati has different marketing strategies, namely before the beginning of the pandemic and during the pandemic. The Bumdes marketing strategy before the pandemic until the beginning of the pandemic is as follows:

1. Products for the products offered by Bumdes are very diverse, ranging from Pertashop to marketing Melon farmers. For Pertashop, Bumdes Terus Jaya Sehati in cooperation with Pertamina so that the products traded are of the same quality as those at gas stations in general, the appearance for Pertashop itself is the same as that of gas stations. For mochi, Bumdes Terus Jaya Sehatiproduces it's own using local workers, resulting in mochi typical of Sukajaya Village in special packaging with sales packages sold per basket. In addition to mochi, Bumdes also buys crafts such as mochi baskets to be then sold and re-marketed through Bumdes. For the savings and loan business, Bumdes Terus Jaya Sehati issues loan products with a maximum limit of Rp. 5,000,000, - With a term of up to 1 year, as for lending above IDR 5,000,000,- Bumdes Terus Jaya Sehati cooperates with Bank BRI to recommend using the people's business credit facility or KUR. For the marketing of melon farmers, Bumdes Terus Jaya Sehati offers melons and horticultural attractions so as to attract tourists to visit Melon Village. Thus, the products offered by Bumdes Terus Jaya Sehati are very diverse and have product quality that is not inferior to other places.
2. Price, in selling various kinds of products, Bumdes Terus Jaya Sehati applies prices according to market prices and tends to be cheaper than market prices. This is intended so that the money that enters the village community can rotate back in the Sukajaya Village area so that it can develop the economy in the village. In general, all the products that are sold or rented by Bumdes Terus Jaya Sehati have far cheaper rates than those on the market. The community does not have to pay vehicle rental fees, but it is enough to refuel the vehicle as before, or if you use it for a longer period of time, the rental price is far below the market because of this Bumdes one of which is to provide convenience and welfare to the people of Sukajaya Village.

3. The place, for the point of sale or service offering carried out by the Bumdes Terus Jaya Sehati, is located right next to the Sukajaya Village Government Office and is located in a strategic location where people pass through the road every day. Several business units are also located in the same location, so it can be said that the Bumdes business unit is centralized in that place, starting from the Bumdes Mart, vehicle rental, culinary centers to several other business units that are located very close together, making it easier for the community to access the business location of Bumdes Terus Jaya Sehati.
4. Promotion, in this case, Bumdes Terus Jaya Sehati initially carried out a door-to-door promotion carried out by the Head of Bumdes and its members. As the production of mochi cakes, Bumdes Terus Jaya Sehati conducts consignments or entrusts merchandise by collaborating with several hotels in Sukabumi, one of which is Hotel Selabintana. In addition, the chairman of the Bumdes Terus Jaya Sehati, along with his members, diligently participates in exhibitions organized by both the Government and the private sector; this has an impact on the development of the Bumdes Terus Jaya Sehati where after participating in several exhibitions, the Bumdes management can be recognized by several people who have policies so that the name of Bumdes Terus Jaya Sehati is increasingly known. In addition, Bumdes Terus Jaya Sehati also conducts online promotions through Facebook media. In addition, the large number of visitors from officials and companies who visit and provide CSR assistance indirectly has a good impact on the Sukajaya Village area.

The marketing strategy of Bumdes Terus Jaya Sehati during the pandemic is certainly a challenge for Bumdes Terus Jaya Sehati, as for the marketing strategy of Bumdes during the pandemic, which is as follows:

1. The products managed independently by Bumdes consist of Prestashop, four-wheeled vehicle rental, and LPG gas. Meanwhile, the Bumdes Mart and the Bale Abah culinary center are currently managed in collaboration with third parties, and the current operating hours of Bale Abah cannot be determined with certainty because they are related to the implementation of the PPKM policy in Sukabumi Regency. Meanwhile, the mochi production business was temporarily suspended due to a significantly reduced demand while production costs continued to increase where. One of the causes of the reduced demand for mochi was the reduced number of tourist visitors coming to the Sukajaya Village area.

2. Prices, in general, there is no significant difference in prices both before the pandemic and after the pandemic.
3. The place for selling Bumdes Terus Jaya Sehati products located next to the Sukajaya Village Government Office.
4. Promotions carried out during the pandemic were only through social media such as WhatsApp media, even though the number of visitors who came to Bumdes was dominated by purchasing fuel oil for two-wheeled or four-wheeled vehicles and purchasing gas.

4.2. The Role of The Village Government in Developing Bumdes

A village-owned business entity or Bumdes is one of the business entities formed through a Village Regulation or Perdes and adapted to the economic, social, and cultural conditions of the local community so that the type of Bumdes business in each village will vary. The development of the Bumdes Terus Jaya Sehati certainly cannot be separated from the role of the Sukajaya Village Government, especially through its Village Head. Some of the roles of the Village Government in developing the Bumdes Terus Jaya Sehati include:

1. As a facilitator, the Village Government provides training, mentoring, and skills improvement for Bumdes administrators so that they can develop more innovative and advanced Bumdes. This is also to emphasize to Bumdes that the main purpose of the establishment of Bumdes is to contribute to the empowerment and welfare of the community in the Sukajaya Village area.
2. The Village Government has provided assistance since the establishment of the Village-Owned Enterprise or Bumdes Terus Jaya Sehati from the beginning of its formation to the development of Bumdes so that problems that arise can be resolved immediately and opportunities that exist can be quickly utilized and maximized. The guidance provided by the Village Government tends to be intensive and smooth, one of which is supported by the existence of the Bumdes Terus Jaya Sehati, which is close to the Village Government Office, making it easier for the Village Government to provide guidance, direction, and motivation related to the management of the Bumdes Terus Jaya Sehati. Assistance is also provided when there is a change in management so that with the changed management, the existence of the Bumdes Terus Jaya Sehati can be maintained.

3. Based on observations, the Village Government is actively conducting socialization related to the existence of the Bumdes Terus Jaya Sehati, such as promoting through the WhatsApp group application or the WhatsApp status of the Village apparatus, especially the Village Head regarding programs and products owned by the Bumdes Terus Jaya Sehati, one of the example is by announcing the existence of watching football together at the culinary center of Bumdes Terus Jaya Sehati or better known as Saung Abah. The activeness of the Village Government in socializing the existence of Bumdes, one of which makes Bumdes one of the favorite places for young people to enjoy weekends in the Sukajaya Village area as well as a favorite spot for the bicycle community to visit Sukajaya Village.
4. Encouraging Bumdes Terus Jaya Sehati to collaborate with third parties to improve Bumdes, some of which is the collaboration between Bumdes Terus Jaya Sehati and Bank BRI where this cooperative relationship benefits both parties. For Bumdes and Sukajaya Village, cooperation with Bank BRI provides benefits, including the construction of a greenhouse and gate in the agro-tourism area of Kampung Melon and for Bank BRI to get potential loan customers from Bumdes Terus Jaya Sehati savings and loan customers who upgrade to KUR facilities and make the Bumdes Terus Jaya Sehati as an agent of smart behavior. In addition, there are also many parties who cooperate, including Bank Mandiri, Telkomsel, Pertamina, and so on.
5. Carrying out monitoring and evaluation on a regular basis is done by the Village Government so that Bumdes Terus Jaya Sehatikan overcome challenges for challenges that exist along with the times. One of the monitoring and evaluation functions is that the replacement of the Bumdes management carried out around 2014 had a significant impact on the development of the Bumdes Terus Jaya Sehati, from initially only having one business unit to having several business units, from initially not having assets to having quite a lot of assets.

5. Conclusions

1. The marketing strategy carried out by Bumdes Terus Jaya Sehati through the marketing mix method is divided into two, the first is the marketing strategy before the pandemic until the beginning of the pandemic and the second after the pandemic.

2. The products owned by Bumdes Terus Jaya Sehati are Pertashop, LPG gas agent, vehicle rental, mochi production, Bumdesmart, bamboo crafts, culinary centers, savings, and loans, smart selling agents, and marketing melon farmers. Some products such as mochi are produced by themselves, however during the pandemic, the business was temporarily suspended while the businesses that were still running and self-managed were Pertashop, renting four-wheeled vehicles, and selling LPG gas. For other business units such as culinary centers and Bumdes Mart, Bumdes cooperates with third parties for management.
3. In terms of prices, both before the pandemic and after the pandemic, the selling prices of products did not experience significant changes and were not much different from the market and even tended to be cheaper in some Bumdes business unit products, one of which is vehicle rental services where the rental rate for 1-2 hours is only subject to replacement of fuel only without paying for other rental services.
4. In terms of place, both before the pandemic until now, they still use the same place and location.
5. In terms of promotion, Bumdes Terus Jaya Sehati conducts door-to-door promotions participate in exhibitions, and through social media such as Facebook and WhatsApp before the pandemic and after the pandemic, the promotional strategy is only done through social media Facebook and WhatsApp.
6. The role of the Sukajaya Village Government in the development of the Bumdes Terus Jaya Sehati is very dominant, starting from the start of the Bumdes business until now, besides that the Sukajaya Village Government acts as a facilitator by providing training, mentoring, and skill improvement to Bumdes administrators.
7. In addition, the Sukajaya Village Government is also actively encouraging Bumdes Terus Jaya Sehatito to cooperate with third parties in the context of developing Bumdes. Several collaborations that have been carried out through the role of the Sukajaya Village Government include cooperation with Pertamina agents, Bank BRI, Bank BNI, and several other companies.

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