

Empowerment of MSMEs in RW 03 Gendingan, Ngampilan, Yogyakarta to broaden their consumer reach through grabfood

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Abstract

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in supporting economic growth, including at the community level. In RW 03 Gendingan, Ngampilan, Yogyakarta, culinary MSME actors have been running their businesses well, but their market reach remains limited to conventional sales within the local neighborhood. A community service program through KKN-PMM UNISA was carried out to provide digitalization assistance for MSMEs in order to expand market access via the GrabFood platform. The program consisted of two stages: initial observation to map business conditions and readiness, followed by direct socialization with Grab representatives regarding registration procedures, online store management, and digital promotion strategies. A total of seven culinary MSME owners actively participated in the program. The results indicated that all participants successfully registered as GrabFood partners, gained new insights into digital marketing, and were ready to optimize online food delivery services to expand their markets. This program confirms that integrating MSMEs into the digital ecosystem can be an effective strategy to enhance competitiveness and support business sustainability.

Keywords: economy; digitalization; grab; MSMEs

1. Introduction

MSMEs, or Micro, Small, and Medium Enterprises, refer to business units with scales ranging from micro to medium, categorized based on asset size, turnover, and employee numbers. According to Law No. 20 of 2008, MSMEs are productive enterprises managed by individuals or business entities, including sole proprietorships, cooperatives, or other legal entities that meet certain criteria as stipulated by regulation. MSMEs play a pivotal role in the economy by creating employment opportunities, stimulating economic growth, and increasing community income. In Indonesia, MSMEs are considered the backbone of the national economy due to their significant contribution to the Gross Domestic Product (GDP).

However, MSMEs frequently encounter challenges in gaining access to capital and financing needed to scale their businesses. This may stem from stringent requirements imposed by financial institutions or a lack of understanding regarding financial procedures. In addition, technology and innovation are essential for enhancing competitiveness, yet many MSME owners have limited access to or knowledge of digital tools, leaving them behind in market competition.

Another common issue is limited product marketing. Insufficient knowledge of modern marketing strategies and restricted promotional budgets often hinder MSMEs from reaching broader markets. Specifically, MSMEs in RW 03 Gendingan, Ngampilan, Yogyakarta, continue to rely heavily on conventional sales to local consumers, which restricts their market reach.

In today's digital era, consumer behavior in Indonesia has shifted significantly, with daily culinary needs increasingly fulfilled through online food delivery platforms. According to a January 2022 survey, more than half of consumers use food delivery services at least once a week, and 99% intend to continue doing so due to the convenience and ease provided. GrabFood, in particular, has emerged as one of the leading platforms. Data from Momentum Works revealed that GrabFood transactions in Indonesia reached IDR 41.8 trillion in 2024, marking a 12.6% increase compared to 2021.

This phenomenon demonstrates that platforms such as GrabFood are not only effective marketing channels but also reliable distribution channels. Features like digital catalogs, app-based promotions, cashless payments, as well as flexible menu and operating hour management, further simplify digital

business management for entrepreneurs. For MSMEs in RW 03 Gendingan, Ngampilan, Yogyakarta, this presents a strategic opportunity to overcome conventional marketing limitations. Through GrabFood's ecosystem, MSMEs can broaden their market reach and increase competitiveness with relatively affordable capital.

Therefore, this empowerment program focused on guiding MSMEs in RW 03 Gendingan to understand how GrabFood works, how to optimize its marketing and operational features, and how to adopt sustainable service strategies. With this approach, MSMEs in RW 03 are expected to successfully adapt to the digital ecosystem, especially through GrabFood, as a strategic step to improve turnover and ensure business sustainability.add any page numbers.

2. Method

The MSME empowerment program in RW 03 Gendingan, Ngampilan, Yogyakarta, was conducted by the KKN-PPM UNISA team in Notoprajan Village on August 21, 2024. This offline activity took place at the RW 03 Gendingan Community Hall in collaboration with Grab, in the form of an MSME Digitalization Socialization Program through the GrabFood platform. The program was attended by seven MSME owners who were willing to register their businesses with GrabFood.

The implementation consisted of two main stages:

2.1. Initial Observation

This stage involved direct observation of MSMEs to collect business identity data, product information, and obtain consent for participation. The purpose was to assess the real conditions of MSME actors, including their marketing challenges and readiness to adopt digital technology.

2.2. Offline Socialization

The second stage consisted of socialization conducted directly by Grab representatives. The session included explanations of the benefits of joining GrabFood, registration procedures, online store management, digital marketing strategies, and tips for increasing sales through online platforms.

2.3. Tools and Materials:

In the implementation of this offline activity, several tools and supporting materials were used to ensure the smooth running of the socialization:

- a. PowerPoint slides used by Grab representatives for presentations.
- b. Smartphones owned by MSME participants, equipped with adequate internet connections, for downloading the GrabFood app and completing the registration process.

3. Results and Discussion

3.1. Program Preparation

The program began with offline data collection of MSME owners in RW 03 Gendingan, Notoprajan. The KKN-PPM UNISA team conducted observations and interviews to identify potential and challenges faced by MSME owners. Data collection included mapping business conditions, product types, marketing strategies, technological readiness (such as smartphone and internet access), and the owners' level of digital literacy.

The MSMEs in RW 03 Gendingan cover a variety of categories, but we have further selected those that are suitable to collaborate with Grab. We decided to focus on MSMEs in the food category. Based on the data collection, seven MSMEs expressed their willingness to join the program and showed interest in participating in the digitalization socialization for MSMEs with GrabFood.

Table 1. Participants of the MSME Digitalization Socialization with Grab

Number	Name	Phone Number
1.	Yeni Lestari	0896xxxxxxx
2.	Muslimah	0858xxxxxxx
3.	Agung Kuswartono	0812xxxxxxx
4.	Priyatni	0812xxxxxxx
5.	Nining Eka	0882xxxxxxx
6.	Siti Rahayu	0889xxxxxxx
7.	Sucinem	0812xxxxxxx

The next step is to identify the availability of devices owned by MSME actors. The majority of participants already own smartphones with internet access, although their usage is still limited to basic communication. This is an important note, as the success of the program depends on the participants' ability to utilize digital devices as a marketing tool.

3.2. Implementation of the Socialization Program

The socialization was conducted offline at the RW 03 Gendingan community hall, featuring a direct presentation from a representative of Grab as the guest speaker. The materials delivered during the session included:

- a. An introduction to Grab and GrabFood
- b. An explanation of the benefits of joining GrabFood
- c. Information about the GrabMerchant platform
- d. Digital marketing strategies and the use of promotional features



Figure 1. Presentation of Materials by the Grab Representative

At this stage, the KKN team played a more active role in assisting MSME business owners with basic technical matters, such as creating new email addresses for participants who had forgotten their passwords or did not yet have an email account. The official registration of GrabFood merchants was still carried out directly by the Grab team.

During the socialization session, participants received direct explanations and had the opportunity to engage in a Q&A session. The discussion was interactive, with MSME actors asking questions that were most relevant to their needs regarding the GrabFood system. Some of the questions raised included:

- a. Is there an administrative fee for each transaction, and how much is it?
- b. Is the process of registering as a GrabFood merchant complicated or relatively simple?
- c. Are there any fees required upon registration?
- d. Can merchants close their stores at any time through the app—such as during busy periods—or must they follow fixed operating hours set during registration?
- e. Will closing the store suddenly (e.g., during registered operating hours) affect the merchant's rating on the app?

Through this discussion session, MSME participants gained a clearer understanding of how the GrabFood system works, particularly regarding operational flexibility, revenue-sharing mechanisms, and administrative requirements. This was crucial, as most MSMEs previously had limited knowledge of how the GrabFood system operates in practice.

To conclude the event, the Grab team conducted short interviews with participants to confirm their willingness to join and to verify their preliminary data. After the interviews, each participant submitted their personal information, including name, phone number, and email address, which would be used as

the official contact for the merchant registration process. This data was collected directly by Grab for further verification.



Figure 2. Brief Interview and Data Collection of Participants by Grab Representative

3.3. Program Outcomes

The digitalization socialization program for MSMEs in RW 03 Gendingan, conducted in collaboration with Grab, ran smoothly and met the expectations of the KKN team. Participants actively engaged in the material presentation, practiced creating new email accounts, and took part in an interactive discussion session with the Grab representative. Their enthusiasm for the program was evident from the number of questions they raised during the session.

A tangible outcome of this program was that 100% of the participants—consisting of 7 MSME business owners—officially registered. They successfully created new email addresses and submitted their personal data to the Grab team for further verification. This activity also significantly improved the participants' understanding of the importance of digital marketing, especially through food delivery platforms. The socialization proved beneficial for MSME actors in RW 03 Gendingan by opening up strategic opportunities to expand their market reach.

4. Conclusion

The implementation of the KKN program through the digitalization socialization for MSMEs in collaboration with Grab was successfully carried out. The conclusions drawn from this activity are as follows:

- a. MSME actors in RW 03 Gendingan, Notoprajan, have gained a better understanding of the importance of digital marketing, particularly through GrabFood services, in order to expand their market reach.
- b. A total of 7 targeted MSME participants successfully created new email accounts, submitted their identity data, and registered as GrabFood partners.

5. Recommendations

Based on the KKN activities conducted, the following suggestions are proposed:

- a. MSME actors are encouraged to consistently utilize digital platforms, such as Grab, as part of their business partnerships.
- b. Future KKN students are expected to provide more comprehensive assistance and mentorship to MSME actors in RW 03 Gendingan, Notoprajan.

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