

Strategy to Improve Service Quality in Service UMKM At "Berkah Rizki Photocopy" Gunung Pasir Jaya, A Village in East Lampung, Lampung Province

Syahril Daud*1, Kadek Putri Dewita2, Silvi Lediestiani3, Pandya I Ketut Bobiyana4

1, 2, 3, 4 Management Study Program, University of Bandar Lampung E-mail: Syahril.daud@ubl.ac.id

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Abstract

Increasing competition in the MSME sector requires actors to continue to innovate, one of which is in terms of service quality. This research specifically analyzes the strategies implemented by UMKM Berkah Rizki Photocopy located in Gunung Pasir Jaya, One Village Udik, East Lampung, in improving service quality to achieve customer satisfaction and loyalty. Through a qualitative approach with case studies, this research reveals that MSME Berkah Rizki Photocopy implements several strategies, such as improving product quality, speed of service, and personalization of service. These findings indicate that these efforts are effective in increasing customer satisfaction and ultimately encouraging the creation of customer loyalty. This research contributes to the development of knowledge in the field of management, especially in MSMEs, as well as providing recommendations for other MSME actors in improving service quality.

INTRODUCTION

Micro, Small and Medium Enterprises or the usual known with "UMKM" is opportunity creation vacancy work that plays a role important in development economy in Indonesia. MSMEs are a term that describes form business small society founded on initiative someone. The history of UMKM began since in 1997 at the time businessman famous that already success feel difficulty for develop and distribute business they. In the year that, almost 80% of company's big experience roll mat, will but companies small and medium capable persist in the moment That from all limitations and shortcomings experienced. The progress of MSMEs in Indonesia at the moment this succeed give soaring contribution to income regions and state revenues in Indonesia.(Susila, 2017) The emergence of MSMEs has given rise to Controversy for some people, they consider that UMKM only give benefits to the parties certain, even though in reality fact in the field that has been team researcher research, UMKM plays a very important role important in minimize unemployment in Indonesia. MSMEs are able provide vacancy work for Indonesian society.

Even though MSMEs only own a larger scale little compared to with companies big, will but MSMEs are able become an innovation new. Based on the data that has been obtained by the author, UMKM has opportunity for create solution new and responsive more market problems effective. This research applies SWOT analysis as the main framework for defining and mapping strategies in MSMEs to provide improved service quality to small-scale enterprises. This approach will make it possible to see the available internal strengths that can be maximized, internal weaknesses that must be addressed, external opportunities that can be exploited, and external threats that must be addressed among MSMEs - small and medium-sized enterprises. SWOT analysis provides an overall perspective on the condition of the business, including analysis of various aspects such as operations, marketing, human resources, and technological adaptability.

It is particularly relevant as it is rarely specific to small-scale micro and small enterprises such as MSMEs Berkah Rizki Fotocopy, which lack resources but promise growth. By creating a better understanding of the interaction of internal and external factors in terms of SWOT analysis, the findings not only identify effective strategies to improve service quality for micro and small enterprises, but also provide relevant insights and applications for businesses of comparable reach and sector. As such, this adds value to this research as both a practice guide and an academic contribution.

Empowerment MSME community provides chance to individual or group that has capital problem or relation for join to activity economy. MSMEs can help the way growth economy with provide product goods and services, activities export and import, up to play a role in fulfil need local and national.

Actors involved in help advancing MSMEs is government and some relevant institutions with method give financial assistance, providing training like utilize tool technology and communication, making it easier journey access to the market, as well as multiply to weave Work The same between area to the country (Kusmiyati & Priyono, 2021). This is aims to make MSMEs in Indonesia increasingly progress and smoothen exclusive development.

Consumer become factor important in influence success term long a business, because a loyal customers for sure will always do purchases and invite others to do transactions as well, as well give bait come back to company. Quality service consumer refer to level commitment, loyalty, and needs customer to product goods and services to a brand or brand in a company. The value of a price also becomes size calculation a consumer for they compare whether in accordance with value for money that consumers take out. Location also becomes influence for consumer moment consumer will do a transaction. Location is receptacle place for operate and perform activity the economy also provides place for transact. Trust customers also become factor important inservice Consumers. Consumers will loyal If they get honest and friendly seller. Supporting factors loyalty like giving bonuses, gifts or points that can exchanged can used as an interesting program increase loyalty consumers. In addition to companies big, SMEs also need understand a quality affordable service, price and location.

Development technology rapid information and communication has also change behavior Consumers. Consumers moment this the smarter and more critical in choose product or services. Consumers Not only consider price, but also quality products and services. SMEs that do not capable adapt with change behavior consumer will be left behind and difficult compete (Febriani & Harmam, 2022). MSMEs Blessing of Rizki Photocopy, as one of the MSMEs operating in the field of services, need do various effort for increase quality its services to remain relevant and capable compete with business similar, good that's another UMKM and more business big. Berkah of Rizki Photocopy is a business unit that move in the field service photocopy, services printing and providing ATK needs established 2015 shop this located in Gunung Pasir Jaya, One Village Udik, East Lampung. Photocopy business is one of form business service communities that are very much needed in various place. Place business photocopy moment this is very necessary for everyone, start from students, students, employees' offices, and the public in general. Services business photocopy Not only limited to copying documents, but can also use for making it easier work other such as scanning, facsimile, printing, etc. Machines modern photocopying does not only can make copy same document with the original, but also can enlarge or reduce size document in addition, there are also machines photocopy processing copy document through tub developer and drying.

Research Purposes

Study this aiming for identify effective strategies in increase quality UMKM services so that can increase satisfaction and loyalty customer. Study this focus on relationships between quality service, satisfaction customers, and loyalty customers in MSMEs.

Theoretical Basis

A. Service

Service is activities intended for satisfaction to customer through good interaction and communication. Some aspect service including (Yuliarto, 2021):

1. Reliability

Reliability is ability provider service for give what was promised in a way accurate and precise time. Reliability in service is very important for build trust customer.

2. Empathy

Empathy is feeling attention and care individual to customers. This is involving listen with active and understanding need as well as desire customer.

3. Responsive

Responsive is ability for give fast and responsive service to request or complaint customer.

B. Satisfaction Customer

Satisfaction customer is size how much satisfied a customer to service or the products they accept. Some aspect satisfaction customer including (Saleh, 2013):

1. Hope

Consumer expectations to a goods or service formed before consumer buy goods or service the.

2. Experience

Experience consumer to performance current goods or service when used without influenced by expectations them. When the performance current successful, then consumer will feel satisfied.

3. Experience

This matter done with compare hope performance goods or service before buy with perception performance current goods or service the.

C. Customer Loyalty

Customer loyalty is commitment / inclination customer for do purchase repeat in a way consistent to product or services, although there is other options and situations that can influence change behavior. Loyalty is shown with purchase in a way recurring. Aspects related loyalty customer among others (Sembiring et al., 2014):

1. Trust

Trust to the company and its products are very important in build loyalty. Customers tend loyal to the brand they trust.

2. Quality product or service

Good quality from product or service will increase loyalty customer. If the customer feels product or service fulfil hope they, they are more possible for loyal.

3. Satisfaction customer

It is factoring key influencing loyalty. Satisfied customers will tend to purchase repeat and recommend product to others.

Previous Study

Study previous under this used as runway strong for articles that focus on MSME strategies in increase quality service for push satisfaction and loyalty customers, especially in context of MSMEs Berkah Rizki Photocopy.

Table 1. Previous Study

No	Author Name	Title	Source Journal	Year	Information
1.	Rahmawati and Fauzi	Influence Quality Service to Satisfaction	Journal Management and Entrepreneur ship	2020	Study this discuss connection between quality service with satisfaction customers in the MSME sector. Research results show that improvement quality services that include reliability, responsiveness, and

		Customers in MSMEs			empathy, have an impact significant to satisfaction customer.
2.	Anwar and Kusnadi	Determining Factors of Customer Loyalty in MSMEs in the Service Sector	Journal Scientific Management Business	2019	Study this highlight factors that influence loyalty customers, such as quality service, price and experience customer. In conclusion, a satisfied customer tends more loyal, and loyalty the push improvement MSME performance.
3.	Suryani and Wibowo	SME strategy in Increase Quality Service for Satisfaction Customer	Journal of Economics and Business	2021	Study this examine the strategies used by MSMEs in increase quality service. Found that training employees and improvements infrastructure is element important in the improvement strategy service for satisfying customer.
4.	Princess and Setiawan	Influence Quality Service to Customer Satisfaction and Loyalty in MSMEs	Journal of Economic and Business Research	2020	Research result this confirm that quality service plays a role big in create satisfaction that then leads to loyalty Customers. Research this also suggests the need innovation in service for guard loyalty.
5.	Prasetyo and Nugroho	Connection between Quality Customer Service and Loyalty in Business Photocopy"	Journal Management Marketing	2018	Study this focus on business photocopy and identify that quality service like speed, friendliness and accuracy time is factor important in guard loyalty customers in business the.
6.	Susanti and Pratama	Improvemen t Strategy Satisfaction Customers of MSMEs in the Service Sector	Journal Management UKM	2021	Study this discuss improvement strategies quality service through utilization technology and improvement competence employees. In conclusion, the use of modern technology can increase efficiency service that finally impact on satisfaction and loyalty customer.

Theories Used in SWOT Analysis Application of Theory to Case Studies:

- 1. *Strengths and Threats*: UMKM Berkah Rizki Photocopy own strength in matter knowledge deep about products and personal relationships with customers. This can explain use theory source power and capability. Resource theory power and ability is theory that focuses on the importance of source power and ability unique a company in create superiority competitive.
- 2. Weakness: For overcome its weakness, UMKM can utilize strength personal relationship with customer for offer service additional, such as delivery document or consultation design. This is an implementation theory strategy formulation. The theory of strategy formulation is the theory used for reducing lack with provide strategies.
- 3. *Opportunity:* Growth of education and business market is opportunities that can utilized by MSMEs. This can explain use theory analysis environment. Analysis theory environment is a theory that helps for identify factors external influences business, such as condition economy, competition and change technology.

METHODS

Study this use method qualitative descriptive. Qualitative descriptive is type research that aims for describe and depict phenomenon or the existing reality, good nature experience and engineering man.

Research Design

Study this focus on relationships between quality service with satisfaction and loyalty customer. The theory used as reference is a SERVQUAL model that measures quality service based on five dimensions: *tangibles, reliability, responsiveness, assurance, and empathy.*

Framework Conceptual

- 1. Independent Variable > Includes efforts made by the perpetrator business in matter improvement services, such as efficiency service, friendliness, quality products and innovation services provided by Berkah Rizki Photocopy.
- 2. Mediating Variable > Perception customer to standard services received, which affects satisfaction and loyalty. Aspects this can covering speed service, reliability and response to need customer.
- 3. Dependent Variable > Level of satisfaction customer as results from quality services provided by MSMEs. Loyalty is formed from experience positive and satisfaction customers, which is realized through faithfulness in use services and recommendations to others.

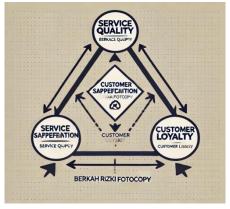


Figure 1. Framework Conceptual *Source: Processed by the Author*

Table 2. Relationship Between Variables

Relationship Between Variables

The strategy of UMKM actors has an influence on → Quality Service. Quality Service own influence direct to → Satisfaction Customer. Satisfaction Customer influential towards → Customer Loyalty.

Data collection technique

Data collection techniques used in study this is Interview and observation. Interview and observation will used for collecting data on Efforts to Improve Service for Create Customer Satisfaction and Loyalty (case study of Berkah Rizki UMKM) Photocopy).

Population

Population in study this is all MSME actors operating in the region certain with focused on MSMEs Berkah Rizki Photocopy as studies population this includes: Actor MSMEs: Owner customer all customers who use service photocopy at UMKM Berkah Rizki Photocopy.

Data Analysis

Data analysis was performed with use approach qualitative that is Strengths, Weaknesses, Opportunities and Threats (SWOT) matrix. SWOT analysis is framework Work strategic used for

identifying and evaluate four elements main in an organization or Project: Strengths, Weaknesses, Opportunities, and Threats. Analysis this help in understand internal and external factors that can influence success or failure a strategy or decision (Raeburn, 2024).

Table 3. SWOT Analysis

Strengths	Weaknesses Opportunities Three		Threats	S Conclusion		
MSMEs Berkah	Quality service	With invest in	Condition	1.	Strengths can used for utilizing	
of Rizki	is also possible	technology new	economy		opportunities, such as increase	
Photocopy	affected If	(like system	that is not		service for interesting more Lots	
Possible	employee not	online ordering	stable Can		Of customer through technology	
Already	enough trained	or machine more	influence		new or cooperation with	
known with	in give friendly	photocopy	Power buy		institution.	
fast and	and fast	sophisticated),	society,	2.	Weaknesses need to be addressed	
responsive	service.	MSMEs can	which		minimized so as not to worsen	
service to need		increase	ultimately		threats, such as inability for	
customers, so		efficiency and	lower		follow development technology	
that can build		attractiveness	amount		that can make SMEs lose compete.	
satisfaction		customer new.	customer.	3.	Existing opportunities, such as	
customer.					market growth and progress	
					technology can reduce impact	
					weaknesses, such as lack of	
					innovation or limitations source	
					Power.	
				4.	Threats like competition tight and	
					change technology can overcome	
					with utilize strength (such as	
					quality services) and existing	
					opportunities (such as	
					cooperation with institutions).	

Relationship

A. Strength

Strength in quality good service can increase satisfaction customer. When satisfaction increase, customers tend return use service (loyalty). Strength this will lower impact from threats (T) such as intense competition.

B. Weakness

Weakness this can reduce impact from existing power. For example, the source limited power can hinder improvement quality services, which have the potential lower satisfaction and loyalty customer.

C. Opportunity

Opportunity this can utilized for cover weakness (W). For example, with utilize technology, UMKM can overcome problem lack of innovation in services. In addition, opportunities cooperation with institutions can also strengthen connection customers and create loyalty.

D. Threat

Threat fierce competition can influence loyalty customers. For reduce the impact, MSMEs need to utilize existing strengths and opportunities, such as increase quality service and innovation with technology new, so can still be competitive in the market.

RESULT AND DISCUSSION

Analysis Initial Situation of UMKM Berkah Rizki Photocopy

The world is developing more and more along with time so the more rapid its competitors. This is caused by from presence development increasing globalization open wide for every perpetrator business. Development this is also of course for push growth economy in Indonesia, things this clear attract the perpetrators business for invest to plant the capital. One of the

business worlds that has competition tall is business photocopy, besides the amount business photocopying in Lampung, especially East Lampung, makes competition business the become the taller so result in consumer own choice for choose photocopy that provides the best service. Berkah of Rizki Photocopy is A business micro, small and medium that have stand during for years, but lately this experience declines significant performance. Previously, the business this is reference main for public around, especially circles academics and workers office, for fulfil need photocopying and printing will his duties. However, along with the walk time, appears various a disturbing challenge sustainability business this. Quality services that are increasingly decrease be one of factor main. Machines photocopy that has been no worthy use because his age is already old often experience disturbance, resulting in results underprint satisfying. In addition, after researcher observe direct to location, delay in settlement work and attitude not enough employee responsiveness the more to worsen situation.

Other factors that contribute become inhibitor business this is lack of innovation in development products and services. Berkah of Rizki Photocopy Still depend on service conventional without existence adjustment to development technology information. The emergence of various digital applications and platforms that enable user print document in a way independent has become threat Serious for sustainability business this (Yansyah et al., 2013). Plus again, competition growing business strict with emergence competitor new offering price cheaper and service more complete the more become challenge for owner of Berkah Rizki Photocopy for maintain share its market. Internally, the company also faces several constraints. Lack of training for employee cause lack of competence in give quality service. System suboptimal management also hampers efficiency operational. As a result, the costs high production and price sell that is not competitive the more to aggravate condition finance company.

Based on results group interview writer do on Sunday, October 13, 2024, together with owner of Berkah of Rizki Photocopy and author describe through SWOT analysis is obtained as data following:

A. Strengths

- 1. Berkah of Rizki have an existing customer base quite loyal, especially from circles students and workers offices around.
- 2. The shop is strategically located near school and factory area is superiority alone.
- 3. Berkah of Rizki has operate during for years, so that own experience in business photocopy.

B. Weaknesses

- 1. Quality declining services, such as frequent shop close, and no existence employee, become weakness main.
- 2. Absence employees and systems Suboptimal management is an obstacle efficiency operational.

C. Opportunities

- 1. The emergence various technology new like digital printing, design graphics, and online marketing can utilized for increase services and reach more customers wide.
- 2. Need will service photocopying and printing Still high, especially among students and workers.
- 3. Berkah of Rizki can to weave work the same with school, village hall office, or organization other forget project printing.

D. Threats

- 1. The emergence competitor new with more services complete and more affordable prices competitive.
- 2. The more many people choose for print document home alone or use service online printing.
- 3. Incident disaster natural like flood can damage assets and disrupt operational business.

Strategies Implemented

After realizing shortcomings and knowing condition necessary effort repaired, owner MSME Business Berkah Rizki Photocopy this implements strategies for increase quality service as well as push satisfaction and loyalty customers. Based on results interview together owner business, there is some strategies implemented by them that is as following:

- 1. MSMEs need ensure fast and accurate service, especially in service photocopy required efficiency. Time is factor important in business this, because customer often need service with quick (Setyawan, 2022).
- 2. owner shop this ensure machines and devices in prime condition will help speed up the service process. Owner business use method interact with customer with friendly and professional can increase satisfaction customers. This is aiming for create experience positive for customers. Although the Berkah of Rizki Photocopy not yet too wide, but owner business provides clean, tidy and comfortable place for customers who are wait service.
- 3. Good waiting area as well as friendly service will make customer feel appreciated and more comfortable, so that increase loyalty they.
- 4. Maintain competitive and transparent pricing is also very important according to the owner business. Customer often searched for services that provide price best, but also consider quality. With to strive give information clear price and do not wearing cost additional that is not reasonable.

In an era that is increasingly develop, become factor attention for the owner business for utilize matter mentioned. Use of application or digital platform for accept orders, track service status, or even do payment can increase efficiency operational, so that owner business make a WhatsApp business account, where WhatsApp shop number this is stuck on the wall shop so that customer can keep number business they. The dynamic changes in the world have indeed opened vast opportunities and challenges for businesses in various sectors in the era of globalization. Globalization does offer greater access for investment and broader business development; but it also creates a higher level of competition in the copy business. Research has revealed that competition in delivery services such as photocopying strongly influences firms' acceptance of technological change with associated changes in consumer behavior. Yansyah et al. (2013) noted that sales innovation into new or improved goods and quality improvement in services are essential in maintaining competitiveness in the market.

Furthermore Rahman & Arifin (2020) state that service quality, operational efficiency, and the use of the latest technology will largely determine business survival from fierce competition. In the micro and small business dimension Putra (2018) shows that good human resource management, such as employee training and development, contributes greatly to customer satisfaction and increased loyalty.

In contrast, Hutabarat & Purnomo (2019) identified digital transformation as a must for small businesses to ward off threats from technology-based competitors, noting that SMEs that do not adapt quickly to new technologies, such as app-based services or digital platforms, tend to lose significant market share. Based on interview and observation data conducted on Sunday, October 13, 2024, Berkah Rizki Fotocopy stated that the business is not immune to the same challenges. For example, a decline in service quality due to outdated equipment, lack of training for employees, and sub-optimal management largely hinder this business from maintaining a competitive advantage. With SWOT analysis, the researcher aims to understand more deeply the internal and external conditions of the company to formulate effective and appropriate improvement strategies. This research is expected to serve as a guide for businesses of a similar level when facing similar challenges in the future.

Not only that, but they also utilize social media platforms for promote service can expand range customers. MSME actors always post results work, testimonials customers, as well as offer special for interesting more lots customers shared on the WhatsApp status feature where can seen by existing customers keep number owner business. With technology, customer can feel more helped and have control on the services they provide Thank you. In addition to service,

quality results photocopy or service printing must always optimal. Using paper and ink quality high, and guard machine in condition okay, will reduce risk complaint from customers and strengthen loyalty. Providing discount programs or bonus for frequent customer use services have also been done the owner business as an effective strategy. With give incentive for customer still, UMKM can increase loyalty they as well as push they for return use service. The last strategy that was done and not lost important is receive and follow up input from Customers are very important for repair quality service. Because according to owner business, UMKM need open track clear communication for customer for give feedback, good That via social media, applications, or in a way direct. With implementing the above strategies, UMKM Berkah Rizki Photocopy can increase quality service, satisfaction customers, and ultimately loyalty sustainable customers.

CONCLUSIONS AND SUGGESTIONS

Based on results research above, the author concludes that analysis towards UMKM Berkah Rizki Photocopy disclose that the improvement strategies quality service like implementation system management complaints, and use of social media proven effective in increase customer satisfaction. Research this indicates that investment in source power humans and technology is step strategic for MSMEs to maintain customer loyal and attractive customer new.

Based on results research that has been done, then writer give some suggestions to be able to under consideration for become material useful for owner business also readers study this, that:

- 1. Should complaint customer become priority main on Berkah of Rizki Photocopy so that maintained and endeavored always maximum to always satisfying customer so that customer will keep going return do in store transactions this. The way that can done is provide box aspiration containing complaint customer or provide google form barcode which contain questions that can be fixed for performance business the store and the barcode can be scanned by customers after they do purchase.
- 2. For make customer become loyal, it's better shop must be more convincing to customer will complaints that can be overcome with fast as well as give quality service and have characteristics typical like give one points after customer do transactions, and if has collected ten points, then customer entitled get piece discount on transaction furthermore.
- 3. Increase quality services, expanding type service, adopt technology; Utilizing digital technology for simplify the ordering and payment process, as well as increase efficiency operational, building branding, establishing partnership, manage finance with good.

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