



PKM DIGITAL MARKETING: TRANSFORMATION OF MALSA CHOCOLATE BUSINESS IN MARA FOOD INDUSTRY COMPLEX, MALAYSIA

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ABSTRACT

MSMEs in Malaysia are facing new challenges in market competition, especially in the rapidly growing digital marketing. Fierce competition requires business actors to adopt effective digital marketing strategies to increase competitiveness and business growth. This Community Service Program (PKM) aims to identify the right digital marketing techniques for the Malsa Chocolate business in the MARA Food Industry Complex, Malaysia. This study uses a descriptive qualitative method with data collection techniques through observation, interviews, and literature studies from various secondary sources such as books, articles, and journals. The results of PKM activities explained that digital marketing has been developed, its implementation is still limited. Many business actors in PANGAN MARA have not fully utilized their digital marketing strategies optimally, thus impacting their business productivity and competitiveness. Collaborative efforts are needed between business actors and stakeholders to improve understanding and implementation of digital marketing strategies. With structured assistance and optimal use of technology, MSMEs in PANGAN MARA can be more competitive in the digital market. This research provides recommendations for business actors to adopt more effective digital-based marketing strategies to increase business growth and sustainability.

Keywords: Digital Marketing, MSMEs, Digital Marketing, Business Strategy, MARA FOOD

INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) have a strategic role in the Malaysian economy, especially in the food and beverage industry. One of the MSMEs under the auspices of Majlis Amanah Rakyat (MARA) is Cokelat Malsa, which operates in the MARA Food Industry Complex. Along with increasing competition in this sector, business actors are required to adopt digital marketing strategies to increase competitiveness and expand market reach (Kotler et al., 2021). However, the implementation of digital marketing among MSME actors is still relatively low due to limited digital literacy and lack of access to digital marketing resources (Chaffey & Ellis-Chadwick, 2019). In recent years, changes in consumer behavior have shown an increase in preference for digital platforms in searching for and buying food products (Statista, 2022). However, many MSMEs in the MARA Food Industry Complex, including Malsa Chocolate, still rely on conventional marketing methods, such as word-of-mouth promotion and direct sales in physical stores. The main obstacle faced is the lack of understanding of effective digital marketing techniques, such as the use of social media, marketplaces, and internet-based advertising strategies (Ryan, 2020). In addition to the marketing aspect, the business management aspect is also the main challenge. Problems such as the lack of systematic financial records, limitations in long-term business planning, and the lack of competitive pricing strategies make it difficult for businesses to grow. According to

Drucker (2018), good financial management and adaptive business strategies are the keys to business sustainability.

Situation analysis, the Community Service (PKM) program will focus on two main areas, namely: 1). Marketing Aspects (Digital Marketing) Limitations in the use of digital marketing are one of the main obstacles for MSMEs in the MARA Food Industry Complex. Therefore, this program will provide training and assistance in developing effective digital marketing strategies, such as social media optimization, marketplace utilization, and the use of data-driven digital advertising to increase sales (Armstrong & Kotler, 2020). 2). Business Management Aspect. In addition to challenges in marketing, the business management aspect is also a concern in this program. Many MSME actors do not have a structured financial recording system, making it difficult to manage finances and evaluate business performance. The program will provide training in digital financial record-keeping, more competitive pricing strategies, and financial planning for sustainable business development (Brigham & Ehrhardt, 2020).

The main purpose of this PKM program is to increase the competitiveness of Malsa Chocolate and other MSMEs in the MARA Food Industry Complex through the implementation of digital marketing strategies and business management capacity building. Specifically, this activity aims to: 1). Improve the understanding and skills of business actors in the application of digital marketing to reach a wider market and increase sales (Chaffey, 2022). 2). Providing training and assistance in business management management, including digital financial recording and sustainable business development strategies (Brudan, 2020). 3). Encouraging business actors to be more adaptive to the development of digital marketing technology, so that they can compete in the digital era (Schuler & Jackson, 2020). 4). Facilitating collaboration between business actors, academics, and the government to create a more competitive business ecosystem (Dessler, 2020).

This program is in line with the Key Performance Indicators (KPIs) in community service, especially in increasing community capacity and having a real impact on the growth of partner businesses. Thus, it is hoped that this program can help increase the productivity and sustainability of MSME businesses in the MARA Food Industry Complex, Malaysia. The specific solutions that we want to provide to Malsa Chocolate MSMEs, are: a). Introducing digital marketing, especially how it is applied in MSMEs. b). Helping Malsa Chocolate MSMEs to be more active in social media and *e-commerce*, especially such as Instagram ads, Facebook ads, Whatsapp Business, and *other e-commerce* that can be accessed by the Malaysian and Global markets.

METHOD

This activity was carried out at the Food Industry Complex of Majlis Amanah Rakyat (PANGAN MARA) in Malaysia involving Master of Management Students and Lecturers of FEB UPN Veteran Jakarta which were divided into several teams. The team made observations on the Malsa Chocolate brand, one of the members of the MARA Food Industry Complex, with a focus on digital marketing development strategies. The methods used in the implementation of this activity include:

1. **Observation.** The team visited the Malsa Chocolate production site to understand business operations and obstacles faced in digital marketing.
2. **Consultation.** Interviews were conducted with the owners and management of Malsa Chocolate to explore the expectations and needs of businesses in developing digital marketing.
3. **Socialization and Assistance Based** on the results of observation and consultation, training and assistance are provided related to digital marketing strategies that can be applied, such as the use of social media and e-commerce.

Specific solutions offered in this program include: a). Introduction to digital marketing and its implementation in the context of MSMEs. b). Assistance in the use of digital platforms such as Instagram Ads, Facebook Ads, WhatsApp Business, and e-commerce that can reach the Malaysian and global markets.

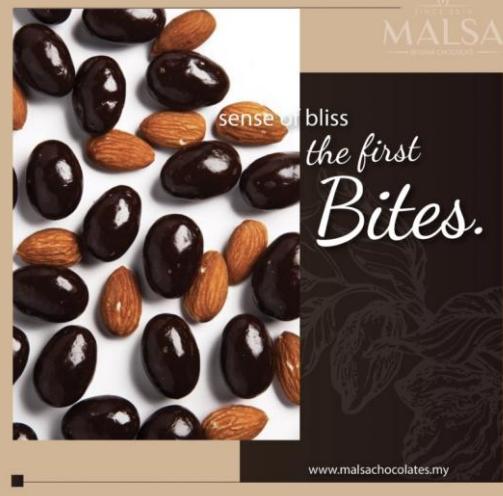
RESULTS AND DISCUSSION

The development of Micro, Small and Medium Enterprises (MSMEs) in Malaysia is one of the government's top priorities with a strong commitment to supporting its growth. According to the Institute for Development of Economics, in 2021, the contribution of Malaysian MSME products to exports was recorded at 20%. However, MSMEs in Malaysia are currently facing various challenges, both in the domestic and global markets. One of the biggest challenges is increasing competition, especially in digital marketing, which is increasingly realized by producers and consumers. The use of the internet is now becoming more widespread, with many businesses using social media and e-commerce to market their products. MSMEs are also taking advantage of social media and e-commerce platforms, which offer affordable marketing costs. Widely used social media include Instagram, Facebook, and WhatsApp Business, while popular e-commerce platforms include Shopee and Lazada. Malsa chocolate is a premium product that uses the famous Belgian chocolate and is aimed at the high-end market. The name "Malsa Chocolate" is taken from the name of its founder's father, Aslam, who made a great contribution to the company. The black and gold colors on this brand symbolize luxury, quality, prosperity, and prestige.

This activity involved the manager and marketing team of Malsa Chocolate, which was held at the Majlis Amanah Rakyat (PANGAN MARA) Food Industry Complex in Malaysia. Seeing the high market demand for chocolate in Malaysia, Malsa Chocolate plans to expand its market to a global level. The first step was to introduce their products through the Shopee Malaysia e-commerce platform, as well as Instagram and Facebook social media. Malsa chocolate is a high-end premium product that uses the well-known Belgian chocolate and is targeted for the high-end market or product range. Malsa chocolate comes from the name of the founder's father, namely Aslam, the father contributed a lot to the owner. Black and gold are associated with luxury, quality, prosperity, and prestige. The implementation of this activity involved the manager and marketing department of Malsa Chocolate which was carried out by the Majlis Amanah Rakyat (PANGAN MARA) Food Industry Complex in Malaysia. The great interest in the chocolate market in Malaysia makes Malsa chocolate want to develop its product wings more widely globally. However, the first thing to realize this development requires wider digital marketing to be realized by the global market. The start of Malsa chocolate products is by marketing them on Shopee Malaysia *e-commerce*, Instagram, and Facebook.

The products offered by Malsa chocolate, namely:

- a. Types of Chocolate

Panned Chocolate	 An advertisement for Malsa Panned Chocolate. It features a top-left image of dark chocolate-coated almonds. The top-right text reads 'sense of bliss' and 'the first Bites.' Below this is a stylized floral illustration. The bottom right contains the Malsa logo and the website 'www.malsachocolates.my'.
Praline Chocolate	 An advertisement for Malsa Praline Chocolate. It features a top-left image of a hand holding a foil-wrapped praline chocolate. The top-right text reads 'The Perfect Gift' and includes a stylized floral illustration. The bottom right contains the Malsa logo and the website 'www.malsachocolates.my'.
Freeze Dried Chocolate	 An advertisement for Malsa Freeze Dried Chocolate. It features a top-left image of various freeze-dried chocolates, including dark chocolate with strawberry and white chocolate with strawberry. The top-right text reads 'sense of bliss' and 'at the first Bites.' Below this is a stylized floral illustration. The bottom right contains the Malsa logo and the website 'www.malsachocolates.my'.

Chocolate Spread	 A photograph of a slice of bread with dark chocolate spread on it, served on a white plate. The background is a dark brown with a subtle floral pattern. The Malsa logo is in the top right corner, and the text "Chocolate Spread" is written in a large, elegant script. Below it, the text "Vegetarian Diet" and "100% Natural ingredient" is displayed, along with the website "www.malsachocolates.my".
Crispy Chocolate	 A photograph of a hand holding a single, round, dark chocolate truffle with a textured, crumbly top. The background is a light beige with a blurred image of more chocolates. The Malsa logo is in the top right corner, and the text "sense of bliss at the first Bites." is written in a flowing script. Below it, the website "www.malsachocolates.my" is visible.
Chocolate Drinks Formula	 A photograph of a white mug filled with a dark chocolate hot drink, with steam rising from it. The background is a dark brown with a subtle floral pattern. The Malsa logo is in the top right corner, and the text "it's time for Chocolate Hot Drinks" is written in a script. Below it, the website "www.malsachocolates.my" is visible.

Source: Shopee (Malsa Chocolate)

b. Hampers and Gift Boxes

Malsa Chocolate Hampers are handcrafted and decorated in beautiful boxes and will please the recipient. Meanwhile, the Gift Box can be customized based on customer preferences or choose one of the gift boxes offered by Malsa chocolate.



Based on observations and interviews conducted by the Community Service Team at the Majlis Amanah Rakyat (PANGAN MARA) Food Industry Complex, according to Malik (2018) in Supriyanto & Hana (2020), the development of digital villages can be applied to Malsa Chocolate products, with the following stages: 1). **Prepatory:** At this early stage, the development strategy is carried out by preparing MSME actors to handle their own digital marketing. In an interview, the owner of Malsa Chocolate stated that their marketing is mostly done through social media and expo exhibitions. Therefore, the introduction of the right digital marketing strategy is essential, given the rapid development of information technology that is changing the market landscape. 2). **Presence:** At this stage, the focus is on introducing Malsa Chocolate in the world of digital marketing. Active participation of business actors in mentoring programs related to the use of digital marketing is the key to success. During the mentoring, many residents attended to get information about digital marketing strategies, the use of e-commerce, and product development. 3). **Digital Marketing:** By utilizing digital marketing, business actors can market and distribute products based on their location. In interviews, several business actors at the Majlis Amanah Rakyat Food Industry Complex stated that only a few have used the marketplace to sell their products. This shows that there is an awareness of the importance of technology in marketing. 4) **Transaction Integration:** At this stage, the electronic transaction process becomes the focus, and business actors need to understand how to conduct transactions digitally. The implementation of electronic transactions can provide many benefits, as long as it is done correctly. Malsa Chocolate owners need to understand digital trading procedures to ensure the security and smooth transactions. 5). **Autonomy:** At this final stage, business actors begin to transform into a digitalized business. It is hoped that Malsa Chocolate business actors will be able to compete in e-commerce and social commerce platforms at a higher level. Through these stages, the ability of Malsa Chocolate business actors to adopt business digitalization is very important in facing increasingly competitive market challenges. Business actors need to maintain open communication to share information and learn together in overcoming the challenges that exist within the Majlis Amanah Rakyat (PANGAN MARA) Food Industry Complex.

CONCLUSION

In conclusion, the development of Malsa Chocolate business productivity within the Majlis Amanah Rakyat (PANGAN MARA) Food Industry Complex still needs more attention, especially in the use of digital marketing. Although some business actors have planned digital marketing, not all parties have optimized it. As part of the Community Service (PKM) program, strategic steps that have been planned, such as preparation, presence, portals, transaction integration, and autonomy, need to be implemented to assist business actors in the MARA FOOD environment, especially Malta Chocolate, in developing and marketing their products online.

This PKM aims to provide training and guidance to business actors regarding the importance of digitalization in marketing their products. Through collaboration between business actors, the Malaysian government, academics, and other relevant stakeholders, it is hoped that the productivity and competitiveness of MSME actors in PANGAN MARA can increase. The use of sales applications such as marketplaces, social commerce, and website development for digital sales will help expand market reach and significantly increase sales volume. With a comprehensive PKM approach, Malsa Chocolate and other business actors can accelerate their digital transformation process and develop their business more efficiently and effectively in the global market.

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