

# Effectiveness of the E-Peken Program in Empowering Micro, Small, and Medium Enterprises (MSMEs)

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## ABSTRACT

**Objective:** This study aims to analyze the effectiveness of the E-Peken application in empowering Micro, Small, and Medium Enterprises (MSMEs) in Jambangan District, Surabaya City. E-Peken is a digital innovation from the Surabaya City Government designed to expand MSME market access through a local e-commerce platform. **Method:** This study uses a qualitative descriptive approach with data collection techniques in the form of observation, interviews, and documentation. Campbell J.P.'s program effectiveness theory is used as the basis for analysis, which includes five main indicators: program success, target success, user satisfaction, input and output effectiveness, and overall goal achievement. **Results:** The results of the study indicate that the E-Peken application has the potential to increase the visibility and competitiveness of MSME actors, but still faces a number of obstacles such as low digital literacy, lack of training and mentoring, and limited application features. MSME participation is dominated by the culinary sector, while business actors in other sectors feel that they are not yet optimally facilitated. **Novelty:** The novelty of this research lies in the holistic application of Campbell's effectiveness theory framework to evaluate digital programs based on local economic empowerment, as well as the specific focus on SMEs in Jambangan Subdistrict, which has not been extensively studied. These findings provide concrete recommendations for the government to refine its digital empowerment strategies based on society.

## INTRODUCTION

The economic performance of a country within a certain period can be assessed through national income indicators. National income serves as one of the main measurement tools to evaluate a country's economic condition. The calculation of national income aims to provide a comprehensive overview of economic achievements and the total value of output produced, which ultimately seeks to improve the welfare and prosperity of society [1]. Economic growth reflects an increase in various economic indicators such as production, income, employment opportunities, and the value of goods and services produced by a country [2].

Economic growth and national income are inseparable from the contribution of Micro, Small, and Medium Enterprises (MSMEs). According to Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises, MSMEs are defined as business activities in the trade sector carried out by individuals or small-scale business entities that meet certain criteria as stipulated in the legislation. The classification of MSMEs is generally based on several aspects, such as the amount of assets, turnover level, and the number of employees [3]. The classification of MSME types plays an important role in various administrative aspects, such as business licensing and the determination of tax rates imposed on business actors.

Indonesia has established a number of regulations aimed at improving economic quality and societal welfare, particularly for MSME actors. One of the main legal

foundations supporting this effort is Government Regulation of the Republic of Indonesia Number 7 of 2021 concerning the Facilitation, Protection, and Empowerment of Cooperatives as well as Micro, Small, and Medium Enterprises. This regulation provides a comprehensive framework to facilitate and empower MSMEs through the utilization of digital platforms, with an emphasis on creating a conducive environment for business growth. The policy not only applies at the national level but also serves as a reference for local governments in responding to and designing programs that support digital-based MSME empowerment. Various provinces in Indonesia have begun implementing this policy through diverse initiatives tailored to the potential and specific needs of their respective regions.

One of the most important contributors among the 38 provinces in Indonesia to the local economy is East Java Province, which is recognized as one of the centers of national economic growth. The East Java Provincial Government actively promotes digital transformation in the MSME sector through training, the provision of technology access, and the utilization of digital platforms to expand markets and enhance the competitiveness of local businesses [4]. Changes and opportunities in the industrial world demand society to be more innovative and creative in order to survive in the era of globalization. In line with these dynamics, the emergence of the industrial revolution through digitalization and connectivity has enhanced both the efficiency of production chains and the quality of products. For MSMEs, as one of the key pillars of Indonesia's economy, adjustments in production processes and marketing strategies have become urgent. Particularly in the current digital era, the MSME sector is required to take advantage of online-based advertising media for promotion [5].

**Table 1.** Unemployment Data in Indonesia.

East Java Province	Open Unemployment Rate by Province (Percent)				
	2020	2021	2022	2023	2024
Indonesia	5,84	5,74	5,49	4,88	4,19

Source: Statistics Indonesia (BPS), 2024

According to Table 1 above, the open unemployment rate in Indonesia has experienced a decline each year from 2020 to 2024. In 2020, the unemployment rate reached 5.84%, then decreased to 5.74% in 2021, 5.49% in 2022, 4.88% in 2023, and 4.19% in 2024. The increase in the unemployment rate in 2020 cannot be separated from the impact of the COVID-19 pandemic, which affected the world, including Indonesia. The pandemic caused many business sectors to collapse, resulted in mass layoffs, and significantly reduced economic activities.

The government, as the policymaker, plays an important role in reducing the unemployment rate, one of which is through community empowerment. Efforts such as fostering an entrepreneurial spirit, enhancing work competencies, and expanding the MSME sector must be continuously pursued so that society can achieve economic independence, while also serving as a long-term solution to reducing unemployment..

The development of information technology has now become a strategic direction in encouraging a shift in public mindset toward the delivery of public services, including for the MSME sector. One form of technology implementation in public services is through e-government [6]. Based on Presidential Instruction Number 3 of 2003, e-government is not only aimed at improving the quality and efficiency of public services but also at creating opportunities for the growth of the information and communication technology (ICT) industry. In line with this, the government seeks to maximize the development of e-government as a means of supporting digital transformation across various sectors, including MSMEs. Through the use of digital technology, MSME actors gain multiple benefits such as expanded market access, increased sales, and greater operational cost efficiency. In addition, the implementation of e-government is also expected to establish a more effective working system and integrated governance by streamlining bureaucracy and enhancing inter-agency collaboration in providing information and services to the public [7].

Digital transformation through e-government has become one of the strategies employed by local governments to strengthen the role of MSMEs as the backbone of the economy. The MSME e-government initiative in East Java refers to the use of information and communication technology (ICT) by the East Java Provincial Government to support the development and empowerment of Micro, Small, and Medium Enterprises (MSMEs). The utilization of ICT is aimed at improving the effectiveness, efficiency, and quality of public services provided to MSME actors, whether in the form of easier access to information, administrative services, or digital-based marketing facilities. Through the implementation of e-government, the government seeks to deliver more transparent, faster, and integrated public services, thereby enhancing the competitiveness of MSMEs in an increasingly competitive market. E-government in the MSME economic sector in East Java also supports the agenda of inclusive and sustainable economic development. This is in line with the regional government's vision to promote MSME digitalization as a driving force of regional economic growth. Digitalization through e-government is not merely about modernizing public services but also serves as an essential instrument to strengthen the capacity of MSMEs to survive and grow in the face of global and national economic dynamics.

The Surabaya City Government utilizes innovative digital technology in its region to improve the standard of public services. The Surabaya City Government established Nan Suroboyo Economic Empowerment and Resilience (E-Peken) to outline a list of local innovations in accordance with Mayor Regulation Number 139 of 2022, managed by the City Government and the Office of Information Technology. On October 31, 2021, the program was first introduced during the opening of the Surabaya Fashion Week (SFW) event at Grand City Mall, Surabaya. The purpose of launching the E-Peken website was to help rebuild Surabaya in the aftermath of the COVID-19 outbreak and to sustain economic development. The Surabaya City Government's E-Peken program and website encourage grocery stores, MSMEs, and culinary tourism centers (Sentra Wisata Kuliner or SWK) to participate in supporting the improvement of the local economy. As a reference, the Government of the Republic of Indonesia has issued Regulation Number 07, which stipulates assistance, protection, and approval for cooperatives and micro-small enterprises. Article 71 of this regulation explains that MSME product marketing

may be carried out through electronic or non-electronic trade channels, which then became the foundation for developing this application. The official E-Peken Surabaya website was later made publicly accessible on April 1, 2022 [8].

E-Peken at the Surabaya City level illustrates the potential of digitalization as a strategic instrument in promoting the growth of Micro, Small, and Medium Enterprises (MSMEs). This program functions not only as a digital marketing platform but also as a tangible form of municipal government support in strengthening the competitiveness of MSMEs through expanded market access and enhanced business capacity. Nevertheless, the effectiveness of the program cannot simply be measured by achievements at the citywide level, as each district has different socio-economic characteristics, levels of community participation, and business actors' readiness. Therefore, a more specific study within a narrower scope is needed to gain a deeper understanding of the extent to which the program's objectives can be achieved. One area of particular interest is Jambangan District, which in recent years has demonstrated active participation of MSME actors in the E-Peken application. By focusing the research on Jambangan District, it is possible to identify various important aspects, ranging from how the program is implemented at the local level, the challenges encountered in its execution, to the extent that the E-Peken program can provide tangible contributions to MSME empowerment.

**Table 2.** Data of MSME Actors in the E-Peken Application, Jambangan District.

No	Year	Quantity
1.	2022	80
2.	2023	100
3.	2024	112
4.	2025	118

Source: E-Peken Application, 2025

The Jambangan District Government in Surabaya City has developed the E-Peken program as a strategic initiative to empower Micro, Small, and Medium Enterprises (MSMEs) through digitalized marketing. This program aims to enhance community economic growth, support business productivity, and promote sustainable development. By utilizing digital technology, E-Peken enables MSME actors to market their products more broadly and efficiently, while also providing convenience for consumers in making transactions. To date, 118 community members have joined as E-Peken MSME actors, with a total of 5,286 products offered. The participation of MSMEs in the district reflects the community's enthusiasm toward this innovation. Although challenges remain, such as digital readiness and intense market competition, the program continues to receive support from the government and related organizations to ensure its success. With active community participation, E-Peken is expected to bring significant positive changes to the welfare of the people in Jambangan District and its surrounding areas.

Based on preliminary observations in Jambangan District, several issues have been identified. First, there is unequal participation across MSME sectors, as the program tends to be dominated by businesses in the culinary sector, while non-culinary MSMEs remain underrepresented. Second, MSMEs registering for the E-Peken program are required to possess business legality and fulfill all requirements, as well as successfully

pass the entire sales and implementation procedures of the program. Some of the requirements to join E-Peken include having a Business Identification Number (NIB), a Surabaya ID card, and selling self-produced goods rather than repackaged products. Nevertheless, many MSMEs participating in E-Peken have expressed concerns regarding limitations in platform development, such as the lack of additional delivery service options and delayed responses, as the price curation process takes longer due to the large number of products submitted to the platform. Third, the program still relies heavily on central government support and lacks strong cross-sector collaboration to ensure its sustainability.

This research refers to several previous studies. The first is a study by Febriantika Fara Fernanda, Wiryana Wardaya, and Wiwin Priana Primandhana in the journal *Evaluation of the Impact of the E-Peken Program in Increasing the Income of Micro, Small, and Medium Enterprises in Surabaya City*, published in 2024. The study on the impact of the E-Peken platform in increasing MSME income in Surabaya showed significant success, with total transactions reaching IDR 27.786 billion. One of the key factors behind the success of this study was the use of appropriate methodology, such as the difference-in-difference method, which compared conditions before and after the implementation of E-Peken and involved control groups. This ensured that the results obtained were a direct consequence of using the platform. In addition, government support—particularly from the Department of Cooperatives and Trade—through training and socialization for MSME actors also made a substantial contribution to the program's success. The high participation of around 10,046 MSMEs demonstrated the strong enthusiasm of business actors to adapt to market changes through digitalization. Finally, the innovations and features of the E-Peken application, which simplified transaction processes, provided convenience and security for users, although challenges remain regarding the need for further feature enhancements. Overall, the combination of appropriate methodology, government support, positive responses from MSMEs, and the innovative features of the E-Peken application were decisive factors in the success of this study [9].

Second, another previous study that serves as a reference for this research was conducted by Zalwa Navy Dindaputri and Vidya Imanuari Pertiwi in 2024, entitled *The Effectiveness of the E-Peken Program in Empowering MSMEs in Surabaya City* [10]. This study employed a descriptive qualitative method with data collection techniques including interviews, observations, and documentation. The findings revealed that the E-Peken program has not been fully effective in empowering MSMEs, as indicated by low user satisfaction due to limited features, delivery services, and less competitive pricing. In addition, inadequate socialization and assistance also posed obstacles in expanding the utilization of the program. The similarity between this study and the present research lies in the focus of analysis, namely assessing the effectiveness of the E-Peken program. The difference, however, lies in the research scope, where the previous study examined the entire area of Surabaya City, while the current study focuses specifically on Jambangan District in Surabaya City.

Third, another previous study that serves as a reference for this research was conducted by Alysia in 2021, entitled *Examining the Development of MSMEs through E-Peken in an Effort to Support Economic Recovery in Surabaya City*. This study employed

a descriptive qualitative method to illustrate the role of E-Peken in supporting MSME growth in the post-pandemic period as well as the challenges faced in its implementation. The findings revealed several obstacles, including limited application features, low levels of technology adoption among MSME actors, and insufficient accessibility and technical support. The similarity between this study and the present research lies in the findings regarding limited access and application features that affect the effectiveness of the program. The difference, however, lies in the focus and timeframe: the previous study concentrated on the post-pandemic recovery period at the city level, while the current research is conducted in 2025 with a specific focus on Jambangan District.

This study employs the program effectiveness theory proposed by Campbell J.P. (1989). According to Campbell, effectiveness can be understood as the degree to which a program successfully achieves its predetermined objectives. The measurement of effectiveness can be assessed through five key indicators: (1) program success, which refers to the extent to which the program is implemented in accordance with the plan and produces the expected outcomes; (2) target achievement, which concerns the fulfillment of objectives directed at the intended beneficiaries; (3) program satisfaction, which evaluates the extent to which participants feel supported and benefited from the program; (4) input-output effectiveness, which reflects the alignment between the resources utilized and the results obtained; and (5) overall goal attainment, which describes the long-term impacts in accordance with the program's objectives. Based on this theoretical framework, the study aims to describe and analyze the effectiveness of the E-Peken application in empowering Micro, Small, and Medium Enterprises (MSMEs) in Jambangan District, Surabaya City [11].

## RESEARCH METHOD

The type of research used in this study is descriptive qualitative, aiming to provide a comprehensive overview and an in-depth understanding of the effectiveness of the E-Peken program for Micro, Small, and Medium Enterprises (MSMEs) in Jambangan District. The research was conducted in Jambangan District, with a focus on the Effectiveness of the E-Peken Application in Empowering MSMEs. The measurement is based on Campbell J.P.'s theory of effectiveness, which includes: (1) program success, (2) target achievement, (3) user satisfaction, (4) input and output effectiveness, and (5) overall goal attainment. The data consist of primary data, obtained through direct interviews with research subjects, and secondary data, derived from journals, scientific works, previous studies, documents, and archives. The selection of informants was carried out using purposive sampling, which involves intentionally choosing participants based on specific criteria relevant to the research objectives. Therefore, the selected informants included the Secretary of Jambangan District, Jambangan District staff, and MSME actors using the E-Peken application. Data were collected through observation and interviews. The data analysis technique employed was Miles and Huberman's interactive model of qualitative analysis, which involves (1) data reduction, (2) data display, and (3) conclusion drawing or verification.

## RESULTS AND DISCUSSION

### *Results*

Based on the research findings and field observations, in accordance with the research title concerning the Effectiveness of the E-Peken Application in Empowering Micro, Small, and Medium Enterprises (MSMEs) in Jambangan District, Surabaya City, the data are presented in a descriptive form. Effectiveness serves as a benchmark for comparing the processes undertaken with the objectives and targets achieved. A program can be considered effective if the efforts or actions carried out are aligned with the expected outcomes. Thus, effectiveness is used as a standard to compare the planned objectives and processes with the results obtained. The following section presents the research discussion in the form of data analysis, structured according to each research focus, based on Campbell J.P.'s (1989) theory of effectiveness, which is measured through five indicators: (1) Program Success, (2) Target Achievement, (3) Satisfaction with the Application, (4) Effectiveness of Input and Output, and (5) Overall Goal Attainment, as elaborated below:

### *Discussion*

#### **1. Program Success**

According to Campbell J.P., the effectiveness of a program is measured by the extent to which its objectives are achieved. Program understanding is demonstrated through the ability of the target participants to implement the program without significant difficulties. Therefore, a clear understanding of the program is crucial to ensure that it runs in accordance with the established work plan and objectives, and this aspect can be used as an indicator in measuring its effectiveness.

The E-Peken program is an initiative of the Surabaya City Government aimed at expanding market access for MSMEs through a digital platform facilitated by the Department of Cooperatives, MSMEs, and Trade. Its main objective is to promote the digital transformation of MSMEs and strengthen their presence in the local online marketplace. In the implementation of the E-Peken program in Jambangan District, the program's effectiveness is largely influenced by the extent to which MSME participation is evenly distributed across various business sectors. The diversity of business types such as vendors, grocery stores, MSMEs, and food courts (SWK) is expected to serve as a strength in promoting local economic empowerment. However, in practice, MSME participation in this program has shown a tendency to be uneven. This imbalance has become one of the key factors affecting the overall effectiveness of the program's success.

Meanwhile, based on the interview with Mrs. Retno, the Secretary of Jambangan District, the following information was obtained:

*"Indeed, the most active participants are still dominated by MSME actors in the culinary sector. They find it easier to participate because they are already accustomed to selling directly at events such as the SWK. However, for other sectors such as handicrafts, fashion, or services, their involvement is still very limited."* (Interview, March 2, 2025)

Meanwhile, based on the interview with Mrs. Eka, a non-culinary MSME actor, the following information was obtained:

*"I run a handicraft business using recycled materials. At first, I was interested in joining E-Peken because it was said to help with promotion. However, it turned out that most of the active*

*participants were food businesses. During events, the ones invited were also mostly from the culinary sector. My business requires visual promotion and detailed product explanations, but the features do not yet support that. So, I feel less accommodated. Many of my friends whose businesses are not in the food sector have also withdrawn. In fact, this program would be excellent if it could accommodate all types of businesses."* (Interview, August 7, 2025)

Based on the results of the research, interviews, and field observations, it can be concluded that the indicators of the E-Peken program's success in Jambangan District have not been fully achieved optimally. The inequality of participation among SME sectors in the program remains the main issue that hinders the equitable empowerment of business actors. In its implementation in Jambangan District, the program has predominantly recruited and facilitated SMEs from the culinary sector, particularly those who are already part of the Culinary Tourism Center (SWK). The sub-district government considers that the high level of involvement of the culinary sector occurs because this type of business is perceived as being more prepared in terms of products, promotion, and participation in government-organized activities. On the other hand, non-culinary sectors such as handicrafts, fashion, and services have not shown significant participation, as they feel that the program's platform and activities do not yet optimally support their needs.

It can be concluded that the indicators of the E-Peken program's success in Jambangan District have not been effectively achieved due to the uneven participation across different SME sectors. The implementation of the program tends to benefit the culinary sector, which is facilitated through the Culinary Tourism Center (SWK), while non-culinary sectors such as handicrafts, fashion, and services have not received adequate promotional support and facilities. This indicates that the program has not yet been able to provide equal services for all types of businesses, and therefore the goal of inclusive SME empowerment has not been fully realized.

## **2. Target Achievement**

According to Campbell J.P, by measuring goal achievement, it is possible to determine the extent to which target group managers have designed an effective program implementation or the degree to which the institution has achieved its set objectives. The accuracy of program targeting is directly proportional to the extent to which program participants reach the established targets. The level of targeting used in program effectiveness is a crucial component that has a significant impact on how well the program attains its goals.

Success is measured not only by the number of MSMEs participating but also by the ease of access and convenience of using the application for business actors. An ideal application should be able to reach all users, both in terms of technological capability and the features offered. However, in Jambangan District, not all MSME actors have the same level of access to technology or digital literacy. Furthermore, the quality of the application's features also affects user satisfaction and the continuity of their participation in the program.

Meanwhile, based on the interview with Mrs. Harjanti, Head of the Community Welfare and Economic Section of Jambangan District, the following information was obtained:

"Participants must have a Business Identification Number (NIB), an active business, and products that are self-produced. We conduct a curation process to ensure that those who join meet the criteria. Initially, not many registered, but now the number has increased. I see this as a positive sign. For those who already have legal documentation, the process is quick, but for those who do not, it takes time to complete. We encourage and assist all MSME actors to fulfill the requirements so that they can participate." (Interview, August 11, 2025)

Meanwhile, based on the interview with Mrs. Khotimah, a non-culinary MSME actor, the following information was obtained:

"I registered for E-Peken last year after learning that the requirements included having a Business Identification Number (NIB) and an active business. After passing the selection, my business was included in the application. In my opinion, this is a great opportunity for my business to gain more recognition. However, there are still challenges, such as the application features not yet supporting delivery services. In addition, updating prices or adding products takes a long time because each item must be checked individually. If these features were improved, sales could run more smoothly, and I would be more motivated to continue participating." (Interview, August 7, 2025)

Based on the interview results, the target achievement of the E-Peken program is reflected in the effort to recruit MSME actors who meet the established criteria. From the perspective of the sub-district government, the MSMEs that have joined generally possess business legality and have successfully passed the curation process. This indicates that the program does not accept all types of businesses indiscriminately, but rather focuses on the quality and readiness of the participating business actors. Meanwhile, from the perspective of MSME actors, both from the culinary and non-culinary sectors, they perceive that the registration process is clear and provides tangible benefits in expanding the digital marketing reach of their products.

**Table 3.** Licensing Requirements.

Grocery Store	Small And Medium Enterprise (Sme)	Culinary Tourism Center (Swk)
Possess a Surabaya ID card (KTP), a Business Identification Number (NIB), and a Jatim Bank account	Possess a Surabaya ID card (KTP), a Business Identification Number (NIB), and a Jatim Bank account	Be an active trader already registered at the Culinary Tourism Center (SWK)
A photo of the business location with a geotag, and a neighborhood (RT) certificate (addressed to the cooperative)	Have a production facility based in Surabaya	Have a Jatim Bank account.
Be a member of a grocery store cooperative	The traded products must be self-produced (not repackaged)	Filling out the Google Form, which includes: trader information, SWK (Culinary Tourism Center)

The user to complete the registration form.	The user to complete the registration form.	data, and Jatim Bank account information. The creation of an E-Peken application account is carried out by the admin. Subsequently, the account username and password will be provided to
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Source: E-Peken Application, 2025

The registration process for the E-Peken application can be completed within 24 hours once all required documents are submitted, allowing SME actors to immediately utilize the application. In managing and monitoring business development, the Surabaya City Office of Cooperatives, Micro, Small, and Medium Enterprises, and Trade assigns mentors in each subdistrict. In addition, the office routinely conducts socialization activities for business actors to provide understanding of the various benefits gained through collaboration in using the E-Peken application. To date, the innovations developed by the Surabaya City Government through Dinkopdag have been widely adopted by SMEs, grocery stores, and Culinary Tourism Centers (SWK). The number of products registered in the E-Peken application has reached 115,416 items.

These achievements indicate that the implementation of the E-Peken program in the Jambangan Subdistrict has not yet been fully effective. Many SME actors are unable to register due to limited knowledge of administrative and licensing requirements. As a result, only a small portion of SMEs successfully register after meeting all requirements and passing each stage of the sales and program implementation process. Although data shows that the number of participating SMEs continues to increase, some business actors still do not fully understand the requirements, considering that E-Peken was only introduced in 2021. The enthusiasm of business actors to grow and join the E-Peken application serves as an indicator of high interest; however, the program's target achievement is not yet optimal. This situation shows that until 2025, SMEs in the Jambangan Subdistrict continue to demonstrate interest in participating while also encouraging other business actors to develop their businesses. It can be concluded that the E-Peken program's target achievement in the Jambangan Subdistrict has not been effective in terms of outreach and compliance with participant licensing requirements.

### **3. Program Satisfaction**

According to Campbell, program satisfaction reflects how well a program meets the needs of its participants, making it a useful indicator of success. The quality of a program determines the level of satisfaction among its recipients. Higher program quality positively influences recipient satisfaction, which in turn can lead to a constructive evaluation of the program, policymakers, and implementers [12].

User satisfaction is an important indicator in assessing the effectiveness of a technology-based program. The majority of SME actors feel assisted by the E-Peken application, particularly in terms of market expansion and ease of transactions. Features such as digital storefronts and cashless payment systems are considered helpful for promotion and purchasing processes. However, some users also reported several

weaknesses in the application. These include an interface that is not very user-friendly for older business actors, limited integrated delivery options, and minimal sales analytics features. In addition, some users complained about the absence of a periodic reporting system that could assist in business evaluation. This dissatisfaction highlights the need for feature improvements and strengthened digital education for SME actors to optimize the user experience.

Meanwhile, the interview with Ms. Harjanti, Head of the Community Welfare and Economic Section of Jambangan Subdistrict, provided the following information:

*“E-Peken has been quite helpful for SME actors in our subdistrict, especially for online promotion and sales. We have seen many business actors becoming more tech-savvy and willing to try this system. However, based on reports and complaints we have received, there are still several aspects that need improvement. For example, the application interface is not very user-friendly for older users or those less familiar with technology. The delivery feature is also not well integrated, often causing confusion for both sellers and buyers. Some SME actors have also complained about the lack of automatic sales reports, which are important for business evaluation. Therefore, although the program provides benefits, user satisfaction could be improved if feature updates and technical training are conducted regularly.”* (Interview, August 11, 2025)

Meanwhile, the interview with Ms. Eka, an SME actor, provided the following information:

*“This application actually has good intentions, but it is not very user-friendly. I once tried uploading a product, and the display was unclear with limited descriptions. I also checked the app’s rating on the Play Store and website, and many gave it one star. I agree with that because our expectations as business actors have not been met. We hope there will be feature updates to make it more user-friendly and complete.”* (Interview, August 7, 2025)

Based on the interview results, program satisfaction is an important indicator that reflects how well a program can meet the needs and expectations of its participants. In the effectiveness of the E-Peken application, SME actors’ satisfaction is a crucial factor determining the program’s sustainability and overall effectiveness. The research shows that although most SME actors feel assisted by the presence of E-Peken, particularly in product promotion and transaction convenience, their overall satisfaction level remains moderate. The application is quite helpful in terms of promotion and digital product display, but many technical issues remain unresolved. Users face difficulties when system errors occur and often do not know whom to contact for assistance. The delivery feature is also considered confusing because it is not integrated with delivery options, such as cash on delivery (COD), which are needed by customers.

Many SME actors have complained that the E-Peken application interface is not user-friendly for those who are not yet familiar with technology, and that it lacks sales analytics features for business evaluation. This indicates a gap between user needs and the available application features. Existing limitations include minimal feature updates, such as the absence of integrated delivery services, and slow responses from administrators when users want to update prices or add products. This process takes considerable time because prices must be manually checked against the large number of products submitted. This situation shows that the program’s target achievement is still focused on participant quantity rather than service quality and user satisfaction. Therefore, to maintain and increase SME participation sustainably, improvements are

needed, such as speeding up the verification process, integrating sales-supporting features, and enhancing administrator capacity. This ensures that target success is achieved not only during recruitment but also during program implementation and development. Although the application helps expand market access, overall program satisfaction is not yet effective due to limited supporting features and weak technical services. To ensure the program operates effectively and sustainably, application improvements, technical assistance, and continuous digital training are required.

#### **4. Effectiveness of Input and Output Levels**

According to Campbell, evaluating effectiveness involves comparing inputs and outputs. In the implementation of a technology-based empowerment program, success is not only determined by the government's internal systems but also heavily depends on the involvement of various external parties that can strengthen aspects such as funding, promotion, and distribution. Cross-sector collaboration with the private sector, digital communities, and logistics partners is a crucial element to expand reach and ensure program sustainability. Without comprehensive and continuous support, the program is vulnerable to stagnation, particularly in terms of feature development, product marketing, and distribution of SME outputs.

Meanwhile, the interview with Ms. Harjanti, Head of the Community Welfare and Economy Section of Jambangan Subdistrict, provided the following information:

*"E-Peken has been running quite well, but if we talk about overall success, the program's inputs are still limited. So far, the greatest support has come only from the local government. There has been no collaboration with the private sector, digital communities, or logistics partners that could assist in feature development, follow-up training, or marketing. As a result, the market reach is still narrow, mostly limited to local circles such as civil servants (ASN) or nearby residents. If there were cross-sector support, I am confident that the program's success would be much more significant for SME actors."* (Interview, August 11, 2025)

Meanwhile, the interview with Ms. Khotimah, a handicraft SME owner, provided the following information:

*"This program is good, but it seems too dependent on the government. There is no external training or support from the private sector. We don't know which path to take to grow. My products have also never reached markets outside the city, even though the potential is there."* (Interview, August 7, 2025)

Based on the interview results, the effectiveness of a program indicates that E-Peken still has limitations in terms of program inputs. These inputs include human resources, funding, and partnership networks. Currently, the program still relies on support from the local government, without involving external parties such as the private sector, digital platforms, or training institutions. The lack of collaboration has resulted in limitations in system development, insufficient follow-up training, and restricted promotional strategies. This shows that the program's inputs are not yet optimal in supporting successful implementation on a broad and sustainable scale.

Limitations on the input side directly affect the resulting outputs. SME actors reported that their products tend to circulate only within internal consumers, such as civil servants (ASN) or local residents, and have not yet reached a broader market outside Surabaya. However, the Mayor of Surabaya, Eri Cahyadi, plans to seek collaboration with banks and the private sector. Civil servants are also expected to consistently purchase

household needs through E-Peken to support the growth of registered micro-enterprises. The lack of promotion, distribution, and market expansion prevents the program from fully enhancing SME competitiveness. Many business actors eventually return to using social media independently because E-Peken's reach is considered limited. This indicates that the program's outputs have not yet met business actors' expectations and are not fully aligned with the goal of digitally empowering SMEs.

## 5. Overall Goal Achievement

According to Campbell J.P, an organization's ability to fulfill its obligations indicates that it can achieve its established goals. The effectiveness of a program can be determined by the extent to which it benefits its participants. Program effectiveness increases in direct proportion to the benefits it provides.

The overall goal of the E-Peken program is to create an inclusive digital ecosystem that can strengthen the competitiveness of local SMEs in the digital era. Although E-Peken has successfully reached business actors from various sectors, program implementation remains uneven and not yet sustainable. Limited post-onboarding support for SME participants, insufficient application feature updates, and reliance on central government support are the main challenges in ensuring the program's sustainability.

Nevertheless, E-Peken has had an initial positive impact by shifting traditional SME actors toward digitalization. The Surabaya City Government and relevant agencies need to strengthen collaborative strategies with the private sector, universities, and local communities to ensure the program's sustainability. Improvements in program management, enhanced digital training, and user-driven feature innovations will further strengthen the achievement of the program's overall objectives.

The main objective to be achieved is the equitable empowerment of SME actors through a digital platform capable of reaching various business sectors, expanding markets, and enhancing economic independence. To accomplish this goal, program implementation must not be merely administrative but also able to accommodate user needs, ensure fair participation, and involve multiple stakeholders in supporting the program's sustainability.

Meanwhile, the interview with Ms. Retno, Secretary of the Jambangan Subdistrict, provided the following information:

*"Not yet. There is still an imbalance, especially because the culinary sector benefits through SWK. Many non-culinary sectors do not gain tangible benefits. Moreover, the program does not yet have a cross-sector collaborative network, making it difficult for SMEs' competitiveness to develop."* (Interview, August 7, 2025)

Meanwhile, the interview with Ms. Khotimah, an SME actor, yielded the following information:

*"I have been participating in E-Peken since last year. At first, I was enthusiastic, but over time I became confused because there was no additional training or support. Sales have also stagnated due to limited promotion. My products are not very suitable to be displayed on the app, which is more geared toward culinary items. I hope that in the future there will be collaboration with external parties so that marketing and facilities can be better developed."* (Interview, August 7, 2025)

Based on the interview results, the overall goal achievement of A program can be assessed based on an organization's ability to fulfill its commitments and achieve its strategic targets. The program's effectiveness is also highly influenced by the extent to which its benefits are directly experienced by its participants. In the context of the E-Peken program, its overall objective is to build an inclusive and sustainable digital ecosystem to support the empowerment of SMEs in the digital era.

The research results indicate that although E-Peken has successfully reached various SMEs across multiple sectors and begun to shift business paradigms toward digitalization, program implementation remains uneven and not yet fully sustainable. Challenges such as limited post-onboarding support, insufficient feature updates, and high dependence on government assistance are the main obstacles to achieving the program's long-term objectives [13].

Their participation in the program has been largely formal, as it has not yet produced significant impacts on sales or business welfare, meaning that the E-Peken program has not been fully utilized by all business actors. This indicates that the achievement of the program's overall objectives remains symbolic and has not yet fully addressed the substantive needs on the ground [14].

Therefore, it can be concluded that the overall objectives of the E-Peken program in the Jambangan Subdistrict have not yet been fully achieved effectively. Although there have been initial positive impacts, the program still requires strengthening in terms of cross-sector collaborative strategies, continuous training, user-driven feature innovations, and the provision of digital facilities and infrastructure for SMEs. If these aspects are improved, E-Peken has significant potential to become a strong foundation for a competitive and sustainable SME digital ecosystem [15].

## CONCLUSION

**Fundamental Finding :** Based on the research results regarding the Effectiveness of the E-Peken Application in Empowering Micro, Small, and Medium Enterprises (SMEs) in the Jambangan Subdistrict, Surabaya City, it can be concluded that the program has not yet fully achieved its goal of digitally empowering SMEs. This is reflected in the five effectiveness indicators according to Campbell J.P as follows: 1) Program Success, The implementation of E-Peken in the Jambangan Subdistrict shows an imbalance in participation across SME sectors, with culinary businesses dominating, while non-culinary sectors such as crafts, fashion, and services remain under-facilitated. This gap hinders the equitable distribution of program benefits. 2) Target Achievement, The program has not yet successfully reached SMEs that meet the criteria, possess proper business legality, and pass the selection process. However, the increasing number of registrants up to 2025 indicates that the program's target is appropriate and well-received by the community, even though it sometimes faces challenges related to licensing requirements and limited utilization of features. 3) Program Satisfaction, Most SME actors feel assisted in digital promotion and transactions; however, overall satisfaction has not yet been fully achieved. Major complaints include limited features, such as the absence of integrated delivery services, a less user-friendly application interface, and the lack of sales analytics features. 4) Effectiveness of Input and Output Levels, The program still relies heavily on local government support without significant collaboration with

external parties such as private companies, digital platforms, or logistics partners. This lack of cooperation limits the reach of product promotion and distribution, resulting in program outputs that have yet to fully reach a broader market. 5) Overall Goal Achievement, Although E-Peken has had an initial positive impact in promoting the digitalization of SMEs, the primary goal of establishing an inclusive and sustainable digital ecosystem has not yet been fully achieved. **Implication** : Therefore, while E-Peken in the Jambangan Subdistrict has made a tangible contribution to the digital transformation of SMEs, improvements are needed in facilitating equitable support across sectors, enhancing application features, expanding cross-sector collaboration, and strengthening digital mentoring and training to ensure that the goal of empowering the community's economy can be achieved optimally and sustainably. **Limitation** : Challenges include the dominance of the culinary sector, stringent legal requirements that limit SME registration, and dependence on government support without strong cross-sector collaboration. **Future Research** : Future research can examine comparative studies between E-Peken and similar digital empowerment programs in other regions, as well as assess the long-term impact of application feature improvements, cross-sector partnerships, and digital mentoring initiatives on building a sustainable digital ecosystem for SMEs.

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