



Strategy For Developing Micro Small And Medium Enterprises Based On Creative Economy In Faiz Convection Jombang

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ABSTRACT

The purpose of the study was to determine the strategy for developing MSMEs based on the creative economy by Faiz Convection and to find out the results achieved from the development of MSMEs based on the creative economy by Faiz Convection. This study uses a qualitative descriptive method which aims to analyze the data by describing or providing an objective description of the actual state. The place of this research was carried out in Faiz Convection Jombang. The data used are primary and secondary data. Collecting data through activities, namely a) observation on the object of research, b) interviews with sources with interview instruments, c) documentation in the form of writing or pictures, and d) literature review for the purposes of preparing reports. The data processing of the results of this study used a qualitative descriptive analysis tool. The results obtained indicate that the creative economy-based MSME development strategy in faiz convection is carried out by developing a marketing system and product development by making new breakthroughs regarding the variety of clothing models produced and innovation. System development at the convection faiz by conducting briefings to owners and employees in completing all work at the production site so that it runs effectively and efficiently.

Keywords: Strategy, MSMEs, Creative Economy

INTRODUCTION

Globalization impacts almost all aspects of human life, including those related to the economy. The growing micro-economy in Indonesia must be addressed immediately by the government so that the welfare of the community can be achieved immediately. One of the sectors that must be developed by the government is the small and medium-sized micro enterprise sector. Medium-sized business is a stand-alone productive economic business conducted by an individual or business entity that is not a subsidiary or branch of a company owned, controlled, or part of either directly or indirectly with a small business or a large business with the amount of net worth or annual sales proceeds (Undang-Undang Republik Indonesia Nomor 20 Tahun 2008 Tentang Usaha Mikro, Kecil, Dan Menengah, 2008).

With the development of the times, many people who utilize technology to do business activities and transaction process become easier with the existence of technology today (Ashlihah & Ramadhani, 2021). Competition can arise not only from the use of technology but there are people who have the same business. Apart from that, many small and medium-sized entrepreneurs still stick with their business. The creative economy in Indonesia has great potential to continue to be developed because Indonesia is a country with a large population. The availability and diversity of natural resources and cultural resources are also important supporting resources in the development of the creative economy in Indonesia (Firmansyah et al., 2020).

The creative economy not only contributes to the national economy but plays a role in strengthening the image and identity of the nation, developing the latest resources, developing creativity that encourages innovation, improving quality of life, equalization of welfare (Meishanti, 2018).

Creative economy is the development of concepts based on creative assets that have the potential to increase economic growth. The creative economy is used to sustain their efforts by creating innovations

and creations for the products they market. At least the products they have have a characteristic, in the product there must be creativity, with the creativity of a product can make new possibilities that are of more economic value and give a better life (Ginting, 2020). In addition, the creative economy creates not only economic transactions, but also social and cultural transactions.

The creative economy has an important impact on the development of smoking in Indonesia. According to (Pangestu, 2008) there are several reasons related to creative industries should be developed in Indonesia, namely a) make a significant economic contribution, b) create a positive business climate, c) build the image and identity of the nation, d) based on renewable resources, e) create innovation and creativity that become a competitive advantage of a nation, and f) give a positive social impact.

Efforts in improving the creative eknomoi program, community activities were formed under the name of MSMEs (Micro, Small, and Medium Enterprises). MSMEs are expected to be one of the business sectors that help the community in overcoming economic krisis (Permana, 2017). He added that MSMEs form the business sector that absorbs the most labor so as to reduce the unemployment rate (Jayanti Mandasari et al., 2019) and able to improve the welfare of the community (Triyaningsih, 2012).

The empowerment of MSMEs can encourage people to participate in development programs. One form of support through the utilization of various natural resources that have the potential in an area that has not been processed commercially (Layaman & Nurlatifah, 2016). This makes MSMEs have an important role in helping manage the natural resources in each region.

Common obstacles of MSMEs that often occur are limitations of working capital and investment (Ariani & Utomo, 2017) and (Triyaningsih, 2012), difficulties in marketing (Arianto, 2020), distribution and procurement of raw materials and other inputs, limited access to information about market opportunities and others, limitations of facilities and prasarana (Wardani & Solikah, 2020), limitations of workers with high expertise and technological capabilities, transportation costs and high energy, limitations of communication, high costs due to administrative procedures and complex bureaucracy, especially the management of business licenses (Ariani & Utomo, 2017), and uncertainty due to regulations and economic policies are unclear and erratic direction (Tambunan, 2013).

The legality of a product's brand is very important for MSMEs because it determines an idea or idea, as well as the creativity they have. To overcome the lack of working capital in other words to rotate capital, it can be done by creating creative and innovative products where these innovative products can give birth to new products in accordance with the needs of the community that has its own appeal to consumers. Innovative products can generate more value, whereby with the development of an MSMEs that have a variety of creativity innovations, can develop and increase the income of MSMEs and improve the welfare of the company.

The reason this research uses business in the field of convection (Faiz Convection) as the object of research is because this research convection is a productive business unit that stands alone, conducted by individuals or business entities. Faiz Convection is also a manufacturer of making t-shirts, shirts. Jacket, jacket, jersy T-shirt, pollo shirt. In addition to finding employees by inviting some people from close friends. To work together at Faiz Convection.

Seeing the product of Faiz Convection is quite interesting product that can be said to be one of the superior and reliable products, the business has great potential to be able to continue to develop by continuing to give birth to new innovation products by putting forward t-shirts with the number one quality consisting of cotton combed 30s and 24s and have screen printing by using a machine called plastisol and also has an embroidery machine that can serve to make logos and writing on the shirt. And any order or purchase at Faiz convection can be a keychain bonus.

METHOD

Researchers use qualitative descriptive methods that aim to analyze data by describing or objectively describing the true state of the object being studied, then analyzed and explained in sentence form. This research was conducted in Faiz Convection jombang which is located at Jl. Abdul Karim, Rt/Rw: 04/06, Mojokrapak, Tembelang, Jombang time conducted 1 month from March 17 to April 17, 2021. The data used is primary and secondary data. Primary data in the form of data presentation from the research subject is the results of interviews. Secondary data in the form of complementary and supporting data, namely notes and documents from reference books and journals.

Data collection through activities namely a) observation on research objects, b) interviews with resource persons with interview instruments, c) documentation in the form of writings or images, and d) literature study studies for the purposes of preparing reports. Data management of the results of this study

using qualitative descriptive analysis tools, namely analysis conducted through the depiction of a social symptom or nature that took place at the time of the study by using logic to draw logical conclusions about the data analyzed.

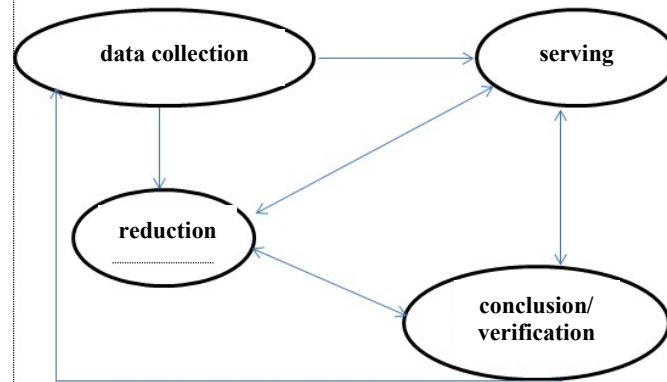


Figure 1. Qualitative Data Analysis Techniques

RESULT AND DISCUSSION

Result

The data presented in this section is supported by the results of interviews conducted by researchers with informants on Faiz Convection. The data outlined in this section is based on the focus of research used on Faiz Convection. Here are the results of interviews with convection owners related to the development strategy used in Table 1.

Table 1. Interview Result Data

No	Elements	Answer
1	Current business developments	Faiz confection in 2020 experienced a decrease in turnover at that time there has been an outbreak of covid 19 virus disease. During the outbreak Faiz could only produce a portion of orders from customers in the city for 7 months at that time, faiz only had a personal income of 10% and other income for machine service costs and production needs and salaries of employees. After experiencing a pandemic period fais confection has increased little by little orders from various customers outside the city and outside the island began to trust the confection. In 2021 faiz confection has started production normally and with the trust of customers and resellers and helped from friends who have the same business then Faiz Konfeksi has experienced a significant increase
2	Featured products	Faiz Convection has a superior product that is border shirts, screen printing shirts
3	Products sold	Faiz Convection sells products namely shirts, shirts, jersee, uniforms, jasket, alma mater, hoddi
4	Product-related strategies can survive / develop	innovate products and product matching in every product repairer above 1 dozen and more will get discounts and get accessories in the form of keychains. For loyal customers Faiz Convection provides free shipping as well as accessories
5	Strategies for developing products	Faiz Convection using product innovation and sales strategy
6	Cooperation with the same traders	yes. Faiz Convection cooperates with small confections that do not have brodir machines and screen printing
7	Innovations made	Faiz Convection still favors the main products namely embroidered shirts and screen printing shirts, but has additional products namely children's shirts and children's clothes
8	Promotion strategy is carried out	Faiz Convection using social media for broader marketing such as FB there is this strategy to expand buyers and customers
9	The sales strategy is done	Faiz Convection has a startegi in sales by offering products with good quality at a low price
10	Distribution strategies	Faiz Convection uses courier services in the delivery of goods

Discussion

At Faiz Convection implemented several strategies to develop his business. The development strategy includes developing systems such as briefing once a week which is a new discovery in the business. Briefing activities at the beginning before the implementation of a program or work applied by Faiz Convection related a) production strategy, b) sales strategy, c) promotional strategy, and d) distribution strategy.

Production Strategy in Faiz Konveksi is done by making new breakthroughs about the variety of clothing models produced and innovations. Variations of clothing models that have become the latest innovations are presented in Figure 2. Through product innovation, Faiz convection experienced an increase in orders that many things are seen from the results of sales of its products. New innovations are tailored to the needs of society and the latest developments in the fashion world. In addition, the quality of raw materials plays an important role in the production process of goods. This is done in line with the results of research (Jayanti Mandasari et al., 2019) which is to keep the product in demand by consumers and have competitiveness towards competitors.



Figure 1. Children's Clothing Innovation Products

Sales strategy at Faiz Konveksi is done by offering products with good quality at a low price. This strategy becomes an important role of the production and sales process in Faiz convection. This is considering the competition in the world of convection industry in jombang region is increasing. Although the selling price is slightly skewed compared to others but Faiz convection does not leave the existing quality both from the fabric to the production process.

The promotional strategy in Faiz convection is done by using social media for broader marketing such as FB where this strategy to expand buyers and customers. The use of social media is very supportive for the promotion process to the wider community (Figure 3). This shows that Faiz convection knows about the condition of the surrounding community that is more active in the world of social media so it is expected that many prospective customers who see the production of faiz convection.

The strategy carried out by Faiz convection is supported by research results from (Permana, 2017) and (Siagian & Cahyono, 2021) where MSMEs can develop their market by utilizing internet media, one of which is social media. This is because the reach of online or digital marketing is very broad and can be reached by anyone, anytime, and anywhere as long as consumers are connected to the internet. In addition, MSMEs can build their brand name (brand awareness) through social media with brand endorsement techniques.

These efforts are a form of support in the development of MSMEs digitally. The development of digital MSMEs is required in synergy with netizens who are none other than millennials through reseller techniques. In addition, this development activity is also highly dependent on government support in the form of ease of licensing (Arianto, 2020).



Figure 3. Promotion via Social Media (Facebook)

Distribution strategy in Faiz Konveksi is done by using courier services in the delivery of goods (Figure 4).



Figure 4. Use of Courier Services in Product Distribution

CONCLUSION

Based on the discussion of the previous chapter, it can be concluded that the strategy of developing MSMEs based on creative economy in faiz convection is carried out by developing marketing systems and developing products by making new breakthroughs about variations in the models of clothes produced and innovations. System development is a finding when researching.

Development of the system in faiz convection by briefing the owner and employees in completing all work in the production site to run effectively and efficiently.

Marketing development in faiz convection by doing promotions on fb, and keep up to date info and

products sold by faiz convection. The development of prduk in faiz convection is done by based on creative economy by making new breakthroughs about the variety of clothing models produced and innovations. The development of MSMEs faiz convection is also seen from financial data.

Advice for faiz convection more update the website so that costumers can continue to know information about the products that have been produced. Administration management is recommended to use digitalization or computer-based to be more practical in managing finances.

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