
Business Development Strategies for Micro, Small and Medium Enterprises (UMKM) in Kampung Purun

Herry Porda Nugroho Putro

pordabanjar@ulm.ac.id

History Education Department, FKIP Lambung Mangkurat University

Rusmaniah

rusmaniah@ulm.ac.id

Social Studies Education Department, FKIP Lambung Mangkurat University

Jumriani

jumriani@ulm.ac.id

Social Studies Education Department, FKIP Lambung Mangkurat University

Muhammad Rezky Noor Handy

rezky.handy@ulm.ac.id

Social Studies Education Department, FKIP Lambung Mangkurat University

Mutiani

mutiani@ulm.ac.id

Social Studies Education Department, FKIP Lambung Mangkurat University

Article History

Received: 05/07/21 Review: 25/07/21 Revision: 10/08/21 Available Online: 09/09/21

Abstrak

Usaha Mikro, Kecil dan Menengah (UMKM) memiliki peran yang penting bagi perekonomian sebuah negara, termasuk bagi negara Indonesia. Satu diantara UMKM di Kalimantan Selatan yang masih bertahan yaitu UMKM kerajinan anyaman di Kampung Purun. Agar UMKM terus bisa bertahan dan berkembang diperlukan strategi untuk pengembangan usaha. Penelitian ini dilakukan untuk memberikan gambaran tentang strategi pengembangan usaha mikro, kecil, dan menengah di kampung purun. Pendekatan yang digunakan yaitu pendekatan kualitatif. Pengumpulan data melalui wawancara mendalam, observasi dan dokumentasi. Analisis data melalui tahap reduksi, penyajian dan penarikan kesimpulan serta diverifikasi. Hasil penelitian menunjukkan bahwa Strategi pengembangan usaha yang dilakukan oleh perajin antara lain 1) Meningkatkan kualitas SDM dan produksi 2) membuat plang nama 3) melakukan pemasaran melalui pameran local, nasional dan internasional 4) memanfaatkan teknologi untuk melakukan pemasaran online untuk memperluas pasar 5) menjalin kerjasama.

Kata Kunci: Strategi pengembangan, Kampung Purun, dan UMKM kerajinan anyaman.

Abstract

Micro, Small, and Medium Enterprises (UMKM) have an essential role in a country's economy, including Indonesia. One of the UMKM in South Kalimantan that still survives is the purun craft UMKM in Purun Village. In order for UMKM to continue to survive and thrive, a strategy for business development is needed. This research was conducted to provide an overview of the development strategy of micro, small, and medium enterprises in the village of purun. The approach used is qualitative. They are collecting data through in-depth interviews, observation, and documentation. Data analysis went through the stages of reduction, presentation, and conclusion drawing and verification. The results show that the business development strategies carried out by the craftsmen include 1) Improving the quality of human resources and production, 2) making nameplates, 3) marketing through local, national and international exhibitions 4) utilizing technology to do online marketing to expand the market 5) establishing cooperation.

Keywords: Development strategy, Purun Village, and Purun crafts UMKM.

PRELIMINARY

Law of the Republic of Indonesia No. 20 of 2008 concerning UMKM Article 1 of the Act states that micro-enterprises are productive businesses owned by individuals and/or individual business entities that have the criteria for micro-enterprises as regulated in the Act. Thus, micro-enterprises are independent, productive economic businesses that are run by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become part of either directly or indirectly, of micro-enterprises, small-scale businesses, or large businesses that meet micro-enterprise criteria as referred to in the Act. As stated in Article 6, UMKM are the net worth or asset value excluding land and buildings for business premises or annual sales proceeds (Government of the Republic of Indonesia, 2008; Hasanah et al., 2021).

UMKM have an essential role in the economy of a country, including Indonesia. Indonesia is a developing country that should make UMKM as a means in the economic aspect to have good performance in the form of high productivity and live in the midst of other big businesses. The role of UMKM in the economy is marked by their ability to support large businesses such as providers of raw materials or raw materials (Subiyakto & Mutiani, 2019; Mutiani, 2020; Hasanah et al., 2021).

Indonesia has experienced a crisis in the economy, causing a decline in the national economy. Many large businesses in various sectors stagnated until they stopped operating in 1998. However, Micro, Small, and Medium Enterprises (UMKM) could survive and support the Indonesian economy during the monetary crisis. UMKM are one of the fields that develop consistently in the national economy. UMKM become providers of productive employment. UMKM are also labor-intensive businesses that do not require specific requirements such as education or expertise. UMKM use relatively small capital and use simple technology. Until now, UMKM still have an essential role in the Indonesian economy both in terms of the number of businesses, employment opportunities, and national economic growth, which is calculated based on the gross domestic product (Ananda & Susilowati, 2017; Amelia et al., 2021; Putro et al., 2021; Rahmah et al., 2021).

There are many micro, small and medium enterprises (UMKM) in South Kalimantan, such as selling Banjar *wadai* (cakes); business of processing tomatoes into various forms of food such as candy, juice, jam and others; furthermore there is also a business of making herbal plants into herbal medicine which is sold to the broader community to other businesses; In addition, from the city of Banjarbaru or Banjarmasin, there has also been an increase in the economy from the government with themes in the villages that are their characteristics, such

Herry Porda Nugroho Putro, Rusmaniah, Jumriani, Muhammad Rezky Noor Handy, and Mutiani

as the purun village in Banjarbaru, the ketupat village in Banjarmasin and others; or also supported by tourism-based economic activities such as Floating Market tours in Siring Tendean Banjarmasin, Kuin Floating Market or Lok Baintan Floating Market (Abbas & Jumriani; 2020; Arisanty et al., 2020; Abbas et al., 2020; Delima et al., 2020; Hapijah et al., 2020; Fitriyani et al., 2021; Fatimah et al., 2021; Nazmi et al., 2021; Abbas et al., 2021; Syaharuddin et al., 2021; Arisanty et al., 2021; Subiyakto et al., 2021).

One of the UMKM in South Kalimantan is the purun purun craft business, both purun craftsmen in the Barito River area, Barito Kuala Regency, purun craftsmen from Amuntai, North Hulu Sungai Regency or in Purun Village located in Cempaka District, Banjarbaru City. So this research will focus on purun craftsmen in Banjarbaru City (Mutiani et al., 2021; Lestari et al., 2019; Lestari et al., 2021). Considering the importance of the role of UMKM in the economy in Indonesia, this study aims to find out how the strategy for developing micro, small and medium enterprises in purun crafts in Purun Village. Therefore, the purpose of this article is to describe how the strategies carried out in developing UMKM are expected to maintain the existence of UMKM in Indonesia, primarily focusing on Purun Village, Cempaka District Banjarbaru City.

METHOD

This study uses a qualitative approach. First, qualitative research was chosen to understand the economic conditions of purun crafts UMKM in Purun Village to describe in detail and depth the actual conditions of Purun Village in the field. Then it is constructed in a theme to be better understood and more meaningful (Sugiyono, 2018). The source of data comes from informants, namely weavers. The data collection technique was through direct observation in July 2021, interviews with craftsmen in Purun Village, and documentation from other sources relevant to the research.

The data analysis used in this study is the interactive model of Miles and Huberman, consisting of 3 steps of analysis, including data reduction, data presentation, and data verification (Nugrahani, 2014). First, data is reduced by copying the interviews' results from the recorded form into written form, then reduced according to the required data about the development strategy of UMKM in Purun Village. Next, the data presentation stage is carried out with narrative texts and the MSME development strategy descriptions. Finally, the next stage is concluding (verification) to answer the problem regarding the MSME development strategy in Purun Village.

RESULTS AND DISCUSSION

In Purun Village, there are UMKM engaged in the creative economy industry, namely purun handicrafts. The purun obtained comes from the purun plant that grows in Purun Village, namely in ex-mining excavations. There are 4 groups of craftsmen in Purun Village, namely Galoeh Cempaka, Al-Firdaus, Galoeh Banjar, Pelangi Firdaus. Therefore, craft UMKM in Purun Village have an essential role in the country's economy (Lestari et al., 2020; Lestari et al., 2021; Mutiani, 2020).

Micro, Small, and Medium Enterprises (UMKM) are informal in which management is generally carried out. The UMKM businesses are managed individually or in groups. The Purun handicraft business in Purun Village uses surrounding resources with workers in the surrounding environment such as family, neighbors, and close relatives. One of the problems of UMKM is human resources related to the ability and expertise of the business actors themselves, or their productivity is still low, so a strategy is needed for business continuity. The strategies carried out by UMKM handicrafts in Purun Village include:

- 1) Improving the quality of human resources and production

Business continuity is determined by the quality of human resources and products produced. The strategy carried out by purun craftsmen to improve human resources, and product quality is by participating in training held by the government to manage UMKM. By participating in the training, the craftsman's ability is increasing in increasing productivity and improving product quality. In addition, the purun products produced are strived to be neater and more varied, namely by diversifying products. Previously, purun products made only baskets and mats; now, they are more diverse, such as bags, drink holders, placemats, multipurpose boxes, and more purun patterns. This is done to increase customer interest.

Management in human resources is a set of methods ranging from planning, organizing, coordinating, implementing, and supervising the development, procurement, maintenance, remuneration, and separating the workforce to achieve goals in an organization (Sadeli, 2019). In addition, human resource management is a way to manage and utilize existing resources in individuals. Human resource management is developed in work to achieve group goals and individual development (Mulyana, 2020; Qustolani, 2017).

- 2) Installing a group name sign

Development is inseparable from the economic system in Indonesia. Developments in a business are influenced by marketing. Every business actor has their

way of running their business. Likewise, for the Purun Craftsmen, each crafter has their way of doing marketing. Some craftsmen market their handicrafts only at the place of business, namely by waiting for customers to come, others by marketing outside the place of business. The way of marketing the craftsmen in their place of business is by making a signpost so that the place of business is more visible, then by forming a group where each group has a gallery to display every product made by its members (Haudi et al., 2021).

Picture 1. Sign of the name of the Al-Firdaus Purun Craftsmen Group



Source: Personal documentation, 2021

3) Participate in local, national, and international exhibitions

They introduced products and places of business the way craftsmen do by participating in local, national, and international exhibitions. The exhibition that was followed was inseparable from the government's support to promote UMKM in Kampong Purun. Promotional strategies are essential in marketing, not only for producers but also for consumers. Thus, the promotion strategy has developed into communicating goods or services (Gurmilang, 2015).

The method and the ability to convey information about goods and services to consumers affect the success of a marketing objective, namely to form the image of a company brand (Ayuni, 2019). Goods or services produced by a company will not be able to find its customers, so development is needed that plays a vital role in the sustainability of a business to continue to grow and develop (Kurniawati et al., 2019). Therefore, marketing must convey information in the form of a clear and directed picture of what is given by a company or business actor (Susanti et al., 2018).

4) Marketing via online

Marketing by purun craftsmen can be done directly to consumers and distribute goods without having to have an intermediary in marketing. Direct marketing is through

online marketing. Based on an interview with Maimunah (45 years old) stated "Sales are often done online such as WhatsApps, Facebook and also Instagram, and if shopee doesn't know yet, it's because my sister is working on social media. For sales this month, there are orders for 700 types of mini bags with color motifs in great demand; for original color motifs, there are also many enthusiasts because the buyer will add creations in the form of beads and various motifs of sasirangan fabric. Orders are also sent to other provinces such as Palangkaraya, Semarang and ordered because I saw a post on Instagram. This group of craftsmen also often participates in exhibitions invited by the local government" (interview, 11 July 2021). With the development of increasingly sophisticated technology, marketing has become more accessible. Through promotion technology, the craftsmen are carried out online by using social media. Business actors can distribute product offers to consumers individually or in groups, often called co-clients (Islami & Nahartyo, 2019).

Through online marketing, the market that purun craftsmen can reach is getting wider, both within the region and outside the region. Through online media, marketing is getting more outward so that it can increase purun sales volume. In addition, online media is also straightforward to use at a relatively low cost because it can be done directly by craftsmen without intermediaries. Sales volume will increase with an excellent promotional strategy. Consumers will become more familiar with the product until they buy a product from a good promotion (Roring et al., 2015; Irawan, 2019).

Since the advent of the internet until now, its users have continued to grow. Internet users are increasing in various sectors, one of which is the economic sector. The internet used as a business medium is increasing in the information age, including the purun craftsmen whose orders are increasing every year; this makes the people in Purun Village more and more engaged in becoming craftsmen from what they used to be farmers and odd jobs. This can also be seen from the group of craftsmen who initially only had 1 group; now, it has grown to 4 groups. Promotion through the internet has made Kampung Purun increasingly known not only for customers buying its products but also for many academics who do research.

Activities in conveying information in this context are promotions known as promotion mix, which include means of advertising, sales promotion, personal selling, and publicity (Kotler et al., 2018). In determining the promotional advice used, it must be coordinated effectively and carefully to the target, namely consumers, both old customers, and new customers, considering the strengths of business actors or

competitors. Promotion is significant because this element is part of an effort to introduce a product, laying a persuasive foundation, so prospective buyers decide to buy without hesitation.

5) Establish cooperation to expand the marketing network

Another strategy used by craftsmen is to collaborate. Based on an interview with Masliani (43 years old), marketing is done using social media and has a collaboration with PLN for purun craftsmen to develop their business (interview 11 July 2021). Humans are social creatures who need the help of others; therefore, cooperation is needed.

The objectives of the cooperation carried out in business, among others:

1. The partnership aims to optimize operations by focusing on core competencies and activities. Competencies and activities that are not included in the core business are given to partners. This kind of partnership is called outsourcing or outsourcing.
2. Partnerships aim to acquire non-owned resources such as consumer databases, technology, strong brands.
3. Partnerships aim to gain knowledge organizationally. Organizations in business need knowledge in carrying out their operations, but partners own that knowledge. This form of partnership is called a joint operation.
4. Partnerships aim to acquire markets, either to open new markets or to develop existing ones. This form of partnership is like a joint venture. Significantly for partnerships to develop markets, partner organizations work together, but they still compete in sales (PPM, 2012; Umar et al., 2018).

In cooperation, there will be mutually beneficial agreements. However, businesses that are built require the role of other people to continue to grow. There is no successful entrepreneur who does it himself without the involvement of others. Therefore, the key to successful cooperation is to facilitate the development of the purun business, namely to expand the network (Mutiani, 2020; Hasanah et al., 2021).

CONCLUSION

The role of UMKM in the economy is marked by their ability to support large businesses such as suppliers of raw materials or raw materials. One of the UMKM that still survive in South Kalimantan is the purun handicraft UMKM in Purun Village. Their production raw materials are obtained from the purun plant that grows in the surrounding environment. Purun craft UMKM have 4 business groups, namely Galoeh Cempaka, Al-firdaus, Galoeh Banjar, Pelangi Firdaus. The strategy in developing a purun business is necessary to continue maintaining the business's existence so that it is better known by the wider community and can increase sales volume. The business development strategies carried out by craftsmen include 1) Improving the quality of human resources and production, 2) making name signs, 3)

conducting marketing through local, national and international exhibitions, 4) utilizing technology to conduct online marketing to expand the market 5) establishing cooperation.

BIBLIOGRAPHY

- Abbas, E. W., & Jumriani, J. (2020). Culinary Identification in the Banua Anyar Culinary Tourism Area; a Contribution for Tourism in Banjarmasin City. *The Innovation of Social Studies Journal*, 2(1), 33-40.
- Abbas, E. W., Handy, M. R. N., Shaleh, R. M., & Hadi, N. T. F. W. (2021, February). Lok Baintan Floating Market: The Ecotourism Potential of Rural Communities. In *The 2nd International Conference on Social Sciences Education (ICSSE 2020)* (pp. 367-370). Atlantis Press.
- Abbas, E. W., Handy, M. R. N., Shaleh, R. M., & Hadi, N. T. F. W. (2020). Ecotourism of Martapura River Banjarmasin as a Learning Resources on Social Studies. *The Innovation of Social Studies Journal*, 1(2), 111-119.
- Amelia, D., Arisanty, D., & Kumalawati, R. (2021). Hubungan Kondisi Sosial Ekonomi Masyarakat dengan Kualitas Rumah Tinggal di Kecamatan Banjarbaru Selatan Kota Banjarbaru. *JPG (Jurnal Pendidikan Geografi)*, 5(2).
- Ananda, A. D., & Susilowati, D. (2017). Pengembangan Usaha Mikro Kecil Dan Menengah (UMKM) Berbasis Industri Kreatif Di Kota Malang. *Jurnal Ilmu Ekonomi JIE*, 1(1), 120-142.
- Arisanty, D., Alviawati, E., Setiawan, F. A., Adyatma, S., & Rahman, A. M. (2021, February). Floating Market Tourism Area: Sustainable Tourism Management Strategy. In *The 2nd International Conference on Social Sciences Education (ICSSE 2020)* (pp. 415-420). Atlantis Press.
- Arisanty, D., Putro, H. P. N., Normelani, E., & Anis, M. Z. A. (2020). Women Traders Livelihoods in Tourism Area of Lok Baintan Floating Market. *Journal of Indonesian Tourism and Development Studies*, 8(1), 25-32.
- Ayuni, R. F. (2019). The online shopping habits and E-loyalty of gen Z as natives in the digital era. *Journal of Indonesian Economy and Business*, 34(2), 168.
- Delima, L., Subiyakto, B., & Hasanah, M. (2020). Production Activities in Kampung Ketupat, Sungai Baru Banjarmasin. *The Kalimantan Social Studies Journal*, 1(2), 169-174.
- Fathy, R. (2019). Modal sosial: Konsep, inklusivitas dan pemberdayaan masyarakat. *Jurnal Pemikiran Sosiologi*, 6(1), 1-17.
- Fatimah, D., Winarso, H. P., & Handy, M. R. N. (2021). Economic Activities of Natural Herbal Homes Lestari Herbal Village as a Learning Resource on Social Studies. *The Kalimantan Social Studies Journal*, 2(2), 104-114.
- Fitriyani, F., Putro, H. P. N., & Mutiani, M. (2021). Activities at the Banjarbaru Tomato Creation House as a Learning Resources on Social Studies. *The Kalimantan Social Studies Journal*, 2(2), 127-140.
- Gurmilang, A. (2015). Komunikasi Pemasaran Sebagai Metode Promosi Untuk Usaha Kecil Menengah. *Widyakala: Journal of Pembangunan Jaya University*, 2(1), 126-140.
- Hapijah, H., Putro, H. P. N., & Hasanah, M. (2020). Tajau Production Activities in Kuin Utara as a Learning Resources on Social Studies. *The Innovation of Social Studies Journal*, 1(2), 120-128.
- Hasanah, M., Rahmattullah, M., & Setiawan, A. (2021, February). The Practice of Sharing Economy in the Night Market Merchant Community. In *The 2nd International Conference on Social Sciences Education (ICSSE 2020)* (pp. 382-387). Atlantis Press.
- Haudi, A., Ratumbusang, M. F. N. G., & Hasanah, M. (2021). Strategi Pengembangan Ekonomi Kreatif Pada Industri Kecil Dodol Di Hulu Sungai Selatan. *Journal of Economics Education and Entrepreneurship*, 1(1), 31-36.

- Irawan, Y. (2019). Aplikasi E-Commerce Untuk Pemasaran Kerajinan Tangan Usaha Kecil Menengah (UKM) di Riau Menggunakan Teknik Dropshipping. *Jurnal Ilmiah Core IT: Community Research Information Technology*, 7(1).
- Islami, I. N., & Nahartyo, E. (2019). Do Leadership Styles Moderate the Relationship of Organizational Commitment and Budgetary Slack? an Experimental Approach. *Journal of Indonesian Economy and Business*, 34(2).
- Kotler, P., Armstrong, G., Eizaguirre, A., & García-Feijoo, M. (2018). *Marketing Mix: Selected Chapters From: Principles of Marketing*. Pearson Publishing.
- Kurniawati, E., Santoso, A., & Widowati, S. Y. (2019). Pelatihan Pemasaran Online Bagi Kelompok Usaha Bersama (Kub) "Srikandi". *Jurnal Inovasi Hasil Pengabdian Masyarakat (Jipemas)*, 2(2).
- Lestari, J. A., Abbas, E. W., & Mutiani, M. (2020). Production Activities of Kampung Purun Banjarbaru as a Learning Resource on Social Studies. *The Innovation of Social Studies Journal*, 1(2), 139-149.
- Lestari, J. A., Abbas, E. W., Mutiani, M., Jumriani, J., & Syaharuddin, S. (2021, February). Efforts to Improve Community Economy Through Making Hand Crafts Based on Purun Plants. In *The 2nd International Conference on Social Sciences Education (ICSSE 2020)* (pp. 403-406). Atlantis Press.
- Mulyana, M. (2010). Manajemen Sumber Daya Manusia (SDM) Ritel dalam Meningkatkan Kinerja Perusahaan. *Jurnal Ilmiah Ranggagading*, 10(2), 164-170.
- Mutiani, M. (2020). Study on Economic Values Through The Activities of The Manager in Kampung Purun, Palam Village-Banjarbaru. *International Journal of Psychosocial Rehabilitation*.
- Mutiani, M., Rahman, A. M., Permatasari, N., Abbas, E. W., & Putra, M. A. H. (2021). Kecerdasan Ekologis Perajin Tanggui di Bantaran Sungai Barito. *PAKIS (Publikasi Berkala Pendidikan Ilmu Sosial)*, 1(1).
- Nazmi, N., Subiyakto, B., & Handy, M. R. N. (2021). Wadai Production Activities for Warung Wadai 41 Sungai Tiung Village as a Learning Resource on Social Studies. *The Kalimantan Social Studies Journal*, 2(2), 149-159.
- Nugrahani, F. (2014). *Metode Penelitian Kualitatif dalam Penelitian Pendidikan Bahasa*. Cakra Books.
- Pemerintah Republik Indonesia. (2008). *Undang-Undang Republik Indonesia No.20 Tahun 2008 tentang UMKM*.
- PPM. (2012). *Business Model Canvas: Penerapan Di Indonesia*. PPM.
- Putro, H. P. N., Anis, M. Z. A., Arisanty, D., & Hastuti, K. P. (2020). Traditional South Kalimantan Indonesia Fabrics Contribution On The Regional Economic Development. *PalArch's Journal of Archaeology of Egypt/Egyptology*, 17(7), 9834-9847.
- Rahmah, R., Hasanah, M., & Mutiani, M. (2021). The Integration of Local Content on Action Materials-Economic Principles Related to Human Needs. *The Innovation of Social Studies Journal*, 2(2), 143-150.
- Roring, F., Oroh, S., & Gulla, R. (2015). Analisis Harga, Promosi, Dan Kualitas Pelayanan Terhadap Kepuasan Konsumen Pada Hotel Manado Grace Inn. *Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 3(1), 1313-1322.
- Sadeli, A. H. (2018). Manajemen Usaha Home Industry Desa Sindangsari Kecamatan Sukasari Kabupaten Sumedang. *Dharmakarya*, 7(1). <https://doi.org/10.24198/dharmakarya.v7i1.11866>
- Subiyakto, B., Mutiani, M., & Afrina, A. (2021, February). Siring Piere Tendean; Examine Patternans of Community Activity in the Public Room. In *The 2nd International Conference on Social Sciences Education (ICSSE 2020)* (pp. 295-298). Atlantis Press.

- Sugiyono, S. (2018). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Alfabeta
- Susanti, V. D., Hidayati, S. Q. N., & Putri, A. N. (2018). PELATIHAN “BASHO KANEL” BABY SHOES KAIN FLANEL SEBAGAI BEKAL WIRAUSAHA MANDIRI BAGI REMAJA PUTRI PANTI ASUHAN SITI HAJAR MADIUN. *JMM (Jurnal Masyarakat Mandiri)*, 203-210.
- Syahrudin, S., Susanto, H., & Putra, M. A. H. (2020). Portrait of Community Economic Activities in The River as a Learning Resources on Social Studies With Local Culture-Based. *The Innovation of Social Studies Journal*, 1(2), 178-187.
- Umar, A., Sasongko, A. H., & Aguzman, G. (2018). Business model canvas as a solution for competing strategy of small business in Indonesia. *International Journal of Entrepreneurship*, 22(1), 1-9.