
Strategy for Development of Istiqomah Pottery SMEs in Paseban Village Using the Smart Business Map

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ABSTRACT

In the era of increasingly sophisticated digitalization and seeing the support provided by the Indonesian Ministry of Cooperatives and UMKM in full, many MSME players are trying to make changes, one of which is by changing the way of selling which was initially conventional or through offline stores, namely meeting directly with consumers into a system online-based or online store, namely consumers can buy a product or service without having to meet directly with the seller. In this study, we wanted to examine the development strategy for the istiqomah pottery umkm in Paseban village using a smart business map. In this study using qualitative data methods obtained from various sources with various data collection techniques (triangulation) and carried out continuously until saturated.

Keywords: Development Strategy, Smart Business MAP, UMKM

INTRODUCTION

The year of 2019 when the whole world was shaken by an outbreak of disease caused by a deadly virus, namely Covid-19. This virus has spread to various parts of the world including Indonesia. The Covid-19 outbreak can spread quickly in just a matter of seconds. One way to transmit it is by interacting directly with someone who has Covid-19 disease. Therefore, the government enforces social distancing rules where a person is advised to keep their distance, reduce social interaction with other people, and avoid places where there are lots of people such as malls, places to eat, markets, and so on. The enactment of these regulations has had a huge impact which is detrimental to many parties, starting from the education, social, tourism and even large and small businesses.

In the era of increasingly sophisticated digitalization and seeing the support provided by the Indonesian Ministry of Cooperatives and

UMKM in full (Redjeki & Affandi, 2021), many MSME players are trying to make changes (Tayibnapis et al., 2021), one of which is by changing the way of selling which was initially conventional or through offline stores, namely meeting directly with consumers into a system online-based or online store, namely consumers can buy a product or service without having to meet directly with the seller. This is done by many entrepreneurs in order to survive and maintain their business or business life (Sanawiri & Iqbal, 2018).

In this case, the Ministry of Cooperatives and Small and Medium Enterprises is also collaborating with several parties to accelerate the digitization of Indonesian MSMEs such as Tokopedia, Bukalapak, Shopee, Grab, Gojek, and so on (Sulhan, 2021). so that they can immediately adapt to being able to continue living side by side with the Covid-19 disease break.

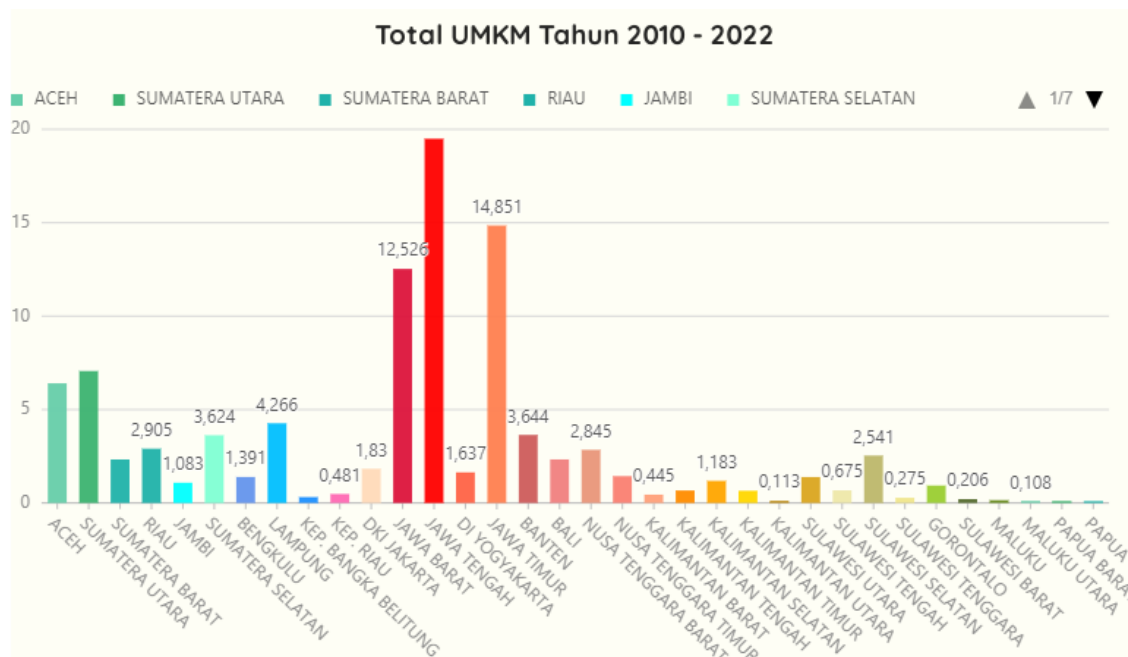


Figure 1.2 Graph of the Number of MSMEs in 2010-2022

Source : satudata.kemenkopukm. go.id (2022)

From the phenomenon that has occurred above, pottery crafts in Paseban Village still sell pottery conventionally, one of which is the family business of the Istiqomah Pottery Company which has been hereditary using the Business to Business (B2B) system, a system in which this company provides services pottery production and selling their products to other companies and also using the Business to Consumer (B2C) system (Borg et al., 2020), which is a system where this company provides pottery production services and sells its products to consumers directly by relying only on religious tourism in the surrounding environment. Istiqomah pottery is located in the Dukuh Pagerjurang area, Paseban Village, Bayat District which sells various types of pottery such as flower vases, plant pots, statues, jars, piggy banks, jugs, cauldrons, piggy banks, plates, braziers, jars, mortars, teapots, even a set table fixtures, sinks and others.

The implementation of Community Activity Restrictions (PPKM) carried out by the government has reduced pottery production. This is caused by many business partners delaying product orders and losing money and even closing their businesses due to the lack of people's purchasing power in buying pottery. In the interview process with Mrs. Sukarmi as the

owner of the pottery company, apart from declining sales, Istiqomah Pottery also does not yet have a detailed business strategy to be used as a reference for developing its business in the short and long term. The implementation of Community Activity Restrictions (PPKM) also forced the pottery business owner to close his business for a month until conditions felt better. Another challenge faced, namely the decline in the morale of the employees in producing pottery due to the wages given did not match the effort they put in, they even had to be willing to not receive wages for working for one month due to business closures caused by the Implementation of Restrictions on Community Activities (PPKM). Rising household economic needs in Indonesia have forced employees to continue trying to support their families during the pandemic (Irawanto et al., 2021). The company owner had wanted to produce his own pottery without employees by relying only on a few family members of the company owner. However, the obstacle faced is the lack of human resources in the production process which will make the process longer than when it is done by many employees. The main consumers of Istiqomah pottery are visitors to the religious tourism of the Sunan Pandanaran Bayat Tomb and several pottery entrepreneurs in one area and outside the area, so there is no

income other than getting product requests from consumers visiting the Sunan Pandanaran Bayat Tomb, the local community, and these entrepreneurs. Seeing this, motivated researchers to conduct good business strategy research for the survival of Istiqomah Pottery MSMEs (D. C. Sari et al., 2021). In addition, the research object is located near where the researcher lives, making it easier for researchers to obtain information and data directly.

An economist and entrepreneur who is the CEO of Mikro Investindo Utama, Budiman Satria Isman who is also the first originator of a business tool which is often called the Smart Business Map (SBM) in Indonesia where these business tools or tools have helped many entrepreneurs to achieve the best performance. According to (S. R. D. A. Sari & Hasbi, 2022) The Smart Business Map (SBM) itself consists of Playing Field, Market Landscape, and Operational Profitability. The establishment of an Independent Indonesian Community Empowerment Foundation, or better known as Pro Indonesia and the SBM Pro Indonesia entrepreneurial movement, is a forum for using these new business tools to provide practical business knowledge for MSME players who can diagnose business

processes and build business foundations so they can grow more. faster, bigger, and better. Usually, the problems that occur in a company lie in the Playing Field as the foundation of a company and the Market Landscape as a determining source of profit. To date, SBM Pro Indonesia has had 3,650 accelerated businesses with 10,000 participants and 100 business coaches (Joint & others, 2018). SMB Pro Indonesia also always holds SBM workshops, business coaching, and other empowerment programs. This Smart Business Map (SBM) is a business tool that has just been developed in Indonesia and not much research has discussed or used this tool. Seeing this, this business model can be a new business strategy preparation for the problems faced by Istiqomah pottery.

In this study, the focus will be on the Playing Field and Market Landscape approaches where these are fundamental parts of a company. With this research that will be carried out, it is hoped that it will be able to produce business concepts and strategies using the Smart Business Map (SBM) Board which makes it easier to adjust it for Istiqomah Pottery. The following is a Smart Business Map (SBM) table based on the SBM Board.

Table 1. Smart Business Map

Variabel	Dimensi
Playing Field	<i>What is the problem your business is trying to solve?</i>
	<i>Who has the problem?</i>
	<i>What is the solution?</i>
	<i>How big is the market?</i>
Market Landscape	<i>What's factor will impact the business?</i>
	<i>Why do people choose you?</i>
	<i>How do you sell your product?</i>
	<i>How do you keep your customer?</i>

Source : Sari, S.R.D. (2022).

Based on the description that has been presented above, the researcher is interested in conducting research with the title "Strategy For The Development Of Istiqomah Pottern Msmes In Paseban Village Using The Smart Business Map".

METHOD

In this study, researchers applied a qualitative research paradigm which, according to Moleong (2012, pp. 50-51), is a constructivism paradigm. The qualitative research paradigm is usually associated with qualitative research which is analytical descriptive in nature, comparative, focuses on meaning, and the data obtained can be through

observation and document analysis. This paradigm views that reality is the result of construction or formation of humans themselves. The constructionist paradigm views the reality of social life as not a natural reality, but is formed from the results of construction. Therefore, the concentration of analysis in the constructionist paradigm is to discover how the event or reality is constructed, in what way the construction is formed. In communication studies, this constructionist paradigm is often referred to as the production and exchange paradigm of meaning. It is often contrasted with the positivist paradigm or the transmission paradigm. The Constructivism Paradigm rejects the positivism view that separates the subject from the object of communication. In the view of constructivism, language is no longer only seen as a tool to understand objective reality and is separated from the subject as a messenger. Constructivism actually considers the subject (communicant/decoder) as a central factor in communication activities and social relations. That reality is dual, can be formed, and is a whole. Reality exists as a result of the formation of one's thinking ability. Knowledge created by humans is not fixed but continues to develop. This qualitative research is based on the constructivism paradigm which holds that knowledge is not only the result of experience with facts, but also the result of the construction of the thoughts of the subjects studied. Human recognition of social reality is centered on the subject and not on the object, this means that knowledge is not the result of mere experience, but is also the result of construction by thought. This paradigm usually applies to qualitative research. This research is based on the point of view of the researcher.

RESULT and DICUSSION

Discussion Analysis and Recommendations for Smart Business Map for Istiqomah Pottery Based on research conducted from the results of interviews using questionnaire media, it can be seen that based on the results of the questionnaire it is felt that there are still deficiencies that must be

corrected or evaluated so that the objectives of the Istiqomah Pottery business are clearer and well-directed. Therefore, the researcher tries to provide analysis and recommendations for Istiqomah pottery which refers to the variables in the SBM Board, especially in the Playing Field and Market Landscape sections based on interviews and observations that have been conducted with informants in the last three months.

Playing Field

a. What's the problem?

The problem that arises in today's society according to the Istiqomah pottery company is that the quality of pottery products expected by consumers is sometimes difficult to obtain because the production process during the firing stage must be thoroughly cooked so that the products made can be marketable and of high and good quality. Then the community also wants the model of the pottery product not to be monotonous so that it can be more attractive and become a special characteristic or uniqueness for the pottery and the company. In addition, high production prices can affect the selling price of these earthenware products.

Based on the results of these answers, the researcher recommends Istiqomah pottery to look for alternatives to the failure of the process of firing the immature earthenware stage, which is expected by prospective consumers to be produced with high and good quality so that production costs incurred can be reduced by preventing pottery production failures in the firing stage so that it is worth selling and selling price can be more affordable. Then Pottery Istiqomah also needs to conduct marketing research before launching a product to find out problems from consumers and trends that are in demand by potential customers.

b. Who Has the Problem?

From the results of the study it was found that the target market for Istiqomah pottery was men and women of all ages, starting from the category of children,

adolescents, adults, to the elderly. Judging from the behavior and interest tendencies, pottery is intended for all people who have a middle to lower and upper middle class lifestyle and uses that prioritize the beauty of pottery.

Based on the answers above, psychographic segmentation refers to personality, beliefs, lifestyle, and behavior. An example of consumer psychographic segmentation for an Istiqomah pottery company is people who have a simple lifestyle. Meanwhile, behavioral segmentation refers to consumer buying habits, benefits, and consumer loyalty. An example of consumer behavior segmentation in an Istiqomah pottery company is all levels of society who have an interest in the beauty of a product in its use, such as collectors of antiques, art lovers, souvenirs, and so on. Both of these segments have similarities in their understanding.

From the research results, it can be seen clearly the target market of Istiqomah pottery companies. However, according to the researchers, in the geographical segmentation section it is recommended to expand the target consumers for Istiqomah pottery companies because the company's target consumers are still around the company's production sites and several cities close to the company. This is done due to increasingly sophisticated technology, where companies can now send goods via various shipping expeditions such as JNE, Sicepat, JNT, Shopee Express, and so on. Then for demographic segmentation it is necessary to add related to the economics of consumers of Istiqomah Pottery companies which can be taken from the income of one of them.

c. What is The Solution?

The Istiqomah Pottery Company explained that the products they produced were the same and were already on the market. The solution that already exists in

the market today is that companies can sell shoe products through various e-commerce and use expedited shipping services (courier) to assist the distribution process to consumers. In addition, many pottery companies currently sell their products with a customized system that consumers can make directly or provide existing designs to the company. One solution that already exists on the market and is related to the previous problem is the monotonous product model and the quality of the pottery products expected by consumers is sometimes difficult to obtain because the production process in the firing stage must be really mature so that the products made can be marketable and of good quality. tall and good.

Therefore, the researchers recommend the Istiqomah Pottery Company to provide special training for employees in the process of making pottery products, especially at the firing stage. In addition, companies can change existing products to be more innovative and have their own uniqueness in a product model that not only follows trends but also builds its own characteristics for the company so that from this uniqueness it can build brand awareness for the company. For example, companies offer customize systems, namely consumers can order models, shapes, images, and coloring according to their individual wishes and they can also use designs provided by the Istiqomah pottery company.

d. How Big is The Mockup?

Based on Figure 4.1, it can be seen that the pottery business and industry in Indonesia every month is always in an unstable (dynamic) condition or even experiences a drastic decline. This is because pottery is not always needed in every community activity, be it formal or non-formal, but pottery is needed and seen by the community because they see its beauty and art.

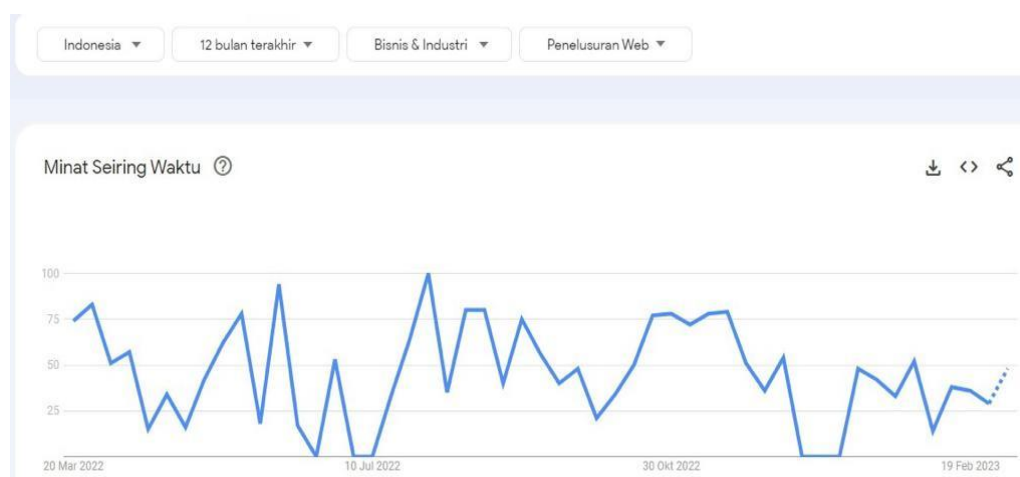


Figure 4.1 Graph of Pottery Business & Industry Trends in Indonesia

Source : trends.google.co.id (15 Maret 2022)

Seeing the public's interest in pottery products, this creates an opportunity for the Istiqomah Pottery Company to continue to develop pottery products according to trends that are in great demand by the public. So, the researcher recommends Istiqomah Pottery to always be up to date on current trends in society by always being active through social media, attending or participating in exhibitions, and so on.

e. What Factor Will Impact Your Business?

Based on the results of the research above, it is known that almost all factors have an influence from both sides. In this case the researcher concluded by adjusting the results of interviews, questionnaires and observations that had been made during the study. Istiqomah pottery explains that:

1. Macroeconomics

Many workers or employees of Gerabah Istiqomah complained because of the implementation of PPKM by the government which led to the closure of the company, making many employees complain because the wages given were reduced and not in accordance with what was done because they had to meet the increasing needs of their families. This also affects the morale of the workers thereby disrupting the

company's production activities and the productivity of the workers.

2. Government Policy

According to an Istiqomah pottery informant, the government's policy of imposing restrictions on community activities (PPKM) forced the Istiqomah pottery companies to stop all their business activities for one month to reduce losses, while on the other hand, sales of pottery products also decreased.

3. Non-Governmental Organizations (NGOs)

This NGO has a positive influence on the Istiqomah pottery company. Istiqomah pottery partners who come from the surrounding environment are the Sunan Pandanaran Tomb Traders Association (P3), the Lor Gapura Traders Group (Keplok), the terminal traders group, and the Steps Traders Group. Many partners work together to make pottery products with their own brand labels. Pottery Istiqomah and partners around the company have the goal of advancing the local economy by establishing a pottery tourism village located in Dukuh Pagerjurang. This pottery tourism village works with the Paseban Village Government and the Klaten

Regency City Government to develop and advance the regional economy.

4. Competitors

According to Istiqomah Pottery, competitors can negatively affect their business because there are still many competitors who sell their products below the selling price in general without thinking about the quality of their products and the resources owned by the Istiqomah Pottery company are still lagging behind from the production process to product marketing.

5. Supplier or Supplier

In this case, according to the Istiqomah pottery company, suppliers have a positive influence and play an important role for the company because they provide raw materials (raw materials) to be produced into finished materials (pottery). The main suppliers in Istiqomah pottery are suppliers of clay, red soil, immature leaves, and wood.

6. Changes in Consumer Behavior

The change in behavior of the Istiqomah pottery company's consumers has had a negative impact on its business. This is because the Istiqomah pottery company sees that consumer behavior is now following the digital era, where digitalization hinders business activities because companies have not adapted to changes in consumer behavior. On the other hand, this Istiqomah Pottery company always tries to adapt to digitalization which has changed their consumer behavior, they have even followed changes in consumer behavior by changing the models and colors of pottery products.

7. Technological Changes

In this case, the Istiqomah Pottery Company sees that this very fast technological change has a positive influence on the company. With the current technology, it can help companies expand their market very quickly. However, on the other hand, technological changes have not been utilized optimally by companies due to limited knowledge, skills and human resources owned by Istiqomah pottery companies.

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