

BUSINESS DEVELOPMENT MODEL IN THE MICRO, SMALL AND MEDIUM ENTERPRISES AT TOURISM VILLAGE

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ABSTRACT

The Micro, Small and Medium Enterprises (MSMEs) have an important role in economic development. It is reasonable if the empowerment of MSMEs gets special attention by the government, including MSMEs in tourism villages. The tourist village of Loram Kulon MSME which is one of the objects of this research is growing and diverse in both number and type. The diversity of MSMEs has resulted in village governments having difficulties in implementing MSME development programs that are in harmony with the characteristics of tourism villages. This study aims to formulate a business development strategy model for MSMEs in resource-based and local wisdom-based tourism villages. Except in the village of Loram Kulon, research has been carried out with the object of the Jambearum tourism village in Kendal Regency. The study used 7-10 samples of MSMEs taken randomly. Respondents are owners / managers of MSMEs. Data was collected through interviews with the help of questionnaires. Processed using descriptive statistics and analyzed quantitatively and qualitatively. From these two studies can be formulated a model of village tourism MSME development. The results show that the development model based on the SWOT analysis is the right model for formulating the tourism village MSME development strategy. This is because the SWOT analysis considers the internal and external conditions of MSMEs and provides four alternative strategies namely SO, ST, WO, WT which can be selected according to the general objectives of MSMEs in the tourism village.

Key words: *SWOT, MSMEs, resources, tourism villages, strategy models*

INTRODUCTION

The Loram Kulon Village, located in Jati Subdistrict, Kudus Regency, is a center for micro, small and medium enterprises (MSMEs). Various home industries are here including the Paper plate industry which has become a service partner for the Semarang State Polytechnic in the IbM program. Loram Kulon is a tourist village established by the Decree (SK) of the Regent of Kudus Number: 430/193/2017 concerning Determination of Loram Kulon Village, Jati District, as a Tourism Village of

Kudus Regency, Central Java (Arbainah, et all, 2018:15). Tourism Village is the development of an area (village) by utilizing elements that exist in rural communities that function as attributes of tourism products, becoming a series of integrated and theme tourism activities (Putra, 2006). The concept of tourism villages is to utilize / empower the potential of the community and the natural potential of the village (region). Another understanding of tourist villages is a place that has certain characteristics and values that can be a special attraction for tourists with special interest in rural life. This shows that the main attraction of a tourist village is the unique life of the villagers who cannot be found in cities. (Nusastiawan, 2012).

Most of the residents of Loram Kulon village prefer to be self-employed rather than being factory workers. This condition is very helpful for the government to open jobs for the holy community. Loram Kulon has an area of 199.08 ha and there are not less than 35 home industries which have an average workforce of 3 to 10 people. H. Sufyan, Head of Loram Kulon Village, feels happy and proud of the many MSMEs in his village because of the creative community and indirectly helping the government in reducing unemployment. (<http://www.umk.ac.id/index.php/pojok-muria-readmore/249> memotret-desagudang-umkm).

Based on the initial survey, it is known at a glance that MSMEs in the village of Witasa Loram Kulon have various advantages in the fields of production and marketing. However, on the other hand the village government has difficulties in determining which products are the superior products of the village to implement MSME development programs that support tourism villages. Such conditions are generally also experienced by other tourist villages. Therefore, research needs to be done with the aim of helping village tourism governments in (1) formulate a model for developing MSMEs in tourism villages that are in accordance with local resources and wisdom. (2) provide alternative strategy formulations that are in accordance with the internal and external conditions of the tourism village MSMEs. The results of this study are expected to be an accurate foothold in determining the steps of MSME business development in tourism villages in general.

RESEARCH METHODS

The object of this research is MSMEs in the tourist village of Loram Kulon, Kudus Regency. Based on preliminary data it is known that in the village of Loram Kulon there are various types of MSMEs with more than 35 MSMEs. In this study

random samples were taken of MSMEs. The data needed in this study are primary data and secondary data. Primary data was collected using the interview method with the help of a questionnaire with respondents (MSME managers / owners and village officials). This is used to gather information from MSMEs related to the problems being studied (internal and external conditions of the company). Secondary data in the form of documents from the village that contain a description of the area as a tourist village, the results of previous studies on tourism village MSMEs as well as from scientific journals obtained in hard copy or downloaded from the internet. All data is processed qualitatively to produce a formulation of tourism village MSME development models and presents alternative development strategies according to the research objectives. The model referred to in this article is a series of steps or procedures that can be applied to the foothold of developing rural tourism MSMEs and alternative strategies that are expected to be able to produce results according to objectives. Tourism Village is the development of an area (village) by utilizing elements in the village community that function as tourist product attributes, becoming a series of integrated and theme tourism activities.

RESULT AND DISCUSSION

"MSMEs are usually hereditary businesses that are not based on the ability to manage a business, are not ready to face internal and external problems which are strengths, weaknesses, opportunities and threats. Symptoms of internal factors are easily recognized, external factors are even difficult to control (Sugiarti, 2015: 2). Based on a study of secondary data the development of the number of micro and small industries from 2013-2015 in Central Java, it is known that the number of micro industries has always increased, while small industries have decreased in 2014 and increased again in 2015. In full, can be seen in Table1

Table 1. Number of Micro and Small Companies by Province In 2013-2015

Provinsi	2013		2014		2015	
	Jumlah Perusahaan menurut provinsi (Unit)		Jumlah Perusahaan menurut provinsi (Unit)		Jumlah Perusahaan menurut provinsi (Unit)	
	Mikro	Kecil	Mikro	Kecil	Mikro	Kecil
BENGKULU	10 595	1 111	11 310	738	11 663	618
LAMPUNG	90 051	11 568	94 739	8 971	76 728	3 777
KEP. BANGKA BELITUNG	9 723	1 692	7 752	515	5 914	237
KEP. RIAU	13 706	2 515	14 638	761	7 231	237
DKI JAKARTA	20 738	19 172	15 110	22 748	28 378	6 616
JAWA BARAT	382 899	106 861	437 985	60 078	421 881	58 359
JAWA TENGAH	650 115	160 148	766 782	65 690	934 814	95 560
DI YOGYAKARTA	67 454	13 306	73 266	7 313	52 907	4 758

Source: Central Bureau of Statistics (BPS): Update March 3, 2016. (downloaded July 4, 2016)

The data contained information that competition in the micro industry was getting tougher because of the continued emergence of competitors, while small industries were also tight because there were indications that some were unable to survive in business battles. These two things require special attention to the need to develop MSMEs, including MSMEs in tourist villages, which are expected to support the pace of the economy. The problems in the tourism village can be solved by conducting assessment of citizen potentials as well as entrepreneurial development, with the following steps: 1. Assessment potential 2. Mapping (mapping) potential 3. Strengthening of tourism conscious group Commitment 4. Training and mentoring entrepreneurship for SMES 5. Tourism Destination Management training and mentoring (Putri, 2015: 19)

Based on the analysis of qualitative data from interviews and similar research studies in the tourist village of Jambearum, then the development of MSMEs in the tourist village of Loram Kulon requires the formulation of a model for MSME development that must be able to produce detailed information about:

1. characteristic of tourist villages that will be developed
2. the condition of the internal resources of MSMEs so that there can be known strengths and weaknesses of the tourism village MSMEs.

3. External conditions of MSMEs, especially technological and business developments and similar industrial developments
4. Offering a development strategy that can be chosen as the most appropriate strategy for the development of tourism village MSMEs.

A company can develop a strategy to develop its business by looking at the internal and external conditions objectively so that the company can anticipate the changes that will occur. Companies are said to have "Distinctive Competence" if the company has a power that is not easily imitated by competing companies (Rangkuti, 2005). Furthermore, Freddy Rangkuti stated that company performance can be determined by a combination of internal and external factors. Both of these factors must be considered in the SWOT analysis. SWOT analysis compares between external opportunities (opportunities) and threats (threats) with internal factors strengths (strengths) and weaknesses (weaknesses). Results Comparison between internal and external factors can describe the business position (performance) of the company as shown in the following diagram:

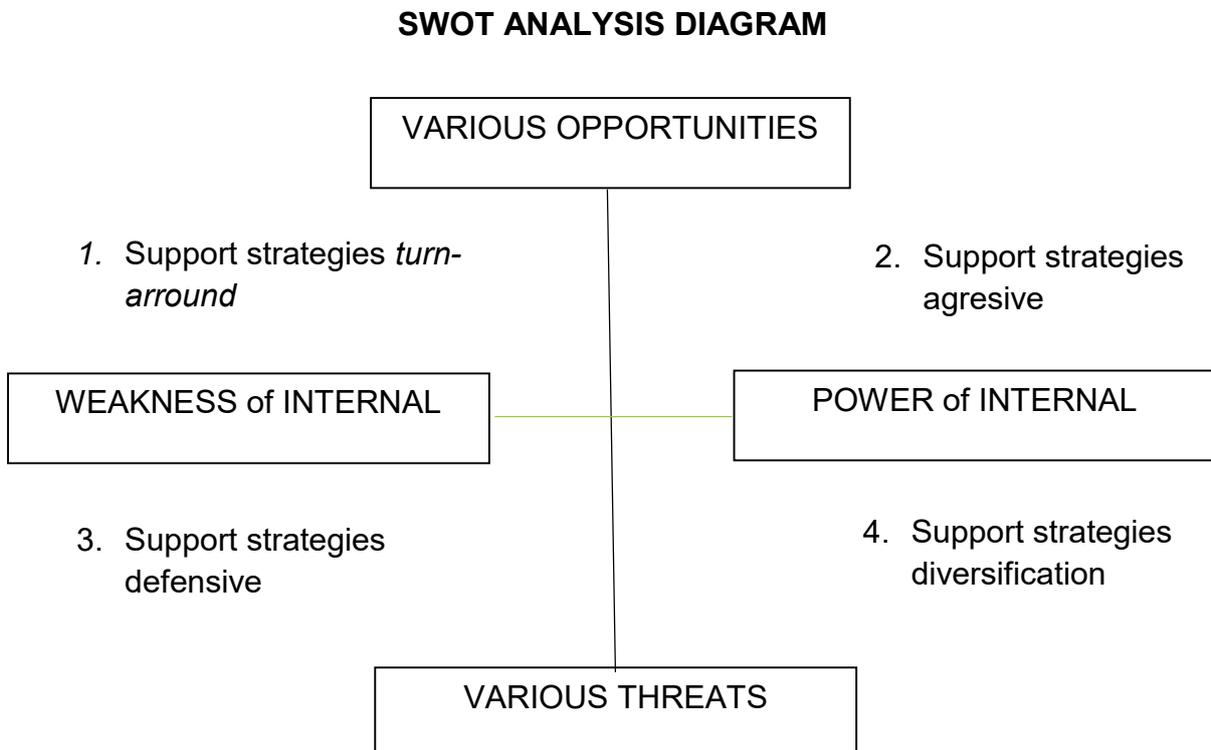


Figure 1. SWOT Analysis Diagram

Based on the analysis study that has been carried out, the business development model in tourism village MSMEs capable of accommodating the information requirements is a model based on SWOT analysis with data and information on resources owned and local wisdom of tourism villages. The Development Model as shown in figure 2.

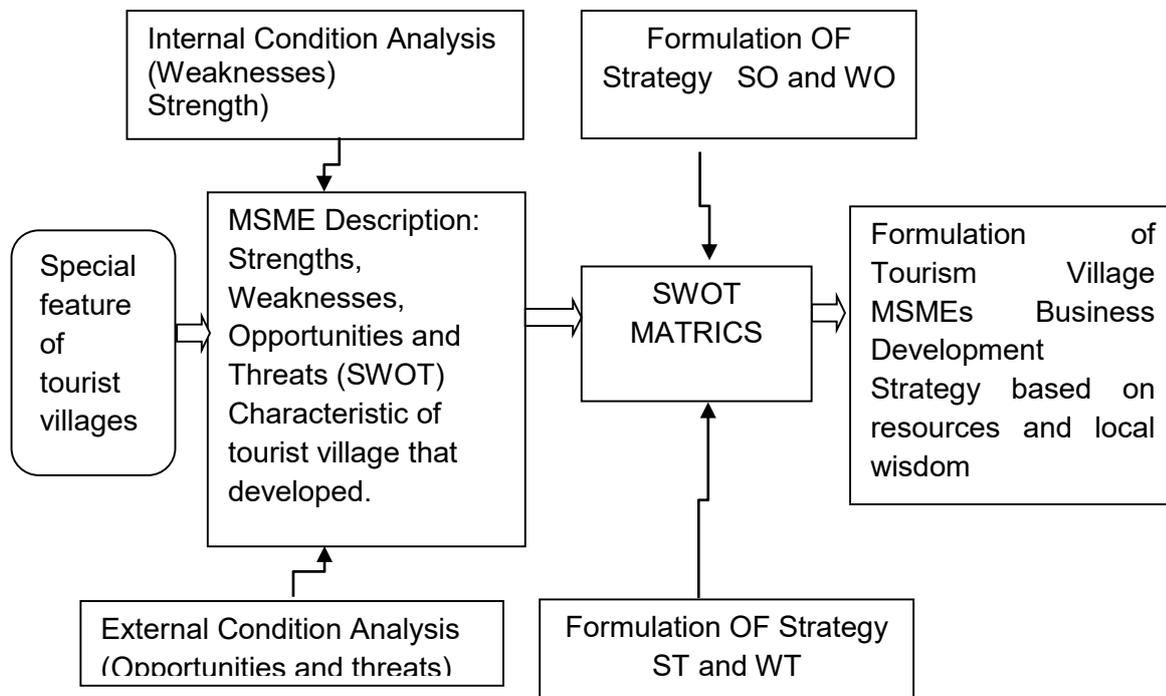


Figure 2. Development Model of Tourism Village MSMEs Based on SWOT Analysis
Source: (Arbainah, et al, 2018)

The results of this study indicate that the model of MSME development in suitable tourism villages is a model of resource development and local wisdom based on SWOT analysis. The model illustrates the steps in developing the MSME business strategy. The model begins with mapping the internal conditions and external conditions of MSMEs as well as special conditions / uniqueness / tourism village policies. The model also provides an opportunity to conduct a SWOT analysis until the SWOT Matrix is composed. The SWOT Matrix is an important matching tool that helps management develop four strategies namely SO-WO-ST and WT (David, 2016:171). The results of SWOT analysis can be the basis in drafting strategic formulations, strategic themes, and strategic mapping. (Rangkuti, 2012:60). From the SWOT matrix, MSME managers in the tourist villages have the freedom to choose the strategy formula that will be implemented.

THREATS (T)	ST STRATEGY	WT STRATEGY
1. Increasing competition in similar industries (batik, sticky tape, snacks and milk products) 2. The emergence of tourist villages / tourist villages that are increasingly widespread. 3. Environmental facilities for tourist access are inadequate.	1. Create unique and impressive tourism service products for customers (Create Customer Delight). 2. Always make product updates according to consumer tastes	1. Add marketing distribution channels eg by offering to organizations or work groups. 2. Improve ways more efficient and effective 3. Establish cooperation with the government to improve environmental facilities to facilitate tourist access.

Source: Arbainah, 2014

CONCLUSION

The development of MSMEs in particular the types of micro-businesses is very rapid in Central Java. Including micro, small and medium enterprises in tourist villages. Tourism village MSMEs generally need special development because, except as a business unit, they also have a tourism cargo, so they need a special business development model. The results of this study indicate that the model of MSME development in suitable tourism villages is a model of resource development and local wisdom based on SWOT analysis. The model illustrates the steps in developing the MSME business strategy. The model begins with mapping the internal conditions and external conditions of MSMEs as well as special conditions / uniqueness / tourism village policies. The model also provides an opportunity to conduct a SWOT analysis until the SWOT Matrix is composed. From the SWOT matrix, MSME managers in the tourist villages have the freedom to choose the strategy formula that will be implemented.

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