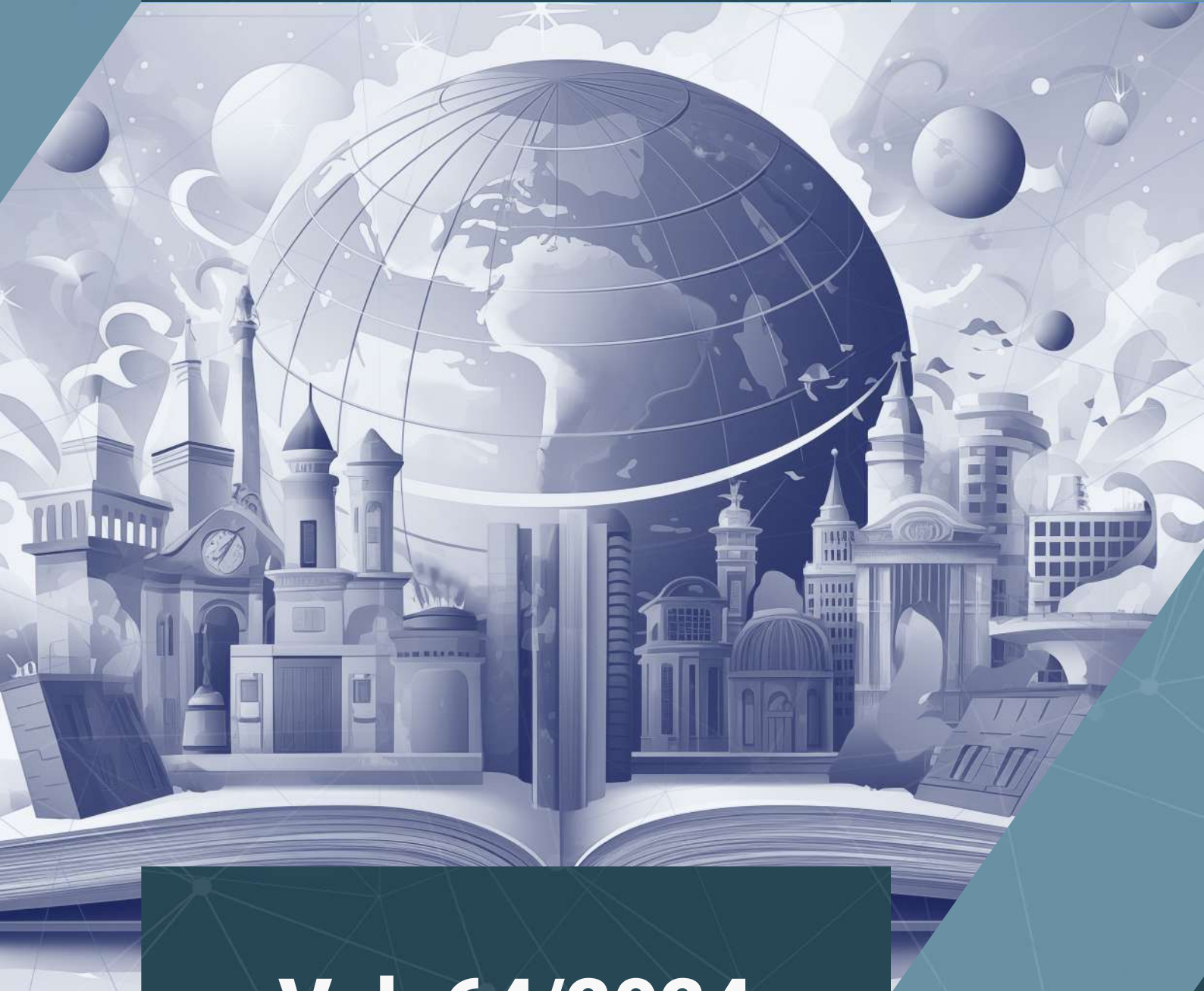




TECHNIUM
SOCIAL SCIENCES JOURNAL



Vol. 64/2024
A New Decade for Social Changes

PLUS
COMMUNICATION P



International
Communication & PR

Development of Micro, Small and Medium Enterprises in Budo Tourism Village

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ABSTRACT

The development of micro, small and medium enterprises (MSMEs) is very strategic, because the MSME sector has a strategic role in national economic development that absorbs labour, tax revenue and regional income and also plays a role in distributing development results. The existence and role of MSMEs should be a serious concern for the government, by making programmes that focus more on increasing competitiveness and sustainability. The focus of this research is the development of MSMEs through management and marketing systems in Budo tourism village. Tourism village is one form of implementation of community-based and sustainable tourism development. Tourism villages are one part of the tourism industry that also plays a role in the absorption of labour and the improvement of the welfare of rural communities. In other words, it can be an excellent tool in the socio-economic development of rural communities so that the flow of urbanisation can be reduced. Through the development of tourism villages, it is expected that there will be equalisation in accordance with the concept of sustainable tourism development. This article uses descriptive qualitative research methods. Data collection through observation, interviews, and documentation. The results of this study indicate that the development of MSMEs in Budo tourism village is still experiencing obstacles because the management of MSMEs is still being improved, and marketing of MSME products must be maximised.

Keywords: *Development, Micro, Small and Medium Enterprises, Tourism Village*

1. INTRODUCTION

The development of Micro, Small and Medium Enterprises (MSMEs) is key in achieving sustainable economic growth. Government policy in an effort to increase the empowerment of Micro, Small and Medium Enterprises (MSMEs) is by granting business licences to business actors in carrying out business activities by providing support in the form of facilities, guidance, and assistance in an effort to grow and improve business capabilities and competitiveness for MSME actors. Budo Village, located in North Minahasa Regency, North Sulawesi Province, has tourism potential in improving the economy through the empowerment of Micro, Small and Medium Enterprises (MSMEs) [1].

Dalam Undang-Undang Nomor 20 Tahun 2008, explained the definition of MSMEs is: 'A company classified as an MSME is a small company owned and managed by an individual or owned by a small group of people with a certain amount of wealth and income'. According to the World Bank, MSMEs can be categorised into three types, namely: Micro Enterprises

(10 employees); Small Enterprises (30 employees); and Medium Enterprises (up to 300 employees).

Micro, Small, and Medium Enterprises as one of the largest economic sectors in Indonesia certainly have a large and important role in the economic sector in Indonesia. MSMEs can be said to play a role as a provider of means of equalising the economic level of small people, this is because MSMEs are located in various places which also reach various regions which can help improve the economic quality of rural communities.

Then MSMEs also indirectly play a role in overcoming the problem of poverty that has not disappeared from Indonesia. It is not easy for Indonesia as a developing country to improve the quality of economic sector development. Therefore, MSMEs are one of the answers in alleviating poverty because they can absorb a fairly high labour force.

In addition, MSMEs also play a role in expanding employment opportunities. As the population in

Indonesia continues to increase, MSMEs are one of the solutions in improving the quality of individuals. In addition to absorbing labour, MSMEs can be an impetus for other communities to compete so as to create new businesses and opportunities for other communities. Here are some ways that can be done to develop MSMEs:

1. Improve quality in service
2. Using social media to promote products
3. Conduct frequent surveys or analyses of product development
4. Participate in bazaars or fairs to introduce the product .
5. Sell products using e-commerce platforms
6. Building rapport and building relationships
7. Keeping up with the times [2].

Village tourism is one of the flagship programmes in the development of the Likupang Special Economic Zone (SEZ), North Sulawesi, which is one of the five super priority destinations. Tourism village is one form of implementation of community-based and sustainable tourism development. Through the development of tourist villages, it is expected that there will be equalisation in accordance with the concept of sustainable tourism development.

In addition, the existence of tourist villages makes tourism products more valuable to rural culture so that the development of tourist villages has cultural value without destroying it. Tourism is managed and owned by the community for the welfare of the local community by taking into account the three main pillars (environmental, social, and economic) that can ensure its sustainability) [3].

Communities located in tourism development areas should be encouraged to identify their own goals and direct tourism development to improve the fulfilment of local community needs, especially in improving social and economic order. However, there is no interconnection between the development of tourism villages and community empowerment, especially in the field of small and medium enterprises, so not much is expected by the community to improve social and economic life. [4].

This is because the SMEs of Budo tourism village in the field of homestays, handicraft making, local speciality food makers, guides, lifeguards, still lack the ability to manage and market business results.

Efforts to encourage the development of local community entrepreneurship to become a tourist destination, in order to be attractive for tourists to visit, must have 3 conditions, namely: The development of

the area as a tourist village must be integrated with the local community, the area must be able to offer a variety of typical attractions that can attract tourists, and the available accommodation must be characterised by the local village. [5]

Based on observations in the field, the tourist attractions offered are still limited to natural attractions, namely the beach, and two artificial attractions for photo spots. Accommodation in the form of homestays is available but more modern houses than the characteristics of Budo village.

The community as an MSME actor in Budo tourism village receives the most income in the culinary field. This happens, because in general, people come only to enjoy the beauty of the beach, and order heavy or light meals. Meanwhile, the homestay sector is not too optimal, because tourists only come for a day and then go home.

In the field of handicrafts, guides, and lifeguards are also less than optimal because the average tourist does come just to eat and take pictures. If MSME players have good management skills, there will be interesting tour packages that can be introduced to tourists other than just enjoying the beach, eating, and taking pictures.

The community, especially MSME players, has not been able to maximise the potential of Budo tourism village, which is not only the beach, to be introduced to tourists. This is due to the lack of mastery of management and marketing, especially digital-based so that the products produced by MSMEs can get income to improve the economy of the village community.

The low understanding of partners in creating digital platforms for websites, IG, and Facebook as marketing media. Mastery of the right technology through digital marketing for Budo tourism village products will provide better results to the community. Through the digital platform, homestays and tour packages can be an attraction for tourists.

Previous research by researchers with the title 'MSME Development Through Digitalisation During the Covid-19 Pandemic in Manado City' the results showed that the development of micro, small and medium enterprises (MSMEs) through digitalisation is an opportunity to save the MSME sector during the Covid-19 pandemic. Applying digital concepts in the marketing process is the hope of MSMEs to develop to restore economic strength. MSMEs can use social media as a digital marketing tool.

Factors Affecting MSME Development Through Digitalisation During the Covid 19 Pandemic in Manado City, internal factors and external factors. Getting digital marketing training through the use of social media is mandatory for MSME players. So that

actors can continue to survive and develop from conventional to digital in the era of society 5.0 [6].

Research from researchers related to tourism development areas with the title 'Ecotourism Development Based on Community Participation in Urongo Tourism, Minahasa Regency, North Sulawesi Province' shows that the development of ecotourism based on community participation in Urongo still needs to be developed by paying attention to the management of tourist attractions, including: development of tourist attractions, service facilities, and accessibility.

Community participation in ecotourism development is good enough seen from the form of participation in the planning, implementation, benefits and evaluation processes. The level of community participation can be classified at the degree of tokenism. Factors that influence the development of ecotourism based on community participation, namely: resources, and communication. [7].

If MSME players have good management skills, there will be interesting tour packages that can be introduced to tourists besides just enjoying the beach, eating, and taking pictures. [8].

Based on previous research, the research activities in Budo Tourism Village will provide benefits and provide answers to the problems faced by the community as micro, small and medium enterprises (umkm) in Budo Tourism Village, North Minahasa Regency.

2. RESEARCH METHOD

The method used in this research is a qualitative method with a descriptive approach. This research is to find out how the development of MSMEs in Budo tourism village. The focus of the research is the development of strategies through training in terms of knowledge and management skills among MSME actors. The research instruments used in this research are interview and observation guidelines. [9].

Facts collection strategies; in accumulating facts researchers use, statement, interviews / interviews and documentation. The statistics evaluation technique used in this research is the interactive model records evaluation approach in step with Miles Huberman in which includes statistics series, statistics reduction, information presentation, and end drawing / verification. Data validation is done by testing, credibility (internal validity), transferability (external validity), dependability (reliability), and confirmability, (objectivity) [10].

3. RESULT AND DISCUSSION

The development of micro, small and medium enterprises (MSMEs) in Budo Tourism Village is a very

important effort in improving the local economy and community welfare.

3.1 Potential of Micro, Small and Medium Enterprises in Budo Tourism Village

The development of a tourist village is one form of alternative tourism product that can provide impetus for sustainable rural development and has management principles [11], i.e:

- (1) Utilising local community facilities and infrastructure.
- (2) Benefit the local community.
- (3) Small scale to facilitate the establishment of mutual relations with the local community.
- (4) Involve the local community in implementing rural tourism product development.

The potential of Budo tourism village, namely; Sea tourism attractions, the attraction of marine tourism in Budo village is a beautiful coastline with a pier surrounded by Mangrove plants. Budo tourist village has an underwater world whose beauty is almost the same as the Bunaken marine park. Species that exist under the sea in Budo village include Pygmy Seahorse, seahorse, nudebranchia or water snail, jungle crab, frog fish or frog fish, lion fish, octopus, crocolile fish, squid, crab, stargeizer fish, blue ring octopus, mandarin fish, yellow Crab, Nudebranchia, green Sheahorse not all marine parks have this species.

Mangrove forest tourist attractions, There are 9 types of mangroves in Budo village the types are: Red Mangrove, Black Fire, Kurap Mangrove, Avicennia Lanata (Fire-Fire), AVECENNIA Marina (White Fire), Acrostichum Aureum, Kandelia Candel, Kandelia Obevata and Rizhopora Lamarcki. Cultural and artistic attractions such as human life cycle performances in the Budo village community, coconut fruit tree harvesting performances, floating boat performances or boat races, floating market performances, Tulude traditional party performances, masamper dance performances, patopato dance performances, culinary performances, fish grilling performances, ginto handicraft making performances and coconut shell crafts [12].

3.2 Development of a Management System for Micro, Small and Medium Enterprises (MSMEs) in Budo Tourism Village

Management is a distinctive process that consists of planning, organising, implementing, and monitoring. These four things are done to achieve predetermined goals or targets by utilising all resources. The main purpose of management is to make work look effective and efficient. Management is referred to as an art in which there is a structured process and science of organisation. [13].

a. The success of an MSME development process is

highly dependent on the ability to manage the development of a product, but in Budo Village it was found that there was no good management system in MSME development efforts due to the following reasons:

- b. The low willingness of MSME actors to make innovations to the products that will be marketed, due to cost and time constraints.
- c. Low understanding of MSMEs in managing an attractive product to be marketed.
- d. The low understanding and skills of partners regarding a good service system for tourists, the success of a form of service can be seen from the quality of the services provided to tourists. [14].

Quality includes efforts to meet or exceed customer expectations, therefore in providing services to tourists must be in accordance with the expectations of tourists, namely in terms of product provision time. With a good understanding and skills regarding the service system, it is hoped that partners can improve their service quality.

The lack of assistance and government support in the development of micro, small and medium enterprises (MSMEs) in Budo Tourism Village as a tourist village destination. A tourist village is a form of policy programme from the government in an effort to support the community's economy.

A tourist village is a rural area that offers authenticity in various aspects, such as culture, tradition, daily life, traditional architecture, and village layout that combines tourism components such as attractions, accommodation, and supporting facilities in a unity in supporting the tourist village policy programme, government support is needed, but what is found is that partners have not received full assistance from the local government. [15]

3.3 Marketing Development of Micro, Small and Medium Enterprises in Budo Tourism Village

By looking at the principles of tourism village management, it encouraged researchers to conduct research related to MSMEs in Budo Village.

Based on the results of the research, it shows that;

- a. MSME players are not yet aware of marketing digitalisation, how technology can be a very effective tool in increasing the efficiency of market operations. [1].
- b. Low product understanding in creating and developing the use of digital platforms as a medium for marketing MSME products.
- c. Infrastructure limitations such as slow or unstable internet access encountered in Budo village, which can cause limitations in achieving target markets in the

process of developing MSME products in Budo tourism village.

3.4 Factors Affecting the Development of Micro, Small and Medium Enterprises in Budo Tourism Village

a. Programme

The umkm programmes carried out by the village-owned enterprises (bumdes) of Budo tourism village are still unable to reach the existing umkm actors because information related to the programmes implemented by the Bumdes has not been widely disseminated to the community, this is evident from the umkm actors to take part in the training programmes carried out, umkm actors must get an invitation first. Training was conducted to develop the potential of Budo tourism village MSMEs.

The training was organised in the form of strengthening village-owned enterprise groups, entrepreneurship training and managerial training for tourist destinations. Strengthening the commitment of the MSME Group resulted in a shared understanding of the importance of the role of village-owned enterprises in the management of MSMEs in tourist destinations. Through entrepreneurship and tourism destination managerial training, MSME players gain an understanding of the characteristics of entrepreneurship, the entrepreneurial process, and all business functions that support them in entrepreneurship (Human Resources, Finance, Operations, and Marketing). MSME players also learned how to apply the theories learned into the task-sharing structure and operationalisation of the tourism village. Training on product development and product quality improvement (goods and services) could not be conducted due to time constraints.

b. Strategy

The strategies implemented are appropriate, namely providing capital, developing entrepreneurship, and organising training. However, capital is provided through cooperation with the private sector, and development and training are conducted but not intensely. A business can be said to be developing well if the business process runs smoothly by maximising workers in the productivity it carries out. In addition, micro, small and medium enterprises (MSMEs) also need a strategy in order to achieve a target so that everything will be well controlled. Promotion is also needed for MSME players in budo tourism to introduce the products they make.

c. Concept

There is a discrepancy between the concept run by Bumdes and the empowerment of MSMEs that are rotated every 3 months to sell MSME products in tourist areas. It is evident that the implementation of the

MSME empowerment concept has not involved all of the Budo tourism village community.

4. CONCLUSION

Development of Micro, Small and Medium Enterprises to empower the community in the tourist village in order to play a role as a direct actor in an effort to increase readiness and concern in addressing the potential of tourism or tourist attraction locations in Budo tourism, as well as having awareness of opportunities and readiness to capture the benefits that can be developed from tourism activities to improve the economic welfare of the community. For this reason, it is necessary to provide assistance and counselling to the community around tourism so that they can better manage the Budo tourism village and can advance MSMEs so that they are more developed which become the potential of the village that can be developed and recognised by the wider community.

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ACKNOWLEDGMENTS

Thank you to the Faculty of Social Sciences and Law, Manado State University, for facilitating the author

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