# Micro, Small and Medium Enterprises (SMEs) and Great Opportunities to Return After the Covid Pandemic in Makassar City

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#### ARTICLE INFO ABSTRACT This study aims to find out the strategies used to bounce back after the Covid-Article history: 19 pandemic carried out by MSME players in the city of Makassar. This study Received 12 June 2022 uses a qualitative descriptive analysis and uses a SWOT analysis, namely Strengths, Weaknesses, Opportunities and Threats. SWOT analysis is an Revised 6 Nov 2022 Accepted 29 Dec 2022 analysis used to evaluate strengths and weaknesses in the internal environment and evaluate opportunities and threats in the external environment of MSMEs. The results of this study indicate that the total IFAS score is 3.57 which indicates a good internal position and the total EFAS score is 3.44 which indicates a moderate external position. This position indicates that MSMEs are increasingly strategic even though they still face quite tough challenges. Based on the results of the SWOT matrix analysis, the strategy adopted is as follows: Keywords: maintaining customer trust by improving the quality and quality of the food Marketing Strategy, IFAS and menu and forming a reliable sales team that prioritizes service so that they can EFAS Analysis, SWOT Analysis. compete. Copyright © 2022 International Journal of Artificial Intelligence Research.

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ISSN: 2579-7298

## I. Introduction

Micro, small and medium enterprises (MSMEs) are one of several unit effort which have role urgent for growth and development economy. In the early 2000s the world was being hit by the covid-19 pandemic which had given enormous impact on the economic and spatial sectors in the world. The business world has experienced challenges very heavy. About 3.3 billion jobs in the world face financial risk and Public has many lost professions in various level. The informal economic sector greatly impacts the scale of the company micro, small, medium and big. Location effort and sector effort suspected also influence magnitude changes in income in general, 8 out of 10 companies tend to experience decline income. Around 82.29% UKM and 84.20% MSMEs experience decrease in income. Factors faced by companies due to the pandemic and Restrictions Social scale Big that is, UKM 80.24% and MSMEs 78.35%. Where 8 from 10 company good MSMEs and UKM tend experience decline demand, because customers/clients are also impacted by covid-19. 65.47% SMEs and MSMEs 56.80%, 6 from 10 company face obstacles consequence colleague their business becomes very bad or cannot operate normally, either at the scale of SMEs and SMEs and around 53.17% of SMEs and 62.21% of SMEs handle them obstacles finance related employee and operational. (Indonesia Statistics, 2020).

Table 1. Impact covid-19 on Micro Entreprise and SME

No	Changes in SMEs and mass SMEs pandemic covid-19	Micro	SME
1.	Decline income influential to location and sector business.	84.20%	82.29%
2.	Company which impact pandemic covid19.	78.35%	80.24%
3.	Decrease in customer demand which impact covid.	56.80%	65.47%
4.	Financial constraints related to employees and operational.	62.21%	53.17%

Source: BPS Indonesia, 2020

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Seven also the Covid-19 pandemic drained the business world in Sulawesi South, as many as 3,400 micro, small and medium enterprises (MSMEs) are almost and even collapse. around 80% average which impact as Makassar, Gowa and Maros. Viewed from descent sale, how difficult capital and distribution delayed and the difficulty of raw materials. impactful businesses most from the culinary sector. The following is a list of SMEs in 15 districts in the city Makassar:

Table 2. List SMEs Culinary which is at in city Makassar

No.	Subdistrict	Total of SMEs
110.		
1.	Biringkanaya	20
2.	Bontoala	11
3.	Macassar	19
4.	Mamajang	27
5.	Manggala	39
6.	Mariso	8
7.	Panakukang	23
8.	Rappocini	35
9.	Sombaopu	2
10.	Tallo	22
11.	Tamalate	26
12.	Tamalanrea	5
13.	Ujung Pandang	11
14.	Ujung Tanah	3
15.	Wajo	13
	Total	264

Source: Service Trade, 2020

City Makassar currently recorded 264 MSMEs which move in the field culinary, Manggala sub-district is a sub-district from 14 districts in the city of Makassar, which has the most MSMEs, namely 39 culinary MSMEs because the largest sub-district is tamanapa and there is and 2 MSMEs Culinary which there is in districts Sombaopu. Policy government in Anti covid-19 that is with members implement Large-Scale Social Restrictions (PSBB) in Indonesia. If from an economic and global perspective business, this be one problem for perpetrator effort. Because from side offer (stock) party MSMEs will decreased significantly because of the level request (request) from society decrease in a manner significant so that balance market (balance) difficult happen decline in business performance occurs.

After the co-19 subsides in late 2022, micro, small and medium enterprises are slowly getting back up to continue their activities which faced many challenges during the 2020 pandemic. To be able to bounce back from economic conditions and instability in various fields, a strategy is needed that is able to be an accurate and appropriate way for the sustainability of the business that is being carried out. One of the factors that is very closely related to business is environmental factors. These factors are like internal factors which are management controls that are structured to accelerate solve problem marketing. Perpetrator MSMEs must notice some Internal factors are product, price, place and promotion. From a product standpoint SMEs have difficulty during the production process due to the price of materials standard increases and materials raw which no available so that process production be constrained. 10% of MSME actors admit that the production process Becomes long.

Wise business decisions need to be made since the pandemic. One of them is policy in determine price sell on product. Policy which fence possible for perpetrator effort in upgrading profit with push cost. Getting the selling price right will give you potential profit which maximum. Thing this reason perpetrator MSMEs must maintain achievement. One of which is streamline production cost. This policy certainly needs to be re-evaluated considering that the condition of Covid 19 has diminished and the economy has become more stable, people who previously tended to have low purchasing power due to the post-covid pandemic are getting better. Therefore, businesses need to review their strategies so that business conditions can run normally and stably so that they can increase sales and expand the market

Marketing is all business or business activities carried out by a company companies or institutions in carrying out various businesses in order to be able to fulfill Request market. Purpose main from

marketing that is for maximizing profits by creating a sales strategy. Marketing is not only on promotion just. Because marketing also covers sale and give more understanding of the company's products and services. Marketing also interpreted with sales terms, distribution and trading.

Marketing is a social and managerial process in which individuals or groups get something which wanted and needed through creation and exchanging a product with other parties who need each other (Kotler and Armstrong, 2012). Meanwhile, service marketing is the parent of internal marketing which results can be applied in general. In many businesses or business services are needed transmission and processing of data, this is an electronic connection that is Thing which is very important in company (Hasniaty, 2015). Marketing is a social and managerial process by which individuals and groups obtain what which they Request and want by creating and exchanging products and services and value between somebody with which other. Role marketing sit this no only delivering products or services to consumers, but also how these products and services can provide satisfaction to customers in a way continuously, so that company profits can be obtained by their occurrence purchase which repeated (Rahayu, 2017).

Marketing strategy is very important for companies where marketing strategy is a way to achieve company goals. The marketing strategy describes how a company should operate to achieve its goals. As for the process in developing a marketing strategy according to Kotler & Armstrong (2012) cited in hasniaty (2023) as follows: Market segmentation is the act of dividing a market into distinct groups of buyers with different needs, characteristics or behaviors who may require separate products or marketing mixes. Market Targeting, which is the process of evaluating the attractiveness of each market segment and selecting one or more segments to serve, setting market targets consists of devising strategies to build the right relationships with the right customers, or a large company perhaps decide to offer a full range of products to serve all of its market segments, most companies enter new markets by serving a single segment, and when this proves successful, they add new segments.

Analysis HARD WORK is help various factor in a manner Systematic for formulate a business strategy, this analysis is based on logic that can maximizing strength (strength) and opportunity (opportunity), however Threats (Threats) SWOT stands for internal environment of strength and weaknesses and the external environment of opportunities and threats facing the world business. SWOT analysis compares external factors with opportunities and threats (threats) with internal factors of strengths (strengths) and weaknesses (weakness). Analysis HARD WORK conducted because for moment Among source power internal and situation external company. matcher which good will maximize the company's strengths and opportunities and minimize weaknesses and threats. This has strong implications for designing that strategy success (Pearce and Robinson, 2013). According to Rangkuti (2016) SWOT analysis is a strategic planning method which used to evaluate strength (strength), weakness (weakness), opportunities (opportunities) and threats (Threats) in a project in business. Fourth factor this who coughed acronym SWOT.

## II. Methods

Research Design

In a study, researchers used a qualitative approach descriptive i.e, research methods used to analyze events, circumstances social and phenomenon. In technique meeting data is the most important steps in research, because the main purpose of research is to get data, without knowing data collection techniques, then the research will not get data that meets the standard data set. Data collection techniques in the form of observation, interviews and questionnaires. (Sugiyono, 2018). This research uses aim example because for collect data that actually happened or was real by interviewing the informant considered to know and master a skill or work that moves in his field. So, from purposive sampling that researchers use to use make it easier processing data for necessity study that alone. Study this conducted with gather a number of informant from perpetrator effort MSMEs which move on field Culinary which is at on city Makassar.

#### Research Method

Method analysis which used in study this is use SWOT analysis with descriptive qualitative approach. SWOT analysis consists of Strength, Weakness, Opportunity and Threat. Analysis this aim maximize strength (Strength) and opportunity (opportunity) namu capable minimize weakness (weakness) and threats (threats).

### III. Result and Discussion

Research result

Results evaluation analysis factor internal (IF AS)

The results of the classification of the internal factors of culinary MSMEs can be seen in the following table:

Table 3. Results evaluation analysis factor internal

Factor Strategy Internal	Weight	Rating	x-weight Rating
A. Indicator Strength (Strength)			
Food no use ingredients preservative	0.14	4	0.56
Guard quality food			
Price which capable compete	0.14	4	0.56
Own many choice Can not food	0.13	3,6	0.46
	0.12	3,4	0.40
Amount Strength Score	0.53		1.98
B. Indicator Weakness (weakness)			
Not yet formation team sale	0.13	3,6	0.46
At a minimum activity promotion	0.12	3,4	0.40
Up and down cost on ingredients raw	0.14	4	0.56
Adequate level of rental price tall	0.08	2,2	0.17
Amount Score Weakness	0.47		1.59
Total Strength and Weakness	1		3.57

Table 3 shows the main strengths of the five SMEs engaged in field culinary that is Food which for sale no use ingredients preservative food and guard quality food so that reach loyalty consumer to shop and home eat. It displays value with average 0.56. Meanwhile, the weaknesses of the five MSMEs engaged in culinary field, namely the rise and fall of raw materials that can affect production and income with an average value of 0.56. This condition illustrates that these five MSMEs have an impact on the price of raw materials that are uncertain. However, the five MSMEs have a total value from the results of the analysis of internal factors, namely strength and a weakness of 3.57 which illustrates that MSMEs have conditions currently.

## b. Results evaluation analysis factor external (EFAS)

Results from classification from factor external MSMEs culinary could see on table following:

Table 4. Results evaluation factor analysis external

Factor Strategy Internal	Weight	Rating	x-weight Rating
A. Indicators Opportunity (Opportunity)			
constant market demand there is	0.16	3,4	0.54
Strategic location and easy to get to reach	0.16	3,2	0.51
as progress technology	0.18	3,6	0.64
Amount Score Opportunity	0.5		1.69
B. Threat Indicator (Treatment)			
Competitor from effort kind	0.18	3,8	0.68
Change of taste consumer	0.14	2,8	0.39
circumstances economy which unstable	0.18	3,8	0.68
Amount Score Threat	0.5		1.75
Total Opportunity and Threat	1		3,44

Table 4 shows the main opportunities for the five active MSMEs in the culinary field, namely following technological advances with a value of 0.64 and a threat against the five MSMEs, namely competitors from similar businesses and different economic conditions no stable with score the same one that is 0.68. Score score from analysis factor external 3.44 which illustrates that MSMEs respond moderately to opportunities and threat that happened when this. Total score score from results each factor which could detailed that is factor analysis of internal strengths with a value of 1.98 and weaknesses with a value of 1.59. So, the total number of strengths and weaknesses is 3.57. While factor analysis external namely opportunities with a value of 1.69 and threats with a value of 1.75. Then total the number of opportunities and threats is 3.44.

## c. Diagram Cartesian Analysis HARD WORK

From the results of calculations on internal and external factors it can be a SWOT diagram is drawn. The formula for finding the coordinates is as following:

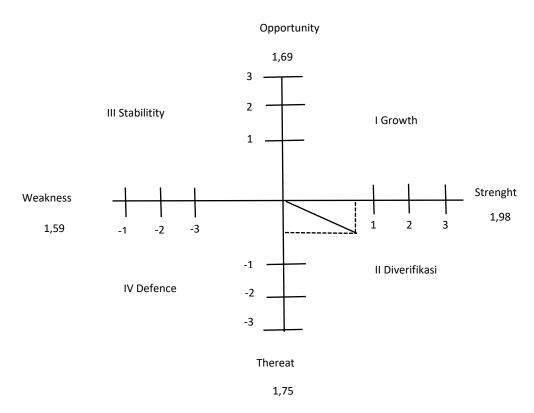


Figure 1. Diagram Cartesian

From Image 1 diagram cartesian show that fifth MSMEs that move on field culinary which where own various threat, however MSMEs still have internal strength. This position signifies that MSMEs are strong but face considerable challenges. which strategy must applied is use strength for take advantage opportunity period long with method Diversification strategy.

## d. Matrix HARD WORK

The SWOT matrix is a tool used to formulate alternatives strategic MSMEs. Analysis matrix HARD WORK use data which obtained from IFAS and EFAS matrices. of the four main strategies consisting of SO ( strength and Opportunities ), WO ( weaknesses and opportunities ), ST ( strengths and threats ) and WT ( weakness and threat ). following matrix the SWOT displayed on table:

Table 5. Matrix SWOT

	Strength	Weaknesses
IFAS	1. No food using	1. Not yet formationteam
	materialspreservative	sale
	2. Maintain quality food to	2. At a minimum
	reachloyalty consumer	activitypromotion
EFAS	3. Affordable price	3. Ride descent coston
	compete	raw materials
	4. Own many choiceCan not	4. Rental rate the place
	food.	which enough tall
Opportunity	so	WO
Request market which continously there is     Strategic location and easy in reach     as technology advances	Keep trust customers with improve quality and quality Can not food	Improve strategy promotion with utilise progress technology which there is
Threat	ST	WT
Business competitor kind     Change of taste consumer     circumstances economy which is unstable	Increase competitiveness shop/restaurantmore from competitor kind	Form a sales teamfor sales menus food to afford compete with shop/house eat the same

The SWOT matrix in table 5 shows the initial results that can be concluded as following:

- a. Strategy Strength- Opportunity. This strategy uses the strengths of the stalls/restaurants in use for utilise all opportunity which there is so that shop/house can have a competitive advantage. One of them maintains and maintaining customer trust by improving the quality and quality of the menu food.
- b. Strategy weakness Opportunity. Strategy this use use opportunity which there is with method minimize weakness which owned. That is Increase strategic promotion by taking advantage of existing technological advances. With advances in technology which now has become one of the opportunities for stalls/restaurants so that capable promote Can not the food to consumer and Public wide.
- c. Strategy Threat-strength. This strategy uses the strengths of stalls/restaurants to resolve threat. Thing which conducted with increase power Compete stalls/restaurants that are more than similar competitors. Food quality is one of the advantages of competitive advantage that can be exploited for superior in business competition.
- d. Strategy weakness threat Establishing a sales team to sell food menus to be able to compete with stalls/restaurants. The existence of a sales team makes it happen continuity period long for restaurant in do sale.

#### Discussion

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#### IV. Conclusion

Based on results analysis HARD WORK which done to MSMEs which engaged in the culinary, then can settlement as following: The results of the SWOT prediction on the five SMEs can be seen that the factor internal analysis there are strengths that are, food does not use ingredients Caretaker, maintaining food quality in order to achieve consumer loyalty, price which capable compete, and own many choice Can not food. Weaknesses that are owned, namely, the sales team has not been formed, the lack of activity promotion, the ups and downs of the cost of raw materials, the level of rental prices high enough. Result of SWOT please on fifth MSMEs can is known that the external opportunity analysis factor that exists in SMEs is demand market which continously there, location which strategy and easy reachable and the latter in terms of opportunities, namely following technological advances. As for form threats faced by SMEs namely, competitors from similar businesses, change in taste consumer, circumstances the economy doesn't stable

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