

UMKM STRATEGIES IN INCREASING INCOME IN THE COVID-19 PANDEMIC TIME TO MAINTAIN BUSINESS CONTINUITY (CASE STUDY ON TRADITIONAL FOOD UMKM KNOW SUMEDANG REGENCY)

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ABSTRACT

The meaning of Micro, Small and Medium Enterprises or can be abbreviated (UMKM) is itself a group of activities from independent productive businesses. UMKM can be built individually or as a business entity in all sectors that occur in the economy. These activities or activities in UMKM can expand employment opportunities and can provide economic services and can increase overall income for the community. During the current COVID-19 pandemic, there are many impacts that are considered bad for UMKM entrepreneurs, especially UMKM engaged in traditional food because this has a marketing target for tourists and people in the area. Many of these entrepreneurs experienced a decline in income and closed the business. This study aims to provide a strategy in sales to increase income so that the UMKM business can operate normally and reduce the risk of closing the traditional food UMKM business. The research method uses a descriptive method. The technique of determining informants is using purposive sampling. This data analysis process uses editors and presents the data obtained and then draws conclusions. Then from the results of this study, it was explained that UMKM in the traditional tofu food business in Sumedang Regency were located in cell V..

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1. Introduction

The world's problems regarding the COVID-19 virus do not stop growing, such as not knowing when this pandemic will end, from the existence of a virus called covid-19 which then has an impact on the sustainability of the social life of the community as well as this has an impact on the economic sector which continues to grow. decrease. In this case, the government takes a policy to balance the health sector to reduce the spread of the virus and balance the economic sector to restore the economic sector. Government policies in helping to reduce a the spread of the virus and balance the economic sector to recover the economic sector. The government's policy in helping to reduce the spread of the virus is in the form of large-scale social restrictions, regional quarantine and carrying out all activities at home. The policy has an impact on the decline in the economic sector due to social restrictions that affect trade activities that require a wide range of social interactions. This problem also certainly has an influence on UMKM business actors which affect the production and sales of products.

Micro, Small and Medium Enterprises or what can be abbreviated as UMKM is a business that stands alone or in the form of a business entity that has productive characteristics and community creativity, these SMEs have a very important role in economic growth in Indonesia because these business actors This can open up a field of work and can reduce the number of unemployment. These UMKM also contributed to increasing Brothu Domestic Product (GDP) in Indonesia, in 2012 an increase of 59.08% and reaching 60.00% in 2018 the increase in GDP came from all UMKM fields (collaboration between LPI and Bank Indonesia, 2015, p .9). With this, UMKM are agents that can contribute to the country in a sustainable manner and provide innovation and creativity to the community. UMKM consist of: traders, livestock, services, agriculture, processing and communication. In the Sumedang Regency area, UMKM that have high existence are in the trade sector, especially culinary. Sumedang, which is known as the city of tofu, is due to the large

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number of tofu culinary entrepreneurs. In this case, the Sumedang Regency government oversees the tofu business. Entrepreneurs know that there are those who stand alone and also stand as a joint business entity. For the sumedang tofu industry, this has also provided a positive impact for the community. Where this becomes a job field, especially for small communities who are trying to improve their standard of living.

To know sumedang itself is tofu which has its own uniqueness that comes from the Sumedang area, West Java. This tofu also has a difference when compared to other tofu in general. The shape is a box and also with a smaller size, and added to the crispness when consumed. This is the reason why tofu sumedang is one of the culinary icons owned by the city of Sumedang. Then it can also be said that for the industrial business of Sumedang tofu it has a development potential that can be said to be quite good. Coupled with that there is support from the number and potential that is quite large which is owned by potential buyers and the name Tahu Sumedang which until now is increasingly being known by the wider community. So for that, it is not surprising that the number of traders tofu sumedang itself is in the form of a small kiosk. Where usually these small kiosks are owned by other people who work with existing tofu companies. As a developing industry, the business of Sumedang tofu must be able to maintain in terms of availability as well as the stability of the supply of soybeans, which are the main ingredients of their production activities. Coupled with the current impact of covid-19, therefore strategy really has a role that is considered important in the Micro, Small and Medium Enterprises sector or abbreviated as UMKM to be able to maintain the continuity of UMKM themselves and efforts to increase income in the midst of a pandemic from this covid-19. Of course, it is not easy to maintain a business in the current era of globalization, which must be able to face many challenges due to competition with the increase in terms of product and service innovation, of course it also requires a development of technology and human resources, as well as an expansion of the marketing area. in order to remain biased to compete with the number of products which are increasing day by day for the variants. So based on the background described above, the formulation of the problem in the research conducted is how to take a strategy for UMKM to increase income during the COVID-19 pandemic in order to provide defense from the continuity of the business being carried out. And for a goal that has the specificity of the research being conducted, it is to increase the knowledge of SMEs in the COVID-19 pandemic in an effort to increase their income for the continuation of SMEs located in Sumedang Regency.

So for the formulation of the problem in the research carried out is how to take a strategy for UMKM to increase an income during the COVID-19 pandemic in order to provide defense from the continuity of the business being run. And for a goal that has the specificity of the research being conducted, it is to increase the knowledge of SMEs in the COVID-19 pandemic in an effort to increase their income for the continuation of SMEs located in Sumedang Regency. so for the formulation of the problem in the research carried out is how to take a strategy for UMKM to increase an income during the COVID-19 pandemic in order to provide defense from the continuity of the business being run. And for a goal that has the specificity of the research being conducted, it is to increase the knowledge of SMEs in the COVID-19 pandemic in an effort to increase their income for the continuation of SMEs located in Sumedang Regency.

2. Method

Strategy Definition

The notion of strategy itself is an action that has an incremental nature or which can be interpreted as (always increasing) and is continuous, then this is done from the basis of a point of view of anything that can provide hope by consumers in the future.

UMKM in increasing an income during the Covid-19 pandemic

This UMKM is something that occurs in the form of a small business carried out by the community whose establishment is based on someone's initiative. However, some people still think that UMKM can only provide an advantage for certain parties. In fact, UMKM play an important role in reducing the current unemployment rate. Then came the problems caused by the Covid-19 pandemic which of course had an impact on the decline in sales from business actors, especially UMKM that existed at this time.

Definition of Income

Revenue is an inflow of cash which comes from the normal activities of a company in the creation of goods and services which has a consequence of an increase in assets and a decrease in liabilities.

Maintaining Business Continuity

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The disease outbreak from the COVID-19 virus that has occurred in the world since the beginning of this year has threatened the lives of people in daily activities. This not only poses a threat in terms of life, but Covid-19 has also reduced the number of every business continuity. Therefore, there are several ways to provide defense in the business world in the midst of the economic crisis due to the Covid-19 crisis, including: (1) Separate finances for business and personal. (2) Can be more efficient in making expenses for business. (3) Make a budget or plan in finance. (4) Always pay attention to human resources or employees who work. (5) Pay and collect on time, because debt and receivables are one of the factors that are considered important that have an influence on the success of a business. (6) Then conduct a consultation with the experts.

Sales Strategy

Sales strategy is a way of getting a structured sales income based on the strengths, advantages, and influence possessed by a company or a person.

Population and Sample

This research was carried out on Sumedang tofu SMEs in Sumedang Regency. It will be held in February 2021 – April 2022 in several tofu traders, South Sumedang District, Sumedang Regency, West Java. Then for the method of research used is descriptive method. The method of data collection in the study was carried out using a system of interviews, observations and documentation. The source of the data used in this research is secondary data in the form of secondary data in the form of the number of entrepreneurs tofu sumedang obtained from the Department of Industry and Trade in Sumedang Regency, while the primary data is a questionnaire obtained from respondents. The respondents of this research are tofu craftsmen and entrepreneurs in Sumedang.

3. Results And Discussion

For research conducted in an effort to increase the business income of UMKM tofu in Sumedang through overall aspects which are considered a strategy to increase future-oriented income and provide business balance. In 2021 the Cooperatives and UMKM Service in Sumedang Regency stated that the number of UMKM in Sumedang was 156,844 UMKM, this number increased in the previous year which was only 147,743 UMKM, an increase of 9,101 UMKM divided into 10 categories of UMKM spread over 26 sub-districts in Sumedang Regency. the category of UMKM that we often encounter is food where the number of food UMKM in Sumedang Regency in 2021 is 41,060 business units, the development of these businesses is an effort to increase growth.

The economy is quite good because many people are enthusiastic about building entrepreneurship to survive during this Covid-19 pandemic and many workers experience Termination of Work Rights (PHK). Therefore, the Sumedang Regency government provides facilities and urges the growth of new entrepreneurs and seeks to strengthen existing entrepreneurs. The analysis used is internal and external, where internal shows the variables of weakness and strength, while external opportunities and threats exist for traditional tofu SMEs in Sumedang Regency. In the results of the interview evaluating internal and external factors appropriately according to the problems described in table 1 and table 2 are as follows:

TABLE 1.

INTERNAL FACTOR ANALYSIS SUMMARY OR ABBREVIATED (IFAS) FOR SMEs IN TRADITIONAL TOFU FOOD BUSINESSES IN SUMEDANG REGENCY

No	Internal Factor	Weight	Rating	Score
Strength				
1	Service quality	0.11	4	0.42
2	An affordable price	0.11	4	0.42
3	Quality products offered	0.07	4	0.28
4	The influence of location on business continuity which is considered quite good	0.07	3	0.21
5	Business experience in the tofu industry	0.07	4	0.28
6	Guaranteed production continuity	0.09	4	0.22
Sub-Total		0.51		1.83
Weaknesses (weaknesses)				
7	Capital in businesses that have limitations	0.09	2	0.18

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8	No product diversity	0.09	1	0.09
9	Limited promotions	0.07	2	0.14
10	There is an increase in the price of erratic raw materials that have an influence on the ups and downs of a sale	0.11	2	0.21
11	Word of mouth marketing	0.05	2	0.11
12	The number of competitors selling the same product	0.09	1	0.09
Sub-Total		0.49		0.81
Total		1		2.64

Source: Processed data, 2022

In this IFAS matrix, we get a result of the value with an average score of 2.64 from the whole of these internal factors. So it can be seen that the strength value is 1.83 which is greater than the weakness score, namely of 0.81. Looking at the overall average in this strategic position to run a business, know in terms of its strengths and cover its weaknesses if it is needed.

TABLE 2.
EXTERNAL FACTOR ANALYSIS SUMMARY OR ABBREVIATED (EFAS) UMKM TRADITIONAL FOOD TOFU IN SUMEDANG REGENCY

No	External Factor	Weight	Rating	Score
Opportunity				
1	There is a trust from consumers	0.12	4	0.47
2	Processing technology development	0.08	3	0.24
3	Continuity of raw materials is guaranteed	0.10	3	0.29
4	The government's attention	0.08	3	0.24
5	Relatively high demand	0.08	3	0.24
Sub-Total		0.45		1.47
Threat (Threat)				
6	High level of competition	0.12	1	0.12
7	The process is quite complicated to get a loan for capital	0.10	1	0.10
8	New competition with the same product	0.08	1	0.08
9	Implementation of policies or regulations is low	0.10	1	0.10
10	There is competition in terms of quality and quantity of tofu between existing tofu industries	0.09	2	0.16
11	Weak technology	0.08	1	0.08
Sub-Total		0.55		0.62
Total		1		2.09

Source: Processed data, 2022

This EFAS matrix gets a result from a score with an average score of 2.09. So this can give an indication of the results on the score of opportunity, which is 1.47, which is greater than the result of threat, which is 0.62. Based on the average number of overall strategic positions to run the business, this tofu takes advantage of external opportunities and stays away from any visible threats.

SWOT Matrix

TABLE 3.
SWOT MATRIX FOR TRADITIONAL TOFU FOOD BUSINESSES IN SUMEDANG REGENCY

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<p>Strength Weakness</p>	<p>Strength (S)</p> <ol style="list-style-type: none"> 1. Service quality 2. An affordable price 3. Quality products offered 4. There is an influence on the location of business continuity which is considered quite good 5. Business experience in the tofu industry 6. Continuity in production guaranteed 	<p>Weaknesses (W)</p> <ol style="list-style-type: none"> 1. Capital in businesses that have limitations 2. No product diversity 3. Limited promotions 4. There is an increase in the price of erratic raw materials that have an influence on the ups and downs of a sale 5. Word of mouth marketing 6. The number of competitors selling the same product
<p>Opportunity Threat</p> <p>Opportunity (O)</p> <ol style="list-style-type: none"> 1. There is a trust from consumers 2. Processing technology development 3. Continuity of raw materials is guaranteed 4. The government's attention 5. Relatively high demand 	<p>SO Strategy</p> <ol style="list-style-type: none"> 1. Doing defense in terms of quality in products by utilizing developments in technology in maintaining a trust from consumers. (S1, S3, O1, O2) 2. Utilizing existing experience in the tofu business to maintain the quality of raw materials. (S5, O3) 	<p>WO Strategy</p> <ol style="list-style-type: none"> 1. There is a way to increase in terms of sales volume through product diversification by utilizing existing policies on the culinary world. (W2, W3, O1, O4) 2. Promoting widely through the availability of an application that can be used as a means for promotion on social media so that UMKM can be known more widely. (W3, W6, O2)
<p>Threats (T)</p> <ol style="list-style-type: none"> 1. High level of competition 2. The process is quite complicated to get a loan for capital 3. New competition with the same product 4. Implementation of policies or regulations is low 5. There is competition in terms of quality and quantity of tofu between existing tofu industries 6. Weak technology 	<p>ST strategy</p> <ol style="list-style-type: none"> 1. There is an increase in terms of quality and continuity of the product by carrying out a management on production that is considered good in order to provide an increase in competitiveness. (S3, S6, T3) 2. There is an increase in terms of marketing efficiency by establishing good relationships with consumers. (S2, S1, T5) 	<p>WT Strategy</p> <ol style="list-style-type: none"> 1. There is an increase in terms of network capital and promotion through improvement of product quality. (W1, W2, T2) 2. Maximizing the performance of human resources or HR in their use of the latest technology that can be done. (W6, T3, T6)

Source: Processed data, 2022

So based on the results or the number of swot matrices, the highest score / value is the Strength Opportunity strategy or abbreviated (SO) which is 3.03, for the strategy part of the Strength Threat or abbreviated (ST) is 2.46, for Weakness Opportunity strategy or abbreviated (WO) is 2.28 and for the Weakness Threat strategy or abbreviated (WT) it is 1.43. So for the strategy that must be carried out by businesses on traditional tofu food in Sumedang Regency, the explanation is as follows:

TABLE 4.
SWOT MATRIX COMBINATION STRATEGY FORMULATION

EFAS

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ifas	Opportunities (O)	Threats (T)
Strengths (S)	Strategy (SO): = 1.83 + 1.47 = 3.03	Strategy (ST): = 1.83 + 0.62 = 2.46
Weakness	Strategy (WO): = 0.81 + 1.47 = 2.28	Strategy (WT): = 0.81 + 0.62 = 1.43

Source: Processed data, 2022

External internal analysis or abbreviated as (IE) Matrix

For the Matrix section of IFAS, it provides a statement that as a factor of strength the score is 1.83 and as a factor of weakness the score is 0.81. As for the EFAS Matrix section as a factor of opportunity the score is 1.47 and as a factor of threat it is 0.81. So from the number of calculations from the results, table 2 shows, for internal factors themselves have a score / value with a total of 2.64 and those in table 3 show, from external factors that have a total score of 2.09. So therefore, The IE matrix is used as a way to find out in terms of the position of UMKM in the business for traditional tofu food in Sumedang Regency in providing an increase in their income in order to provide defense for their business in responding to the COVID-19 pandemic. Then the analysis used at this level is to use the IE matrix (Internal-External) and also to use the SWOT analysis.

TABLE 5.
INTERNAL-EXTERNAL MATRIX OR ABBREVIATED AS (IE)

ifas	Strong 4.00-3.00	Currently 2.99-2.00	Weak 1.99-1.00
EFAS			
Tall 4.00-3.00	I	II	III
Currently 2.99-2.00	IV	V Internal = 2.64 External = 2.09	VI
Low 1.99-1.00	VII	VIII	IX

Source: Processed data, 2022

There is a basis from the IE matrix where for the position of traditional food UMKM to know how to increase in terms of income in order to provide defense from the sustainability of the business in responding to the COVID-19 pandemic, Sumedang Regency is located in Cell V. It means that the place is in a position namely identification, choice in an investment, segment development and added specialization. Then in this case the strategy that can be applied is on Strength Opportunity or abbreviated (SO) by using a way of giving the maximum in terms of strength and giving more attention to the opportunities that exist in the market. Therefore, this strategy needs to be supported considering that it will be one of the strengths of micro-enterprises, namely at an affordable price,

SWOT analysis

From the results of the SWOT analysis in table 5 where this provides an indication of the position of the traditional tofu SMEs located in Sumedang Regency, which is in cell V matrix IE. This provides an explanation that the internal strategy has a strength that is considered quite good or adequate and for the external part it is in a moderate position or place. So for the position in cell V in the IE matrix indicating a business situation in a position of identification, choice in investment, development in the segment and coupled with specialization, this requires a strategy that is considered appropriate for increasing revenue efforts during the COVID-19 pandemic. that is currently happening in order to maintain the continuity of the business that is being run. For micro-enterprises on traditional tofu food in Sumedang Regency, in carrying out their activities carried out in a location or place that is considered strategic and with products that certainly have a good quality by taking advantage of opportunities from advances in sophisticated technology at this time will provide a expansion of the market. So therefore,

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3. Conclusion

So it can be seen from the results of the research for this discussion that for Matrix Internal Factors or abbreviated (IFAS) and External Factors or abbreviated (EFAS) shows the existence of UMKM in business, namely this traditional tofu food which is located in the cell V position, meaning that its presence is at the identification point. , developments in the segment, the selection for investment and the existence of a specialization. So therefore, Some strategies that can be carried out by Food UMKM actors in the Year of Sumedang in order to survive in this situation are as follows, (1) Direct marketing transition to E-Commerce marketing because there is a lot of public interest in shopping for E-Commerce and many people prefer to stay at home. (2) Doing marketing using technology and digital because it is to expand the marketing network and reach a wider market. (3) Improve the quality of products and consumer services in order to create a loyal and good relationship between consumers and business actors. (4) Implementing Customer Relationship Marketing in order to foster trust as consumers so that consumers can survive with our products.

Suggestion

So judging from the results of the research that has been presented, the suggestions that can be presented by the researcher are as follows:

1. For UMKM actors, the application of online marketing to tofu businesses in Sumedang Regency will greatly provide assistance in efforts to increase the number of products to be sold, because this is considering the current trend where most of the things done by humans use the internet.
2. For the government, it should be able to provide a socialization and training regarding the importance of digital marketing itself in the current era to support business continuity in order to reduce the number of UMKM business closures.

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