



Analysis of MSME Benefits (Case Study: Fitri Busana Pasar Raya MMTC Deli Serdang)

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ABSTRACT

The purpose of this research is to know the description of Fitri Busana's business and to know the financial condition of Fitri Busana's business. The method used in this research is a survey method. The data collected includes secondary data and primary data. Secondary data was obtained by direct interviews with business owners Fitri Clothing while secondary data was obtained from books and internet sites related to research. The results showed that Fitri Busana received a profit of IDR 9,000,000 in one month which was enough to meet her daily needs with her family. For the progress of the Fitri Clothing business and to increase profits, it is recommended to maintain quality, quality, service to consumers so that this business continues.

INTRODUCTION

Clothing or clothing is one of the primary needs or the main needs of society. The fashion industry is one of the empowerment of Micro, Small and Medium Enterprises. Micro, Small and Medium Enterprises (MSMEs) in the economy have an important role, namely MSMEs are the backbone of the national economy, the MSME sector contributes to economic growth, creates jobs and absorbs labor. MSMEs also have a social function, namely as a safeguard for low-income people, so that people can carry out productive economic activities. Not only under normal and stable economic conditions, but also in the face of the economic crisis that hit Indonesia in 1998 and 2008, Micro, Small and Medium Enterprises showed strong strength (Purwanto Antonius, 2020).

Clothing commodity is one of the commodities that can provide a sizable profit, because clothing is one of the basic needs of society. Through clothing MSMEs, business actors can gain quite a large profit so that they can increase their income and also provide employment to the community. For business actors, the condition that needs to be considered is how the purchasing power of the surrounding community can generate demand from several offers made by business actors. The clothing industry was recorded by the Central Bureau of Statistics (BPS) as having the highest growth of up to 29.19% annually, which means it is the second largest after the furniture industry.

The advantage of running a fashion or clothing UMKM is that this business does not have an expiration date, this is because the products in the fashion business themselves do not have properties that are easily damaged and can last quite a long time if the method of storing and caring for them is done properly. according to its characteristics. Of course, this will be very profitable for sellers or business people because if the goods are not sold in one day, then they can still be used to sell the next day. However, another drawback of the clothing business is the very fast change in trends. Compared to the furniture business, trends and even technology, fashion business trends are very fast changing and unpredictable. What's trending today could go out of style in less than a week.

THEORETICAL REVIEW

Micro, Small and Medium Enterprises (MSMEs)

MSMEs are productive businesses owned by individuals or business entities that meet the criteria of being a micro business. As stipulated in the legislation no. 20 of 2008, in accordance with the definition of MSME, the criteria for MSME are distinguished individually including micro, small and medium enterprises. To find out what type of business is being run, it is necessary to pay attention to the criteria first. It is important to use this for future business license arrangements and also determine the amount of tax that will be charged to MSME owners. The following are the definitions of MSMEs and their criteria:

1. Micro Business

The definition of micro business is defined as a productive economic business owned by individuals or business entities in accordance with the criteria of micro business. Businesses that fall under the criteria of micro-enterprises are

businesses that have a net worth of up to IDR 50,000,000 and do not include buildings and land where the business is located. The maximum annual sales proceeds of micro businesses are IDR 300,000,000.

2. Small Business

Small business is an independent or stand-alone productive economic enterprise either owned by individuals or groups and not as a branch business entity of the main company. Mastered and owned as well as being a part either directly or indirectly of medium-sized businesses. Businesses that are included in the criteria for small businesses are businesses that have a net worth of IDR 50,000,000 with a maximum requirement of IDR 500,000,000. The proceeds from business sales annually range from Rp. 300,000,000.- to a maximum of Rp. 2.5,000,000,000.-.

3. Medium Enterprises

The definition of a medium-sized business is a business in a productive economy and is not a branch or subsidiary of a central company and is directly or indirectly part of a small business or a large business with a total net worth in accordance with the laws and regulations. Medium businesses are often categorized as large businesses with the criteria for a net worth of more than IDR 500,000,000 to IDR 10,000,000,000 and does not include buildings and land where the business is located. Its annual sales results reach Rp. 2.5,000,000.- billion to Rp. 50,000,000,000.-.

Classification of SMEs (Small and Medium Enterprises)

Based on its development, SMEs in Indonesia can be divided into 4 criteria, including:

1. Livelihood Activities, namely SMEs that are used as work opportunities to earn a living, which are more commonly known as the informal sector. For example, street vendors.
2. Micro Enterprise, namely SMEs that have craftsmanship traits but do not yet have entrepreneurial traits.
3. Small Dynamic Enterprise, namely SMEs that already have an entrepreneurial spirit and are able to accept subcontracting and export work
4. Fast Moving Enterprise, namely SMEs that have an entrepreneurial spirit and will transform into a Big Enterprise (UB).

Characteristics of Small and Medium Enterprises

Small businesses in Indonesia have great potential for development because of the wide market, easy-to-obtain raw materials and large human resources which are supporting variables. The development of these small businesses however needs to be observed. Several things go hand in hand with the development of small home-based businesses, such as: followed by good management, good planning will minimize failure, mastery of science will support the sustainability of the business, managing an efficient and effective production system, and carrying out breakthroughs and innovations that make a difference from competitors are steps towards success in managing the

business. The characteristics possessed by micro businesses imply the existence of weaknesses that are potential for problems to arise. This causes various internal problems, especially related to funding, which seems difficult to get a clear solution.

Types of SMEs

As explained in the understanding of MSMEs contained in the RI Presidential Decree No. 19 of 1998 as people's economic activities on a small scale that need to be protected and prevented from unfair competition. In the last decade, MSME businesses have started to emerge, starting from the home scale to a larger scale. Here are 3 types of businesses that are included in MSMEs:

1. Culinary Business, One of the MSME businesses that is most loved even by young people. Armed with innovations in the food sector and not too large capital, this business is quite promising considering that everyone needs food every day.
2. Fashion business. Apart from food, UMKM in the fashion sector are also in great demand. Every year new fashion trends are always present which of course increase the income of fashion business people.
3. Agribusiness, Who says agribusiness in agriculture must be capitalized with large land. You can take advantage of the yard of the house which is transformed into a profitable agribusiness land.

The Role of Micro, Small and Medium Enterprises (MSMEs)

In developed countries, MSMEs are very important not only because these business groups absorb the most labor compared to large businesses, as is the case in developing countries, but also in many countries their contribution to the formation or growth of the Gross Domestic Product (GDP) is greatest compared to the contribution from big business. MSMEs are also able to provide input to the largest gross domestic product (GDP) compared to large types of businesses. For example, in Indonesia in 2011 the total GDP contributed by MSMEs was approximately 65%, while large businesses only contributed around 50%. In addition, MSMEs also have an important role, especially in the perspective of employment opportunities and sources of income for the poor, income distribution and poverty reduction, and these MSMEs also play a role in rural economic development. However, according to Save the author in the book UMKM in Indonesia, regardless of their size, they are business actors, micro businesses, small businesses and medium businesses. The perpetrators can be referred to as Entrepreneurs. They have a number of traits or characteristics as an entrepreneur. They have high will and self-confidence, they focus on goals, they want to work hard, they are able to innovate.

MSME Clothing

Business in the fashion world is getting higher, especially the clothing industry. Throughout the first quarter of 2019, the clothing industry became a large segment and was able to achieve the highest production growth. This means that the more the number of clothing traders, the tighter the competition. The existence of the role of technology is currently one of the strategies of

clothing traders to win competition in the market. Aspects of Fashion or Clothing are increasingly touching everyone's daily life. Clothing affects how we see ourselves. The world of fashion and clothing also triggers the world market to continue to grow, producers to produce, marketers to sell and consumers to buy. How to dress according to fashion also shows our personality and idealism (SAVITRIE, 2008).

The fashion industry in Indonesia can be said to have developed very rapidly in the last few decades. This is supported by several things, such as information about fashion that is increasingly global, the level of the economy is improving, to the fast-growing retail sector. In addition, technological advances are also one of the factors that support the development of the fashion industry in Indonesia. Now, with the existence of the internet, consumers can easily get the latest information about fashion trends that exist both in Indonesia and countries producing well-known products such as Paris, Italy and several other countries (ARIEF, 2014).

Profit Concept

In a business or business that is managed by someone, both individually and in groups, must be able to make good plans and be able to calculate the profits to losses that may be experienced when running the business. In economics, profit can also be interpreted as profit. Profit or profit is the difference between total revenue and costs (cost). In fact, these costs can be classified into two, namely fixed costs such as land rent, purchase of agricultural equipment and variable costs such as costs incurred to buy seeds, fertilizers, medicines, and labor payments (Soekartawi, 2002). Profits are merchant activities that reduce some of the costs incurred with the sales results obtained.

If the sales results obtained are reduced by these costs, the value is positive, then a profit (profit) is obtained (Sukirno, 2005). Profit is the excess of income over expenses in connection with business activities. If expenses are greater than revenues, the difference is called a loss. Profit or loss is the result of calculations periodically (periodically). This profit or loss is not yet an actual profit or loss. The actual profit or loss can only be known if the company has stopped its activities and is liquidated (Soemarso, 2010). Based on the above understanding, it can be concluded that profit is the difference in excess of the increase in economic benefits/income after deducting all expenses related to business activities during an accounting period.

METHODOLOGY

The method used in this research is a survey method. The data collected includes secondary data and primary data. Secondary data was obtained by direct interviews with Fitri Busana business owners to obtain clear and detailed information, while secondary data was obtained from books and internet sites related to research and by documentation methods, namely taking pictures or photos during the interview process. with research subjects.

RESULTS AND DISCUSSIONS

In knowing the description related to the research subject, the data obtained from the field is processed and presented in the form of a description of the data with each research variable as follows:

Fitri Clothing Business Profile

Fitri Busana Business is one of the businesses in the fashion sector located in the City of Deli Serdang. This business is managed by Mrs. Fitri who has been running for 3 years, namely since 2019 assisted by one of her employees. The building in the form of a shop is rented by Mrs. Fitri at a price of IDR 22,000,000 in one year and has 1 employee. Fitri Clothing Business is located at Pasar Raya MMTC, Kenangan Baru, Kec. Percut Sei Tuan, Deli Serdang Regency, North Sumatra which is one of the large traditional markets in the city of Deli Serdang which has many visitors every day. The road access to the MMTC highway market is also relatively easy, making it easier for consumers to come shopping and of course it is a distinct advantage for Mrs. Fitri and other producers who sell at the MMTC market.

According to Sumarni and Soeprihanto (2005) that in choosing a business location one of them is by looking at economic factors such as proximity to raw materials, close to markets, close to labor suppliers and transportation costs. The purpose of choosing a business location is to provide opportunities for companies to achieve their goals or in other words to find the most economical location point in all sectors. The main product of the fashion business is clothing with good quality according to the price offered with the right marketing targets.

Type of Commodity being sold

Clothing or clothing is a primary human need that must be met. Here the informant sells clothes to meet these primary needs for consumers. The types of clothing sold by informants were clothes, shirts, batik, jackets, shirts, pants, skirts, dresses, underwear, Muslim clothing and school uniforms.

Profit

Profit is the excess income obtained by a business entity or individual from the initial capital issued. Based on the research conducted, the profits obtained by the informants from selling these clothes were uncertain, but the average profit earned was around IDR 300,000/day. However, according to the informant's statement, it could be that on a certain day when all the customers happened to come to shop or buy clothes, the profit earned would soar to IDR 700,000/day. So it is estimated that in a month the profit earned is IDR 9,000,000. From the benefits obtained, the informants explained that these profits were enough to fulfill their daily life with their families.

At the time the research was conducted, the sales conditions were considered normal, which had gone through difficult times during the Covid-19 pandemic. According to the informant, when the Covid-19 pandemic was still occurring, less than half of the normal conditions of consumers who came to shop for clothes at their shops. Profits are very thin and only enough to pay employees. This was due to the implementation of the PSBB which was set by the

government to reduce the spread of Covid-19 at that time. Consumers' concerns about contracting Covid-19 when they are in crowded places such as the MMTC supermarket have reduced consumers coming to shop. In addition, the impact of Covid-19 has also affected the jobs of many consumers, such as experiencing reduced working hours or even being laid off, which has reduced consumer income, so they have to reduce consumption, such as shopping for clothes.

Marketing Aspect

In the marketing aspect we examined, business owners don't do promotions by making brochures and then distributing them to several places. But by promoting directly to buyers when buyers come. Distribution of sales by using direct consumers as a promotional tool which then buyers who have already bought promote it back to their friends (mouth-to-mouth promotion). In running this clothing business, the informant explained that he started to open his shop from 12.00 WIB to 00.00 WIB assisted by one of his employees.

The informant has no other job besides selling clothes in his shop and this allows him to focus on his business so that it continues to progress and develop. In the midst of many competitors selling the same commodity at the MMTC main market, the informant did little to attract consumers to shop at his store. He only maintains the quality of the clothes he sells and with a friendly and courteous attitude in the services he performs. According to him, this was also enough to make consumers interested in shopping at his store, and this was evident from his statement which said that he already had several regular customers.



Figure 1. Observation at MMTC Grand Market



Figure 2. Observation at MMTC Grand Market

CONCLUSIONS AND RECOMMENDATIONS

Based on the research conducted, it can be concluded that the level of profit earned from selling clothes per day is Rp. 300,000 or up to Rp. 9,000,000 in one month. This shows that any additional production costs incurred are able to provide greater revenue. The profits obtained are sufficient to meet the daily needs of informants and their families. To continue to increase the profits of MSMEs in the clothing sector, it is necessary to maintain the quality of clothing sold and provide the best service for consumers so that these MSMEs continue to survive and develop as expected. For the progress of micro-businesses in the clothing sector, what is being done is to maintain the quality of products and services in trading so that these clothing SMEs continue to run and progress.

In trading, sellers should avoid cheating by doing everything they can to get as much profit as possible without regard to the goodness of the products being sold and marketed to consumers and complying with and implementing existing government regulations. In terms of increasing revenue, sellers need to make efforts to increase sales such as increasing production quantity and also lowering product selling prices so they can compete with other products and sellers must also improve marketing strategies by carrying out promotions so that sales can increase. For the government, it is hoped that they can maintain routine control of the new MMTC market at this time with conditions that occur every week or every day. Carry out strict supervision if there are elements who are still collecting illegal fees so that the income of traders will increase.

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FURTHER STUDY

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