Published by:
International Relations Office
Universitas Muhammadiyah Magelang

UNIMMA PRESS
Universitas Muhammadiyah Magelang

South East Asia ENTREPRENEURSHIP PRACTICE in the Time of Crisis

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ISBN: 978-623-7261-36-0
x, 264 pages, size 15,5 x 23 cm

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UNIMMA PRESS
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First Edition, July 2021

ACKNOWLEDGEMENT

In the name of Allah SWT, the beneficent and merciful. All praise is merely to The Mightiest Allah SWT, the lord of the worlds, for the gracious mercy and tremendous blessing so that this book chapter titled “Southeast Asia Entrepreneurship Practice in the Time of Crisis” can be published.

This book chapter consists of 11 chapters that discussed and informed us all about entrepreneurship practice in South East Asia. This book chapter is written by Indonesian, Malaysian and Philippines authors that shared their unique story about entrepreneurship practice in their countries. We thank all authors who contribute for each chapter and have filled their knowledge and experience to their chapter.

We also would like to send our gratitude to the book editors who have given their best work in increasing the quality of this book. To Prof. Dr. Mike Hardy, CMG OBE from Coventry University-UK, Dr. Wisnu Sakti Dewabroto from Podomoro University-Indonesia and Dr. Rochiyati Murninigsih from Universitas Muhammadiyah Magelang-Indonesia, We thank you all and hope to continue working with you in near future.

Last but not least, Thank you for UNIMMA International Relation Office that has initiated this project as implementation project for UNIMMA relationship to other universities both national and international partner. Hopefully, this book chapter would give a positive contribution to the educational development especially in entrepreneurship field or those who want to carry out further research.

Magelang, 20 Juni 2021

Dr. Suliswiyadi, M.Ag.
Rector of UNIMMA

INTRODUCTION

Prof. Mike Hardy, CMG, OBE, FRSA

We live in challenging times; an unprecedented period of amplified complexity fuelled by an unyielding and accelerating pace of change with pressures from new power relations, new technologies that disrupt as well as offer solutions, and new global interdependencies. With the public health crisis of COVID-19, this is a time of struggle and pandemic, when desired outcomes do not just happen, they often need design, commitment, and curation. These are times when risks are sharpened, and where the willingness to confront risks and take hold of the future is more important than ever. This is the terrain of the entrepreneur.

Entrepreneurs develop and manage activity to create wealth and gain profit; they take several risks by starting new business ventures and by seeking to navigate effectively through challenge. This volume charts both ideas and experiences and sets out to share and reflect on how best to sponsor the entrepreneurial community at this time of such disruption.

The COVID-19 Pandemic coincides with a global context that itself is less secure, better informed but at the same time pervasively mis-informed by new media and mass communications; a context that operates with declining levels of trust and fewer trusted institutions; a global context more unequal and less fair despite being more connected and interdependent, and one fraught with significant ethical dilemmas. Navigation through such complexity has brought new urgencies for entrepreneurs, new needs and new strategies.

Chapters in this book highlight the importance of partnership and collaborations stressing how entrepreneurship is so much more than an individual endeavour. Working together to identify and capture new creative ideas and strengthen economic resilience for the post-Pandemic age, and recognising the role of education and training, with attention to new enterprise-friendly curriculum are highlighted as the new essentials.

Entrepreneurship plays a key role in any economy, mobilising the skills and initiatives necessary to anticipate needs, creating resilient supply and bringing good new ideas to market. This volume is a strong reminder of the special contribution that entrepreneurs make to generate economic wealth, growth, and innovation in the uncertain and difficult times of crisis.

Mike Hardy,

Dr. Wisnu Dewabroto, M.Sc.

Changes in this world happen faster from time to time, starting from changes in new technologies, human behavior, to changes caused by COVID 19. Humans are born creative and able to overcome all existing obstacles and problems. Especially in the nowadays era, an entrepreneur is the center of attention as an economic hero whose special tricks can conquer critical conditions during the COVID-19 pandemic.

Business is not just buying and selling. More than that, the business goal is to bring value with the bigger impacts. The noble purpose of entrepreneurs cannot stop them at any condition. With sensitivity to the surrounding environment, they look for solutions with common sense to provide economic and social impact on the surrounding community.

The chapter in this book describes entrepreneurship as a basis for the world movement to get out of the crisis caused by the COVID 19 pandemic. It is interesting to see that each country has different ways but with the same spirit and purpose based on entrepreneurship.

This book will be a reminder that we are not alone. There are many people out there who are ready to walk together. Togetherness and collaboration are real and still a powerful weapon in facing every crisis and problem.

Wisnu Dewabroto,

Dr. Rochiyati Murniningsih, M.P.

Feed Pround and challenged to be an editor in the publication of this book chapter entitled *Shouth East Asia Entrepreneurship Practice In Time Of Crisis*. All studies in this book chapter are the right momentum to build an entrepreneurial character to be stronger and more competitive. The impact of the current Covid-19 pandemic is experienced in many countries as well as in the Southeast Asia Region. Almost all aspects have undergone significant changes due to this outbreak. One aspect that is affected is economic activity. There are four sectors that are most depressed due to the Covid-19 outbreak, namely households, SMEs, corporations, and the financial sector. Economic growth is also predicted to decline.

One way that is considered quite effective is to grow and strengthen the entrepreneurial spirit, especially among millennials. Therefore, the idea of compiling this *book chapter* is expected to become a medium for strengthening entrepreneurial thoughts and actions that are increasingly massive. The academic world, through all of its studies in this *book chapter*, will highlight the positive impact of entrepreneurship for the economy in the midst of the discourse of the "new norm era".

Trough two framework, *surviving dan sustaining* – the crisis period actually an opportunity to innovate and be as creative good as possible, take advantage of digital technology and maximize opportunities. Digital businesses, fintech, support services, health, nutrition and others are examples of entrepreneurs who capture global dynamics.

Rochiyati Murniningsih,

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CHAPTER-01

"Partnerships for Success: International Business Networking Among Small and Medium Enterprises in Malaysia"

Aida Idris; Nadrah Nasruddin; Nazmul Islam; Mohd Said Othman

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Abstract

The small and medium enterprise (SME) sector is a significant contributor to the Malaysian economy. However, intense competition within a small domestic market has had an adverse impact on their growth. The threat is even greater nowadays due to the ongoing Covid-19 pandemic and various forms of movement control order implemented to combat the spread of the virus. To ensure financial sustainability, it is important for these businesses to expand their operations into international markets through proper networking, but the challenges associated with the pandemic are creating new obstacles in internationalization efforts. Hence, new strategies are required in the current environment to enable Malaysian SMEs to build international networks that can help them explore opportunities abroad. The present study aims to explore this theme, via a qualitative research approach. Through snowball sampling, semi-structured interviews were conducted with 15 Malaysian SME entrepreneurs and the responses were analyzed using Atlas.ti. The findings indicate that despite various restrictions imposed by the government to curb the ongoing pandemic, government support is still considered the key enabler in internationalisation initiatives among Malaysian SMEs. However, the nature of government support needed by the SMEs during the current crisis requires some re-evaluation and adjustment. Such findings are useful as a guide for Malaysian SME entrepreneurs who are currently considering internationalisation as a long-term growth strategy, and for policy makers within the area of international business, particularly in response to the Covid-19 situation.

Keywords: *Internationalization; Networking; Malaysia; Small and Medium Enterprises; Government Policy*

Introduction

Small and medium enterprises (SMEs) are important drivers of economic growth all around the world. Especially for developing and emerging economies, SMEs play a significant role in poverty reduction, employment generation, and economic development. In Malaysia, there are approximately one million registered SMEs (SMECorp, 2019). This sector contributes around 98.5% of total business formulations across all economic sectors, 65.3% employment, and 36.6% of the country's GDP. However, due to the recent Coronavirus (Covid-19) outbreak and the ensuing movement control orders (MCO), the SME sector, along with other business sectors in Malaysia, has been adversely affected. According to Bank Negara Malaysia, due to the high debt-to-equity ratio and lower profit margin in 2020, the present financial condition of Malaysian SMEs is risky (BNM, 2020). Business analysts (theedgemarkets.com, 2020) have reported that the SME sector in Malaysia is struggling with very tight cash flow, which will affect various payments such as rental, staff salary, and other statutory commitments.

As an immediate response to the pandemic, the government of Malaysia has launched a number of economic stimulus packages for SMEs, such as the PRIHATIN SME Economic Stimulus Package (Prime Minister's Office of Malaysia, 2020) amounting to RM10 billion, which is used specifically to support SMEs' cash flow problems. Additionally, the PENJANA Economic Stimulus Package 2020 with a RM3.3 billion budget has also been introduced to assist SMEs in sustaining business operations, employment, and domestic investment. However, stimulus packages such as moratorium and wage subsidies mainly offer short-term relief and may not necessarily strengthen the firms in the long run. In order to ensure sustainable competitive advantage, it is important for SMEs to keep refining their business strategies and operations, as well as search for new opportunities in the future (Svatošovă, 2017).

Effective networking and internationalization of SMEs play a crucial role in enhancing their sustainability and growth. Networking is crucial in international business processes as it can improve the overall supply chain of a firm, identify potential foreign markets, and deal with global challenges such as political and cultural barriers (Ford & Mouzas, 2013; Tehseen & Sajilan, 2016). Past studies (Idris & Saad, 2019) suggested that Malaysian SMEs rely heavily on government support to venture abroad, which includes government sponsored exhibitions and trade visits, market knowledge and advisory services, and grants. However, in the current Covid-19 situation, some of these types of assistance may not be applicable because of movement restrictions and work-from-home requirements. It is highly likely that past international networking strategies may not be effective during the pandemic, and hence new strategies are needed to overcome current challenges.

In view of the above, the present study aims to explore current international networking challenges and strategies among Malaysian SMEs, especially in the context of the Covid-19 pandemic. The types of government support needed to enable SMEs' international networking efforts will also be of interest in this study.

The chapter is organised in the following manner: following this introduction, the next two sections provide the literature review and the methodology for data collection and analysis. Subsequently, the research findings and contributions will be discussed. Finally, the chapter will conclude with research implications and recommendations for future studies.

Literature Review

This section discusses extant literature in four key areas: SME internationalisation, SMEs in Malaysia, challenges faced by Malaysian SMEs, and business networking in Malaysia.

1. SME Internationalisation

Internationalization is necessary for the growth of SMEs that operate in highly competitive local markets. Internationalization ultimately influences the profitability of businesses and the sustainability of many SMEs. However, sustainable internationalization goals cannot be achieved solely by a firm's individual efforts. The internationalization process is a complex task which involves the optimisation of resources acquired through networking. Therefore, substantial research has focused on SMEs and their international networking process (Child & Hsieh, 2014; Senik, Scott-Ladd, Entrekin & Adham, 2011).

Researchers have identified three sources of networking which work together, namely institutions, business associates, and personal relations (Sepulveda & Gabrielsson, 2013; Senik et al., 2011). These networking links indirectly promote awareness of new entrants into the market and trigger market development. Such network connections are crucial for businesses to expand and reach new markets at the international level (Sepulveda & Gabrielsson, 2013). Hence, to expand business operations and facilitate international growth, SMEs need to improve their networking strategies.

2. SME in Malaysia

According to Malaysian convention, SMEs are categorised based on number of full-time employees and volume of annual turnover, as shown in Table 1. These categories apply to four key sectors: i) Primary agriculture; ii) Manufacturing (including agro-based); iii) Manufacturing-related services; and iv) Consumer services (including information and communications technology). Many SME companies are family businesses and self-proprietorships, in which the founders perform management and operating roles. SMEs are often considered the backbone of Malaysia's economic development (Zalina, Firdaus, & Azman, 2016), contributing around 98.5% of total business formulations in various industries, 65.3% employment, and 36.6% of the country's GDP (SMECorp, 2019).

Table 1. SME in Malaysia

	Micro	**Small**	**Medium**
Manufacturing Sector	• Firms sales turnover < RM300k • Full-time employees < 5	• Firms sales turnover RM300k to < RM15 mil • Full-time employees 5 to < 75	• Firms sales turnover RM15 mil to < RM50 mil • Full-time employees 75 to < 200
Service/Other Sectors	• Firms sales turnover < RM300k • Full-time employees < 5	• Firms sales turnover RM300k to < RM3 mil • Full-time employees 5 to < 30	• Firms sales turnover RM3 mil to < RM20 mil • Full-time employees 30 to < 75

Source: SME Corp Annual Report, 2018/2019

3. Challenges faced by Malaysian SMEs

The process of internationalization is complicated and challenging, and SMEs often face many obstacles (Mitra & Matlay, 2004). International business systems consist of many conflicting elements such as different management styles, topped by various laws, rules, and regulations. In general, most SMEs face challenges in terms of funding and decision-making. According to Harvie

(2008), critical disadvantages in the East Asian business environment are limited investment on finance, technology, skilled labor, market access and information, lack of economies of scale and size, high transaction costs, rigid market structures and intense competition with large firms. Hence, for most Asian SMEs, the greatest challenge faced in the current competitive business climate is the lack of essential resources, particularly capital, expertise, technology, and the knowledge required to run their business effectively (Tehseen & Sajilan, 2016).

Moreover, SMEs are usually affected by rapid globalization. In this manner, Malaysian SMEs also have to struggle against rising global competition, high-factor costs, and new and emerging technologies. Market liberalization, regional or international free trade agreements and the introduction of advanced technology have led to shorter product lifespan, posing stronger pressure on Malaysian SMEs to continuously upgrade and innovate.

4. Business networking in Malaysia

Business networking is usually defined as the web of relationships that a firm shares with other entities within the business environment, including customers, competitors, suppliers, government agencies, nongovernment organisations and the media (Ford & Mouzas, 2013). The roles of business networking, among others, are to promote the products and services offered by the firm, enhance the business supply chain, and overcome specific challenges such as political and cultural barriers.

The government plays an essential role in the growth of Malaysian SMEs, providing support in the forms of financial assistance, market knowledge, technical advice, et cetera (Saad & Idris, 2014). For those that aim to venture abroad, government agencies also help promote them globally through regional cooperations such as ASEAN and APEC, and by conducting international expositions and trade visits.

In the present era of technological advancement, online platforms too have contributed to the increase of marketing efforts through the social media as well as the implementation of innovative ways of communicating with target consumers on the Internet (Jagongo & Kinyua, 2013). Hence, in addition to official channels provided by the government, e-commerce is one of the most popular methods for international networking among

Malaysian SMEs. These networking activities have largely been spearheaded by the development of e-commerce platforms such as Lazada, Shopee, FashionValey, and private company websites.

Methodology

As stated earlier, the present study aims to explore current international networking challenges and strategies among Malaysian SMEs, particularly in the context of the Covid-19 pandemic. The types of government support needed to facilitate SMEs' international networking efforts are also of interest in this study.

This study adopted a qualitative approach to enable an in-depth exploration of current issues and strategies in international networking among Malaysian SMEs, especially during the Covid-19 crisis. Data were collected through semi-structured face-to-face and phone interviews with 15 Malaysian SME entrepreneurs, focusing on the manufacturing sector. A non-probability snowball sampling technique was used to select the respondents, who represented a range of industries (as shown in Table 2).

Table 2. Participating Companies

No	Industry	No. of Firms	Code
1	Agro Manufacturing (AgroMan)	3	(AG1-AG3)
2	Food & Beverages (FoodBev)	5	(FB1-FB5)
3	Personal Care & Beauty (PersonalCare)	3	(PC1-PC3)
4	Biotechnology & Herbal (BioHerb)	3	(BH1-BH3)
5	Outdoor & Water Sport (OutSport)	1	(OS1)
	Total Firms	**15**	

An audio-recorder was used to tape each interview. The responses were transcribed in Word format and then transferred to the Atlas.ti analysis software. Subsequently, the data were processed through the general qualitative text analysis method by concentrating on content analysis. In line with the thematic qualitative analysis technique, the data were coded and categories established using the inductive method. By incorporating concept-driven and data-driven techniques, the coding frame was developed.

As per the suggestions of Morse & Richards (2002), two coding approaches (descriptive and topic encoding) were adopted to analyze the qualitative data in this study. Frequency analysis and calculations were used in the encoding procedure. The frequency calculation method was carried out by coding the resulting themes to identify current challenges and strategies in developing international networks. This method also enabled comparisons, so that similarities from the resulting themes could be identified and explored.

Findings and Discussion

1. Internationalisation challenges

Three themes contribute to the challenges faced by the respondents in their internationalisation process, namely government policy, systems and procedures, and firm capability. These issues are interrelated and include lack of standardisation of government policies, long processing times for funds and facilities application, and inadequate firm resources. Some of these issues are associated particularly with the present pandemic, while others are longstanding challenges related to bureaucracy and poor communication.

All 15 respondents asserted that the execution of grants, facilities and support for the SMEs could have profound impacts on their internationalisation efforts. All indicated dissatisfaction regarding the facilities and support given to SMEs, raising concerns over unclear policies on internationalisation processes, such as the local content requirements and certificates of origin. Such barriers were notable especially in the BioHerb, FoodBev and AgroMan industries.

One respondent from the FoodBev industry [FB1] said: *"We have to use Health Ministry certification. The difficult ones need seven days... but because the shipment is too nearby, it is quite difficult to meet the deadlines "*. Another FoodBev participant [FB5] remarked: "*After Covid-19 and the MCO was implemented, the government announced some stimulus packages for SMEs, which is good. But most of them are short-term in nature, so I don't know how things will work out for us next year*."

Regulations and procedures in getting assistance and support are another obstacle for some of the respondents. All 15 firms are affected by this issue, but the problems appear to be more severe in the BioHerb and AgroMan industries. When asked about financial assistance related to Covid19, a participant from the BioHerb industry [BH1] claimed: *"It is difficult to get a loan. I was supposed to get a loan based on my proposal given to TEKUN. They approved a grant of eight thousand ringgit but until today, I have not received the money. Although I went several times... but TEKUN gave annoying reasons"*. One AgroMan entrepreneur [AG3] stated: "*My cost there was MYR25K but MATRADE gave MYR15k only. So at the very last minute, I had to find another source for the balance.* "

Other examples of regulations and procedures that cause difficulties for the SMEs include paperwork (e.g. lengthy application forms, proposals and the reference letter) and differences in document interpretations on certifications, labelling and packaging. A respondent [AG1] commented that: *"When we tried to penetrate the Middle East market, first of all we had to do a market survey... So from the exhibition we could see how the Middle Eastern consumers behave. Apparently Arabs prefer 20g per sticks only, because they like to drink in small cups, unlike Malaysian consumers who prefer 30g size per sticks. Then we had to think about how to change the packaging for 20g size per sticks"*.

Several respondents referred to National Standards which do not comply with International Standards (e.g. quality and safety assurance) as well as irrelevant, inaccurate and even contradicting information received from different institutions or government bodies. A FoodBev participant [FB2] reported: *"There must be a lab test, then a certificate of KKM... that is their first requirement. Another department requested for information on the quality of the black pepper breeds (laughing)"*.

Resource constraints among the SMEs are related to inadequate capital, high expenses of raw materials and production equipment, and complying with international standards especially for hiring foreign workers. About sixty per cent of the participating SMEs agreed that their firms had serious limitations in terms of human and technological capability as a result of Covid-19 and the ensuing actions taken by the government to flatten the curve. One respondent (FB3) said: *"There were many problems when our foreign workers had to leave the country. In our line of business, we need many workers to fulfil the demand for export production"*. Additionally: *"We need many workers for agricultural exports. It's hard to get Malaysian workers to work in fish cracker factory because of the stinky fish smell. But* *if we take foreign workers, we'll have to deal with massive immigration issues".* According to another participant (BH3): "*Because of the MCO, a lot of things have to be done online. It's okay for us in the city, the IT infrastructure is good... but for those in rural areas, not sure how they're coping".*

The importance of financial strength is especially evident. An interviewee from the BioHerb (BH1) industry stated: *"You can easily get the certificates if you have money in hand. For those newbies, it is a struggle to have MYR 40k in hand".* This suggests that firm resources facilitate internationalisation, whereas a lack of resources will inhibit the process.

2. International networking strategies

Notably, network relationships appear to be the most crucial strategy for internationalisation. Comments from the respondents reflect the importance of creating networks as a strategy for international activities and building long-term relationships to ensure assistance and support for foreign market entrance. For example, one of the interviewees (PC1) indicated: *"Networking with people who have exported before is vital so that we know the tricks of the trade".* According to another respondent (AG1): *"If there is no networking, we do not have information about the foreign markets. The bigger companies have business associations or groups so they can move abroad collectively. That is what I am doing now, I am trying to build groups of, say five companies, so if there are any events, we can share the information and whoever are interested can move together".*

Altogether, 40 items were gathered to explain the firms' strategies on international networking. These items converged into four categories, namely: i) Government and Non-Government Institutions (26 items); ii) Other Business Players (5 items); iii) Personal Relations (7 items); and iv) Other Sources (2 items). The qualitative and tabulated analysis used to explore these categories, as discussed below.

a. Government and Non-Government Institutions

Of the total 40 items, 26 are associated with institutions and count as the most popular among all strategies in international networking. The institutions include government ministries and other supporting government agencies, as well as trade bodies and associations. Table 3 shows the various categories of institution and the frequency for each participating industry.

Most of the respondents listed government institutions, such as ministries and government agencies including Malaysian embassies abroad, as important means for business networking. While all agreed that the ministries usually assist SMEs in creating networks, they also stressed the importance of the SME owners' targeting the most effective or appropriate agencies in facilitating their efforts to internationalise, depending on their firms' size. Also worth-noting is that most of these strategies are impractical during the current pandemic as a result of the MCO; hence a number of the respondents have had to resort to other sources of networking, as elaborated later in subsequent categories.

Table 3. Institutions

NETWORKING STRATEGIES	**INDUSTRIES**					
	AgroMan (n=3)	**FoodBev (n=5)**	**Personal Care (n=3)**	**BioHerb (n=3)**	**OutSport (n=1)**	**Total N=15 (%)**
Government agencies	3	5	-	1	1	10 (67%)
Trade bodies/associations	3	3	-	-	1	7 (47%)
Non-government organisations	-	-	1	1	-	2 (13%)

NOTE*: n = number of participating SMEs in each industry*

The following quotes demonstrate the types of support provided by relevant government agencies in assisting SMEs to internationalise, particularly in the pre-pandemic situation.

> *"We have tried many times to expand locally but it is difficult because our brand is not well-known here. So we decided to penetrate the export market rather than wait for the local market to grow. First we registered as a member with MATRADE and MATRADE is the agency which helps in promoting exports. Once you have joined, MATRADE will update you on international programmes or exhibitions and you can select countries that you would like to enter. "[AG1]*
>
> *"Once I joined a very large expo in Anuga, Germany, and I went with other MATRADE members. Of course, now with*

Covid-19, we can't do that. But I think the situation will recover next year, and we will continue doing this sort of activity."[AG1]

"When we first entered Brunei, MATRADE gave us a link for us to join an exhibition if we were interested. We had to pay first but we could get a refund if we decided to withdraw. Once we confirmed participation, MATRADE provided a list for things to bring to the exhibition." [FB1]

"We used to attend MIHAS exhibition... that was useful for us as direct exporters. We also advertised in MATRADE website and asked for their recommendations. Having an online connection is good, especially now when there is movement control order."[FB2]

"Normally we joined international expos or carnivals organised by trade associations, for example, GulFood in Dubai and Durian Fest in Nanning, China. We have been to many countries, and we found international buyers or importers through these expos."[FB4]

"Our company get loans from SME Corporation and we're listed in their database. They organise seminars and workshops, help us to meet other players in the same industry." [PC1]

"First we joined MATRADE, then we participated in their exhibitions. From there we started to establish our networking to promote our products to international markets." [OS1].

Besides government institutions, two respondents (PC1) and (BH2) referred to one non-government organisation (NGO), namely the Malay Chamber of Commerce, as a provider of information on international opportunities. For example: *"The company is also registered with Dewan Perniagaan Melayu Malaysia (Malay Chamber of Commerce). They give us tips on who to approach if we want to explore certain overseas market. " [PC1].*

b. Other Business Players

The second category of international networking strategy involves "other business players". From the findings, five items (out of the total 40 items) emerge concerning networking through such parties, as shown in Table 4.

Table 4. Other Business Players

NETWORKING STRATEGIES	INDUSTRIES					
	AgroMan (n=3)	FoodBev (n=5)	Personal Care (n=3)	BioHerb (n=3)	OutSport (n=1)	Total N=13 (%)
Agents and distributors	-	3	2	2	-	7(47%)
Suppliers	2	2	-	-	1	5(33%)
Customers or clients	-	-	1	2	1	4(27%)
Potential competitors (other SMEs/large corporations)	1	2	-	1	-	4(27%)

NOTE: *n = number of participating SMEs in each industry*

Almost half of the respondents mentioned developing a strong relationship with agents and distributors as a strategy for networking, as evidenced by the following quotes. Furthermore, the interviews reveal that the SMEs also rely on their suppliers, customers or clients, other SME owners, and large corporations to build their business networks. Notably these findings suggest that the nature of relationships in business networking is very complex, where some businesses can play multiple roles simultaneously - as customer, competitor and strategic alliance.

> *"We send to our agents, who were recommended by ABC Frozen. They handle all the exporting for ABC Frozen to Melbourne. This agent took our crackers into the Melbourne market."[FB3]*
>
> *"During a Maldivian trade visit to Malaysia, a company bought our pomade... our products are available in Watson, so they bought it and used it at home. Then they contacted us and asked if they could become our distributor in the Maldives."[PC1]*
>
> *"For Brunei and Singapore, we will post to our distributors in Sarawak and Johor, and the buyers from those countries will collect from our distributors."[PC2]*

One respondent indicated an innovative social media networking strategy to suit the current Covid-19 crisis, which she executed indirectly through her customers: *"Most of my* *customers have ended up becoming my agents (laughing*). *They have a lot of followers through Facebook, so I offer them discounts and commission if they help to promote my products... another breakthrough was through one large company with a chain of pharmacy outlets."[BH3].*

c. Personal Relations

The findings show that seven items (of the total 40 items) are related to personal relations, as presented in Table 5.

Table 5 shows how personal relations can become a strategy for business networking. Some of the participants believed that in order to gain trust in networking, open connections that cut across diverse groups must be developed. One way of doing this is by cultivating relationships with other ethnic groups, as illustrated in this quote: *"Now the BMF – Buy Muslim First campaign... we cannot say that we will not buy other races' products... we cannot say that we support the campaign because many of our business friends are non-Malay and our products are available in their supermarkets... some of them are my Facebooks friends too."[FB4]*

Table 5. Personal Relations

NETWORKING STRATEGIES	**INDUSTRIES**					
	AgroMan (n=3)	**FoodBev (n=5)**	**Personal Care (n=3)**	**BioHerb (n=3)**	**Out&Water Sports(n=1)**	**Total N=13 (%)**
Close friends, families and relatives	1	2	-	1	-	4 (27%)
Contacts made by chance (through events, personal introductions, etc.)	-	2	-	1	-	3 (20%)
Malaysians based abroad	-		-	1	-	1 (7%)

NOTE: *n = number of participating SMEs in each industry*

Networking with friends, relatives or neighbours helps information flow into a firm because of unconditional relationships. Personal relations also reflect other elements such as the entrepreneur's previous experience, which in turn increases the credibility and authenticity of the information gathered. These types of relationship provide strong grounds for obtaining relevant information and skills, as the following quote illustrates: *"Find a mentor in export business... those who have more experience, like my former manager in the company I worked before... that is what I do to learn faster about the trade."[AG1]*

There is also evidence that networking with other Malaysians who are based abroad also helps to ease the process of internationalisation, especially in the present situation where international travel is banned. One respondent [BH2] shared: *"I met a Malaysian who opened a restaurant in Oman, and I brought my products to Oman through him only... the demand there is quite good. There is a Malay community there, and my contact makes it easier to give samples and get them to buy my products."* Another [AG1] added: *"My friend introduced me to a buyer from the US... this guy is a Malaysian also, and he bought two cartons from me. Now he's a regular customer."*

d. Other Sources

Table 6 presents the details of "other sources" as a strategy in international networking. These include various sources of information, such as the Internet (search engines, company websites and social media), market research, specific reading materials, as well as self-learning and observations. The table shows that almost half of the participating SMEs utilised search engines and company websites to gather information on international opportunities. Close to 30% reported using the social media. These findings indicate that traditional methods of networking are increasingly supplemented with technology-based interactions.

Table 6. Other Sources

NETWORKING STRATEGIES	INDUSTRIES					
	AgroMan (n=3)	FoodBev (n=5)	Personal Care (n=3)	BioHerb (n=3)	OutSport (n=1)	Total N=13 (%)
Search engines/ company websites	-	3	1	2	1	7 (47%)
Social media	1	1	-	2	-	4 (27%)

NOTE: *n = number of participating SMEs in each industry*

The SMEs in this study realise the importance of advanced technology and being aware of global trends. They use the Internet to accelerate the gathering of information on foreign markets and to gain contacts. Reaching out to people all over the world, at the same time, has been possible because of the Internet. Although this trend has been intensified by the ongoing Covid-19 pandemic, it has in fact gradually gained momentum over the recent years and is very likely to continue far into the future. Thus, there is a critical need to re-evaluate and revise the forms of government assistance given to these SMEs, as suggested by the following quotes:

"Some of the basic information like contact person and office address, we found in their website… small companies like ours usually promote in Facebook , maintaining our own website requires additional expertise which we don't have ."[PC2]

"We do have our own website, we use it to advertise our products… and the final transaction is also done online through our bank account."[FB2]

"For us in urban centres, meeting people online is very common. I've done it for years, but I don't think the same can be said for rural entrepreneurs. Now with the pandemic and living in the new norm, they'll have to learn to do it too… have to start with some kind of training first."[OS1].

Implications and Conclusion

The present study extends the literature on SME internationalisation by improving understanding of international networking challenges and strategies of Malaysian SMEs in recent times. The research findings show that when SMEs take part in seminars, conferences and exhibitions, they gain knowledge about international opportunities. Such knowledge enables them to identify potential markets, the best market-entry strategy and the networks needed to penetrate the markets. The government especially has played a vital role in providing various platforms for local SMEs to gain greater access to foreign markets, such as through trade visits and business promotion activities by Malaysian embassies abroad.

However, in the current Covid-19 pandemic, some of these traditional methods of networking cannot be implemented because of the movement control orders and standard operating procedures established to combat the virus. Therefore, other forms of government assistance are needed by the SMEs, particularly training and upskilling in digital technology, which can empower them to build networks on their own in the long-run. The research has also highlighted Malaysia's urban-rural divide in digital technology infrastructure and rate of technology adoption. Urgent attention to these issues must be given by national policy-makers and technocrats to accelerate the country's socioeconomic recovery from the effects of the pandemic.

Nevertheless, this study is limited only to the manufacturing industry. In future research, by including other sectors such as services and agriculture, a wider perspective may be obtained to give a more holistic view of international networking among Malaysian SMEs. The present study has also used a very small sample size. It is important that future research utilise a larger sample size to derive more accurate and representative results. Additionally, it is advisable to validate the current qualitative findings through a quantitative or mixed-method triangulation approach. This will enable researchers to examine the relationships among associated variables, such as the effect of government digitalisation programs on SME networking capabilities.

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CHAPTER-02

"Tangan Diatas (TDA) Community: The Socioeconomic Movement, Model of Entrepreneurial Community"

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Abstract

In line with the growing entrepreneurship in Indonesia, entrepreneurial communities have also grown. Indonesia is rich in an entrepreneurial community. This entrepreneurial community has various backgrounds, including religions, ideologies, ethnicities, cultures, and movements. This community will then create a collaboration or cooperation in their business. One such entrepreneurial community is the Tangan Di Atas (TDA) community, which in Indonesian means a community with the desire to always sharing and giving. TDA has an important role in building the entrepreneurial ecosystem in Indonesia. TDA embraces informal businesses, SMEs (Small and Medium Enterprise) and corporate. TDA builds entrepreneurial-friendly ecosystems with small groups called Mastermind in each region in Indonesia. With the spirit of mutual cooperation instead of competition, the members of the community run a business together, create a joint market, and face challenges together, including the challenges of Covid-19. In facing the current pandemic situation, it is necessary to develop voluntary community participation from ongoing social interactions with cultural ties. Surviving today's crisis is imperative. Providing mutual support to SMEs is crucial for anyone in dealing with this uncertain situation. The TDA community proves that the spirit of collaboration and cooperation has provided considerable benefits for members and society with its various programs, such as #BeliTDA, TDA Peduli, #TDATanggapCorona, and TDA TV

***Keywords**: Entrepreneurship Community, Togetherness, Business Collaboration, Covid-19, Indonesia*

The COVID-19 Pandemic and Its Impact

Covid-19 forces the whole world to put a brake on socio-economic activities to prevent the spread of Covid-19. This virus has transformed to be epidemic since December 2019 in Wuhan, China with a quick spread that now becomes a pandemic. The distribution of Covid-19 outside China is getting faster and more significant; in contrast to the conditions in China which seems to have started recovering from the outbreak (the US is becoming a new epicenter with a share of 20% of total cases).

The escalation of Covid-19 distribution has impacted global economic growth, including in Indonesia. Sri Mulyani as the Minister of Finance of Indonesia said that the coronavirus performed a more complex impact on the global economy compared to global economic pressures in 2008. The projections for global growth on 20 March 2020 according to JP Morgan's version are -1.1% where they state that currently, we are facing dual crises; health and economy, which have pushed the global economy into a deep recession. Meanwhile, The Economist Intelligence Unit on 26 March 2020 predicts global economic growth of -2.2% in which the global economic picture looks gloomy. The International Monetary Fund (IMF) said that global economic growth is projected to be -4.4% in 2020. This projection has decreased by 0.8% since the revised World Economic Outlook (WOE) projection in June 2020. Indonesia also officially recession in the quarter III-2020 based on data released by the Central Statistics Agency (BPS). The Ministry of Finance of Indonesia, Sri Mulyani, once noted that the economic rate in the third quarter was repeatedly recorded to be negative, previously -5.32% and -3,49% afterward.

One of the most affected is the industrial sector, especially Micro, Small, and Medium Enterprises (MSMEs). Despite various financial crises, the MSME sector has survived and become a savior sector. The current crisis is different since it does not originate from the financial side, especially the capital market, where MSMEs are not directly connected. It is known that MSMEs contribute 60.34% of the total national Gross Domestic Product (GDP) and contribute 58.18% of total investment.The current crisis hits the economy, starting from the demand, supply, to the production side, where people reduce their social and economic activities. Economic activities do not work due to the absence of transactions. Entrepreneurs cannot pay their workers. The result is further termination of employment or being sent home. Termination of employment causes a decrease in income, and automatically the purchasing power of the community; thus, it causes less money to be spent, especially on non-primary sectors.

TDA Community (Komunitas Tangan Di Atas)

In line with the growing entrepreneurship in Indonesia, entrepreneurial communities have also grown. Indonesia is rich in an entrepreneurial community. This entrepreneurial community has various backgrounds, including religions, ideologies, ethnicities, cultures, and movements. This community will then create a collaboration or cooperation in their business. One such entrepreneurial community is the Tangan Di Atas (TDA) community, which in Indonesian means a community with the desire to always sharing and giving.

The establishment of the TDA Community is originated from a blog written by one of the TDA founders, Badroni Yuzirman. Later on, the blog readers came up with the idea to hold a meeting in the form of a talk show with Haji Alay, one of the successful figure entrepreneurs who was frequently discussed on the blog. January 12, 2006, was the date of the talk show, attended by approximately 40 people at the Sederhana Restaurant Rawamangun, East Jakarta. The talk show was the first milestone in the establishment of the Tangan Di Atas (TDA) business community. The term Tangan Di Atas was firstly introduced in the talk show. The interpretation was then expanded to an entrepreneur or trader. The participants were challenged to immediately take action to start a business. A week after, on February 1, the Moslem Fashion Area was opened and 12 of the participants were those who attended the talk show. To facilitate communication among the alumni, a mailing list was created to coordinate with each respective store and discuss business issues.

Eventually, the mailing list was opened to the public with members reaching hundreds of people. Since then, community members have continued to grow and become a gathering place for entrepreneurs who are predominantly MSMEs. The business categories of TDA members with a revenue of up to 300 million are 49.37%, 300M -2.5B are 31.01%, 2.5B-5B is 7.91%, 5B-10B is 6.33%, 10B-20B are 3.48%, 20B-50B are 1.27%, and above 50B are 0.63% (currency is in Indonesian Rupiah/Rp).

The Pandemic Reinforces TDA Community

TDA has an important role in building the entrepreneurial ecosystem in Indonesia. TDA embraces informal businesses, SMEs

(Small and Medium Enterprise) and corporate. TDA builds entrepreneurial-friendly ecosystems with small groups called Mastermind in each region in Indonesia. Hence, they become dynamic small businesses that become fast-growing businesses. This urges potential SMEs to form an independent business. In the end, they play an important role as a support for the country's economy.

In facing a pandemic condition, cooperation from all parties is required, starting from the government, society, institutions, and communities, including TDA. The pandemic has reinforced the largest entrepreneurial community in Indonesia. This community of more than 50,000 members stands out with its spirit of cooperation. Even the National Security Council of the Republic of Indonesia has dubbed the TDA community as the happiest community during the pandemic.

Figure 1. Focus Group Discussion between TDA and National Security Council of the Republic of Indonesia

TDA Focuses on Strengthening the Entrepreneurial Mindset

Entrepreneurship is defined as a leader who is sensitive to the problems around him, proactive in finding solutions and transforming solutions into a sustainable business, and being impactful on the economy and society. Meanwhile, the purpose of doing business is to provide "value" to consumers that will have a positive impact on the economy and society and deliver value with a greater impact (Haverila, McLaughlin, Haverila, & Viskovics, 2020).

The TDA community is a non-profit business community for someone who has the vision to be a wealthy entrepreneur who loves sharing with others. The popular term is abundance or an enlightened millionaire. To foster entrepreneurship in Indonesia, TDA consists of layers of generations, from senior entrepreneurs to aspiring Indonesian entrepreneurs. Their ages range from 25-40 years old, educated people, fast learners, wise practitioners, who have been fully aware of choosing entrepreneurship as a path of noble success.

The TDA community is an affordable, open, family-friendly entrepreneurial learning medium driven by a massive and abundant voluntary spirit, breaking the general deadlock that regards business science as the secret of a company or some groups. TDA's vision is to become a leading entrepreneur community that has a positive contribution to civilization. Its mission is to foster an entrepreneurial spirit, form remarkable and successful entrepreneurs, create synergies among fellow members and between members and other parties based on a high trust community, foster social life and share among members and create a technology-based business resource center.

The SMEs' Social and Economic Movement of TDA members who were affected by the Pandemic Crisis

TDA does not only focus on business activities, but also social activities under program called TDA Peduli (tdapeduli.com). TDA Peduli is a part of the Tangan Di Atas (TDA) community which has a mission in the social and humanitarian fields. An example is when a natural disaster occurs, members and administrators work together to raise donations and even go directly to the society in the affected area. Likewise, during the month of Ramadan, they routinely provide a donation for orphans and the poor. When there are fellow members who are affected by the disaster, they immediately move to help. Other programs include the distribution of alms rice, blood donations, etc. So that fellow members can mutually affirm and grow.

At the beginning of the pandemic, TDA Peduli campaigned #TDATanggapCorona, one of the TDA Peduli programs, to increase public awareness of the Covid-19 pandemic. Some of the #TDATanggapCorona actions are as follows:

1) Donation for the manufacture of 10,000 hand sanitizers. These activities include fundraising, making a dam, distributing hand sanitizers to the public
2) PPE (personal protective equipment) Donations for medical personnel with Rumah Zakat: the first stage of donations collaborated with Rumah Zakat for procurement of PPE for medical personnel
3) *#TDATanggapCorona*; coordination of fundraising in various regions in Indonesia according to the needs of each city/region
4) TDA also empowers SMEs in tailor/production to make medical PPE. This program succeeded in making 14,000 medical PPE worth 1 billion. The manufacturing capital is collected from each TDA member very quickly, no more than two weeks.

Changes must be addressed by every person and organization. If not, the people who are reluctant to make changes may be left behind or even collapsed. By taking advantage of technological advances, business players, including SMEs can expand their market reach (Zhu, K., Kraemer, K.L., Xu, S, 2006) . The Covid 19 pandemic is increasingly making business people need to further optimize digital marketing. Moreover, SMEs are one of the sectors that suffered from this pandemic. It is very obvious because the products produced cannot be fully absorbed by the market. Consumers prefer to meet basic needs for daily life, thus purchasing power decreased.

Therefore, TDA launched the #BeliTDA (belitda.com) campaign (Figure 2). #BeliTDA supports the stability of the local economy. The community members work together to run the wheels of the economy via an online catalog of belitda.com. This campaign consist of sellers of the TDA community members. Through the #BeliTDA program, the hope is that we can support and help each other's businesses and build closer ties, especially in difficult times like this. #BeliTDA is an example of online marketing where it is an easy step to buy and market products among TDA members. Now, #BeliTDA becomes a jargon and habit among the TDA community that motivate them to buy products from one another. Every time someone buys a product from a fellow member, they usually immediately post it on social media with #BeliTDA.

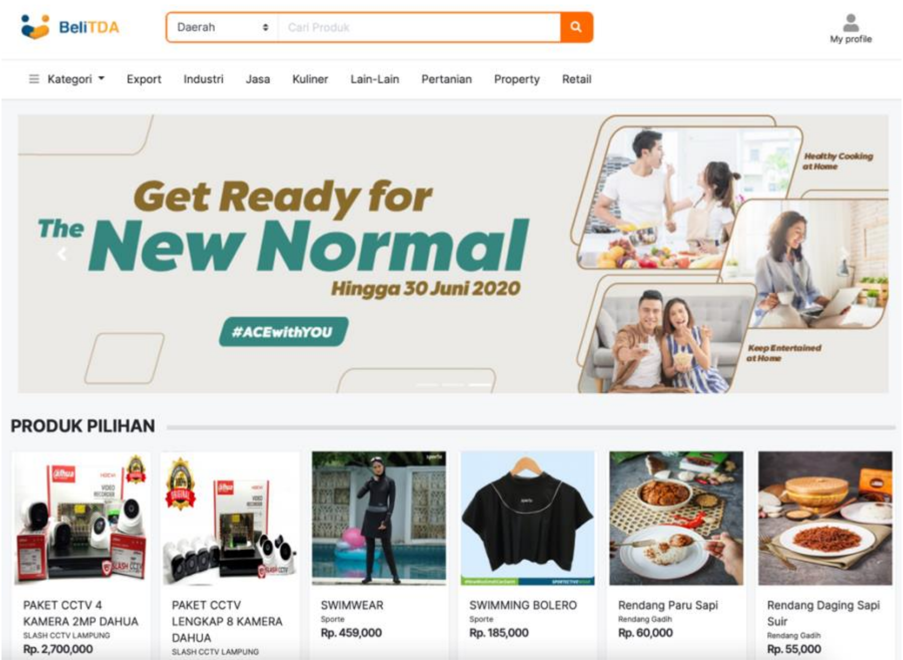

Figure 2. BeliTDA.com Site

The Socioeconomic Movement Model of the Entrepreneurial Community

The spirit carried out by TDA is KolaborAksi (collaboration accompanied by action) with the purpose to make a framework that creates a solid community. TDA consists of dynamic small - medium and large entrepreneurs, business mentors, etc. TDA is formed based on the desire to grow each member based on TDA values such as friendship (mutual support, synergy, communication, cooperation, being kind, working in teams, and succeeding together), integrity (honesty, transparency, trustworthiness, commitment, responsibility, fairness), open-minded (continuous learning, continuous improvement, creative), action orientation (solutive spirit, consistent, persistent, positive thinking and acting, giving and receiving, abundance), and balance in life (wealth, social and spiritual , successful and noble).

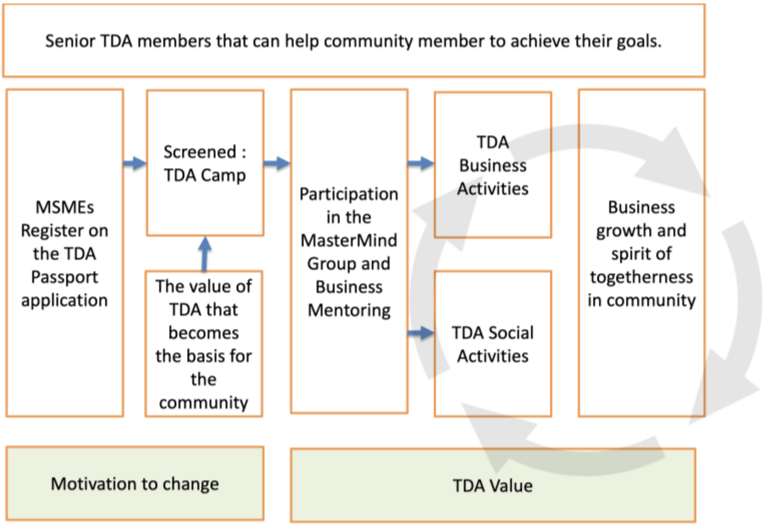

Figure 3. TDA Community's Socioeconomic Movement Model

It can be seen from Figure 3, the process of joining the TDA community. It starts from dynamic SMEs/beginner entrepreneurs/sympathizers are screened first through the TDA Camp after previously registering on the TDA Passport application. TDA Camp is committed to emphasizing the value of TDA that becomes the basis for the community. Especially for administrators, there is a program called TDA FunMan which comes from the word Funtastic Management. This program is designed for TDA administrators to learn how to balance business, organization, and family; hence, they feel more fun or enjoyable in their activities, particularly in dedicating their time for TDA. Therefore, the tagline must be FUN, if necessary, FunMan since being TDA is part of socializing, providing benefits to others, establishing and strengthening friendship, building and maintaining a business, and improving the quality of life.

How to create the FUN effect? Every TDA member must make the family a priority by involving the family and being transparent with the family. The management's working relationship must also support each other, since helping each other develops a positive attitude (Cothrel, 2000). The programs must answer needs; being accessible can also raise friendship. From a business perspective, every TDA member will get business insights, mentors, and opportunities to develop a business.

After TDA Camp and FunMan, each member then participates in the MasterMind Group called KMM, which is a group of TDA members who gather periodically to discuss and share with each other. The group can be managed per-region to facilitate communication and meetings, according to the type of business, the size of the business, certain turnover, or whatever appropriate.

From the mastermind group's regular activity, TDA members can join the Business Mentoring Club, where the members are from several areas mentored by central and regional mentors. They hold regular meetings to discuss business developments and find solutions to the members' business problems. They also have monthly activities such as TDA Forum, 3-month activities such as TDA Seminars, training, and workshops. Besides, they conduct annual activities such as TDA Birthday and Entrepreneurial Parties. Currently, TDA has an official YouTube channel called TDA TV. TDA TV serves as a medium for sharing entrepreneurial insights. TDA TV is also used to report the activities of the TDA community throughout Indonesia via YouTube. During the pandemic, TDA TV has provided more than 1000 contents that focus on improving the entrepreneurial capacity for all TDA members and SMEs doers in general. Not using paid speakers or resource persons, TDA TV content is created from us for us, using community resources shared for the community

A huge event held annually is the Pesta Wirausaha or party for entrepreneurs in Indonesia (pestawirausaha.id). This event is a gathering place for all TDA members and entrepreneurs in Indonesia. Entrepreneurial Parties have been organized in many cities across Indonesia with various activities, for instances, inspirational stages, digital classes, technical classes, tutorial classes, business clinics, TDA awards, business expos, business trips, TDA gatherings, TDA for education, community meetups, investor meetup, and entrepreneur summit. In 2020, this event was held online. TDA still organized an online Entrepreneurial Party in April 2020 and January 2021.

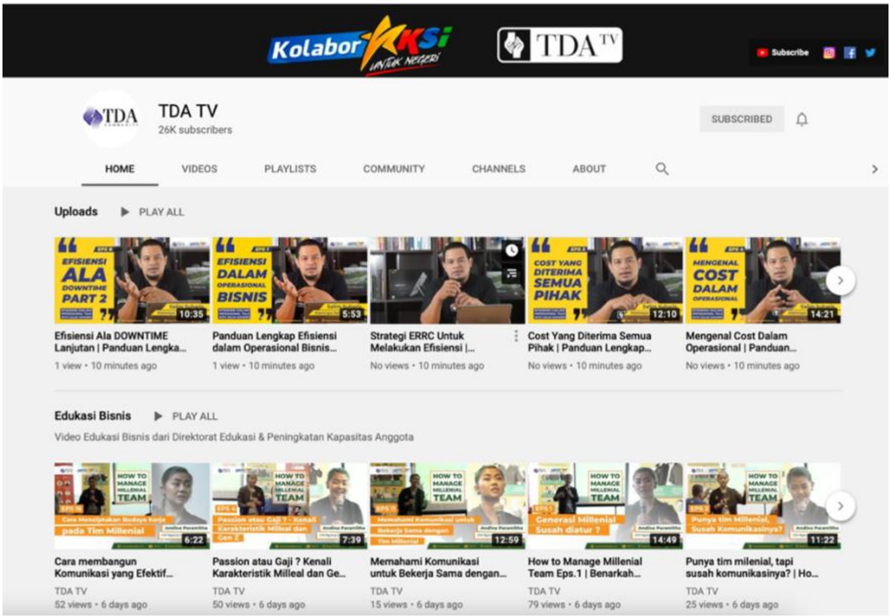

Figure 4. TDA TV, The Largest Entrepreneurial Literacy in Indonesia

Currently, TDA coverage is in 15 areas. One region covers one province or a combination of several provinces. TDA has 95 regions covering one regency/city or a merger of several regencies/cities in one province.

TDA actively organizes training and for mentors and eight workshop series. Training for mentors means preparing mentors who will help their members. Several training activities provided are public speaking, effective learning methods, time management, and other business materials. Meanwhile, the eight workshop series is the typical TDA entrepreneurial curriculum consisting of the company's vision and mission, leadership, teamwork, products, legal aspects, systems, communication/sales as well as cash flow/finance.

A community is created by a group of people who share the same specific goals. Everything is achievable if the founders believe in the community (Rowe *et al.,* 2015). Togetherness has proven this belief for somethings that are impossible to be executed individually. Previously, the movement of TDA was mostly offline. It happened due to the assumption that the success of members in the business is expectedly achieved faster if they meet and work at an offline level such as in gathering, workshops/seminars/training, mastermind groups, etc. But in pandemic conditions and with the help of technology, it is possible to maintain the members' intimacy online. The community is even more solid and growing, as evidenced by the increasingly significant movements that have been previously described.

The main point to make a community survive a pandemic is collaboration (Yeo & Lee, 2020). Collaboration is proven to strengthen and grow each member. The hallmark of TDA, besides motivating and growing each other, is action-oriented. Thus it makes TDA slipped into Taking Double Action. TDA avoids a lot of fruitless discussion and debate. It is not surprising that TDA received an award from the Ministry of Cooperatives and SMEs as the most contributing community to the growth of SMEs in Indonesia.

Of all the activities of the TDA community in encouraging its members during the pandemic, the following is a Community Social Movement model that can be used in any community anywhere (Figure 5). A solid Community Social Movement starts the process from:

1) A society with a motivation to change. For example, SMEs entrepreneurs would like to scale up their business
2) Group of communities sharing the same desires based on agreed values. In term of TDA, the values known as the TDA values, namely;
   a) Friendship (mutual support and synergy)
   b) Communication (cooperative, kind, team player, and succeeding together).
   c) Integrity (honesty, transparency, trustworthiness, commitment, responsibility, and fairness)
   d) Open-minded (continuous learning, continuous improvement, and creative)
   e) Action-orientation (resourceful, consistent, persistent, positive thinking and acting, giving and receiving, abundance)
   f) Balance in life (material, social, spiritual, successful, and noble).

3) If the community already understands and agrees on the values adopted, then several activities will make the community solid. Activities can be in the form of core community activities or social activities. Each activity must certainly lead to a goal in the community.
4) In every activity, there are definitely some people who are more senior. Senior members are expected to help each member achieve their goals.
5) With the ongoing cycle of activities in the community, it is believed that trust, emotional connection, increased self-confidence with community identity will be formed.

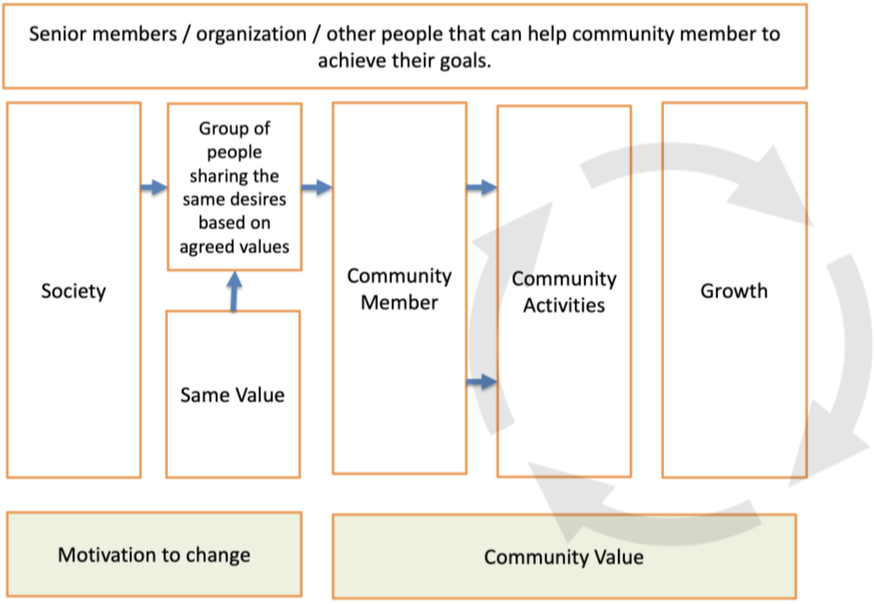

Figure 5. The Socioeconomic Movement, Model of Entrepreneurial Community

The Spirit of Pancasila and *Gotong Royong* (Mutual Cooperation) Have Become a Culture in Indonesia

In the current uncertain situation, there is one hope that becomes the strength Indonesian people; the culture of mutual cooperation. *Gotong Royong* is a term that derives from the Javanese language. *Gotong* means pikul or lift, while *Royong* means together.

So if taken literally, gotong royong means lifting together or working something together to achieve the expected result. Our ancestors have made it our nation's culture since time immemorial. As a Pancasila (foundational philosophical theory of Indonesia) country, diversity is not a barrier to work together in realizing a better Indonesia.

Gotong Royong appears in everyday life along with the spirit of togetherness, without compulsion. It arises because of great awareness and responsibility through a sense of belonging. *Gotong royong* can also be seen as the active participation of each individual to be involved in giving positive values to an object, problem, or need of the people surrounding. The contribution is not always associated with the material. It also can be in form of energy, thought, etc.

Gotong Royong in its implementation requires a strong sense of solidarity; however, solidarity is influenced by the needs and conditions of the community. As in TDA, solidarity is influenced by the desire to continue growing and motivating, especially during the Covid-19 pandemic. Fellow members implement Pancasila values such as *Gotong Royong* with the #TDATanggapCorona and #BeliTDA programs where members help the community and fellow members affected by Covid-19 survive. The Pancasila ideology with the spirit of a populist economy has proven to be the pillar of the national economy; therefore, it is not easily vulnerable to be hit by the crisis. Even though Indonesia has been affected by the 2008 global crisis and now the Covid-19 pandemic, Indonesia has proven that the economy is not battered.

With the spirit of mutual cooperation instead of competition, the members of the community run a business together, create a joint market, and face challenges together, including the challenges of Covid-19. In facing the current pandemic situation, it is necessary to develop voluntary community participation from ongoing social interactions with cultural ties. Thus it will create a community that is shared, affectionate, mutually supportive, hand in hand, and helpful - sharing the burden and need to one another with a spirit of mutual cooperation. This is definitely in line with the pride of Pancasila noble value.

Figure 6. TDA Programs during Pandemic

The Covid 19 pandemic has attacked significant pillars of the Indonesian and world economies. Starting from distribution, production, to even market, and in almost all sectors. It has made us rethink whether we can well carry out the adaptation strategy Surviving today's crisis is imperative. Providing mutual support to SMEs is crucial for anyone in dealing with this uncertain situation. The TDA community proves that the spirit of collaboration and cooperation has provided considerable benefits for members and society with its various programs, such as #BeliTDA, TDA Peduli, #TDATanggapCorona, and TDA TV (Figure 6). Beli TDA is a program where people support each other by buying local brand which advertised in the platform. TDA Peduli is a charity-based program where all members collaborate to initiate a social program from weekly charity in form of food sharing to disaster aid scheme to help disadvantage people. TDA tanggap corona is a charity program focus to Covid-19 awareness to help others to prevent corona virus spreading. Lastly, TDA TV is a TV program/ youtube channel to learn together about entrepreneurship and business. "If you want to go fast, go alone. If you want to go far, go together "

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CHAPTER-03

"The Activity of Entrepreuneurship in University of Muhammadiyah Pekajangan Pekalongan (UMPP)"

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Universitas Muhammadiyah Pekajangan Pekalongan

Abstract

Entrepreneurship subject in University of Muhammadiyah Pekajangan Pekalongan (UMPP) is determined to prepare the students in increasing their brave and motivation to be independent, and no longer focused on being job seekers. Based on the report, educated unemployment data in Indonesia shows, the higher a person's education, the lower his independence and entrepreneurial spirit. Besides, the entrepreneurship education (entrepreneurship) is very important and is expected to be able to create entrepreneurial spirits, so that they are able to be independent and create jobs that continue to grow every year. This chapter stated 3 examples of entrepreneurship activity conducted in three faculties in UMPP.It is proven that entrepreneurship education is very important and expected due to creating entrepreneurial spirits; so that students become more independent and create progressive jobs continually every year. Thus, it must run continuously and become an integral part of the entire education process in higher education. These efforts need to be conducted to overcome the increasing of educated unemployment. Furthermore, from the education process, the students could prepare themselves to be independent, not only as job seekers, but also as job creators. With the incessant entrepreneurship education; integrated into the curriculum and student activities, the target achieves 30 percent of university graduates who will be successful entrepreneurs. And of course, it will be a trigger to drive the nation's economic growth.

***Keywords**: Entrepreneurship Education, Student Business, Young Entrepreneurs, Innovative Business*

The course of entrepreneurships in the highest education level in Indonesia firstly has been taught for about 10-15 years ago. Starting from '98 events, most economic activities in Indonesia were totally paralyzed due to monetary crisis. All the business activities nearly stopped but small and medium enterprises still run. This sector has been proven to be able to survive in the midst of a crisis that hit the Indonesian nation so badly. This fact was realized by authorized institution in Education as one of the alternative ways to survive in the midst of intense competition in the working world. Thus, the course of entrepreneurships has been started to be taught in all universities in this country.

This subject is determined to prepare the students in increasing their brave and motivation to be independent, and no longer focused on being job seekers. Based on the report, educated unemployment data in Indonesia shows, the higher a person's education, the lower his independence and entrepreneurial spirit. Besides, the entrepreneurship education (entrepreneurship) is very important and is expected to be able to create entrepreneurial spirits, so that they are able to be independent and create jobs that continue to grow every year.

From many considerations due to government's spirit to create many entrepreneur actors as many as possible, University of Muhammadiyah Pekajangan Pekalongan has applied this as the subject in its curriculum especially in Faculty of Economics and Business. This subject is offered for and must be attended by the students in the third semester. However, it does not mean other faculties do not give the entrepreneurship matter, they keep applying it embedded in other subjects.

Below, there are some examples of entrepreneurship activities which have been conducted in three faculties in University of Muhammadiyah Pekajangan Pekalongan.

The Innovation of Stunting Prevention Drinking of *ASI TUKEJA* (Katuk, Kelor, Jahe) By Undergraduate Program in Pharmacy, Faculty of Health and Sciences.

One of the considerations to create this innovation is malnutrition in toddlers still becomes an important issue in Indonesia especially in Pekalongan. According to the September 2019 edition of Radar Pekalongan's report, the number of cases of stunting in Pekalongan Regency is still very high, as much as 3,200 or around 32%. This matter could be overcome by improving nutrition among the breast-feeding mothers through their breast milk for their toddlers.

This best nutrition can easily be obtained from *katuk, kelor* leaves and *jahe*. These plants grow very well everywhere in Pekalongan area; therefore, they could be produced anytime. As we know, *katuk* leaves contain phosphorus, protein, vitamins A, B, C and K, fiber, potassium, iron and magnesium. Meanwhile, *kelor* and *jahe* leaves contain flavonoids, increasing breast milk. Gingerol in *jahe* has a function as an antioxidant which could increase immunity. All stated above could be used as an innovation for Tukeja's ASI instant drink as a breast milk facilitator.

This matter was caught by this department as the opportunity to make the herbal instant drink as a supplement and market to the costumers. This innovation has many significances such as follow:

a) Creating alternative products which are practical, nutritious, and safe according to the needs and desires of breastfeeding mothers.
b) Decreasing the stunting event.
c) Increasing the quality of breast-feeding mothers' life.
d) Creating jobs for the Pekalongan community based on their local wisdom.
e) Improving the economic standard of *katuk, kelor*, and *jahe* farmers through the community empowerment.
f) Creating local products as Icons and Branding of Pekalongan Regency.
g) Creating agricultural-based tourist destinations as herbal laboratories.

The development of innovative herbal medicine in the form of granules originated from the idea of developing and using non-chemical products which are currently more attractive to the public because of their low side effects. The trend in society of a "back to nature" life is the creation of a strategic market share in the marketing of quality herbal medicine products. Although the aroma and distinctive taste of herbal medicine remain, this choice facilitates the herbal drinkers in enjoying their flagship herbs anywhere.

Moreover, the advantages offered from this product innovation include original, firstly product in Indonesia, cheap, and easy to serve. Also, in the process of filing patent intellectual property rights for product names, it is registered in P-IRT with the Pekalongan District Health Office, and clinical trial research so, it could be used as Indonesian phytopharmaca products.

Figure 1. The Product of *ASI TUKEJA*

Kedai KONG, Philanthropy based Fruit Processed Beverage Innovation, By Undergraduate Program in Management Students, Faculty of Economics and Business

This innovation of this idea is based on some facts in Pekalongan; First, many millennial teenagers in this city prefer spend their spare time by gathering with their friends in small cafes. Not only enjoying the food and beverage, but also to discuss everything relate to their studying or working. Second, there are many *kedai* which provide the fresh fruit without processing to be other products. And the place is so far from the convenient place to hanging out and talking freely.

This entrepreneurship activity has some advantages over than other *kedai* in the city such as promoting program, buy ten free one product, charity program for others, and also it has many toppings different from the ones from other *kedai*. This program is conducted by the management students supervised by their entrepreneurship lecturer. Some steps were held before opening this activity such as follow:

a) A location surveys
b) A suppliers survey
c) The place arrangement and decoration
d) Promoting

In promoting this business, the students optimize some media such as brochure, media social (Facebook, Instagram, and WA), a discount tag, and vouchers.

After some steps above, they started to run this business while keep doing some evaluations such promoting evaluation, arranging and decorating evaluation, raw materials and supplier's evaluation, and cost evaluation. So far, they have produced and sold 2,140 cups of various flavors and can pay the people around the *kedai* to help this business. Thus, it creates a job vacancy indirectly for the surroundings. Also from this activity, it has increased the students' creativity to optimize their potential ability, teach them how to organize a business starting from the beginning, enhance them to be independent, and build their mental to be brave in facing the competition time after graduating.

The Processed Aloe Vera as an Alternative Minimalizer of Diabetes Mellitus

This innovation came for seeing some issues happen in Indonesia. One of them is the death rate due to diabetes mellitus is still quite high in this country. Besides, based on the profitable activity, we must have innovation and new breakthrough in terms of business development. We have come to a free market where everyone is competing for benefits. Currently we see the problems in Indonesia are getting more complex, starting from poverty, education, security, and also unemployment matters. Many people try to start their entrepreneurship activities such as opening the café, selling the street food, and produce some needed productions. Unfortunately, some are failed. This failure is caused by some factor such as the lack of idea to create an innovative and creative thing.

Thus, the students of Management Program have a strong motivation to start their entrepreneurship activities to create a pudding made from using Aloe Vera. This innovative idea has some purposes such as follow:

a) Processing this plant so that it becomes a favorite food for many people.
b) Creating new innovations for practical Aloe Vera products.
c) Increasing the circulation of functional products in the Indonesian market.

d) Facilitating access to products with a franchise sales system through social media that can be accessed by anyone and found anywhere.
e) Making it easier to access more attractive products with packaging innovations in a cup that can be enjoyed practically.
f) Becoming a new learning tool for students to make new venture.

This pudding is hoped to be cheap and good product and can be accepted in the public. For the marketing, it used many social media from instagram, facebook, whatssap, and at their *kedai*.

Figure 2. Preparation to launch the product

Figure 3. The Product

Figure 4. The Workshop

The Products from The Vocational Program in Machine Engineering, Faculty of Engineering and Computer Science

The Vocational Program in Machine Engineering, Faculty of Engineering and Computer Science, University of Muhammadiyah Pekajangan Pekalongan has one of the subjects; the Welding Practice. This subject does not only teach the sciences especially welding techniques, but also it teaches their students about entrepreneurships. The product produced by their students could be sold among the lecturers and society as well. The products include Cabinets, Shelves, Tables, Chairs, Iron Doors, Cassava Slicers, Trainer Engine, and a wash basin with a stepping system. The last stated is recently made by the students due to Covid 19 Pandemic Time where everyone is expected to concern more about the hygiene and also the health.

Arif Feriansah, ST., MT as the lecturer and the supervisor of this subject explains about the reasons of making this tool. It means for training the students to have a competent in creating a product based on the subject theories. Moreover, it also aims to enhance them in developing their entrepreneurship skill. This product is a relatively competitive cost considering all materials and tools are facilitated by the campus. The advantages of the products are level of neatness, speed of manufacture and tools used using SNI standard equipment. In producing it, the students have followed the rule in the Welding Practice Job sheet so the process run as the lecturer's instruction. For marketing the product, they usually join some expo events annually conducted by Pekalongan City and District Government.

Of course, the products are really useful for the community and the institution. From the process, the students could improve their hard and soft skill. Those skills will be much needed when they compete the job after graduating in the future. Moreover, they have a lot of experiences during making the products.

Some interesting experience often occurs when they join and conduct the expo in Pekalongan City and District. After the events, some orders from their friends and people who attended the event came. Besides, UMPP also supports this students' activity by ordering the products to fulfill their needs.

➢ Some pictures below are the prove of their joining in EXPO events

Figure 5. When They Joine

Figure 6. an example of product

Figure 7. an example of product

Figure 8. an example of product

Figure 9. the process of production

Three activities stated above are some examples of entrepreneurship activity conducted in three faculties in University of Muhammadiyah Pekajangan Pekalongan. Of course, other activities have been held recently. Based on the questionnaire result, the students have some obstacles in starting entrepreneurship activity for not lecturing and never been stimulated to do business on their own. In other side, no startup capital becomes one of some factors doing entrepreneurial activity. Other factor is less willingness to create their own jobs.

Therefore, an entrepreneurship education (entrepreneurship) is very important and expected due to creating entrepreneurial spirits; so that they become to be independent and create progressive jobs continually every year. Thus, it must run continuously and become an integral part of the entire education process in higher education. These efforts need to be conducted to overcome the increasing of educated unemployment. Furthermore, from the education process, the students could prepare themselves to be independent, not only as job seekers, but also as job creators. A report states for about 82,2% graduate students become employers in the government offices, companies, and other institutions.

With the incessant entrepreneurship education; integrated into the curriculum and student activities, the target achieves 30 percent of university graduates who will be successful entrepreneurs. And of course, it will be a trigger to drive the nation's economic growth.

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CHAPTER-04

"Students Business Sustainability Scheme in Coved-19 Era"

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Abstract

This chapter discusses a strategic approach and program conducting by Universitas Muhammadiyah Magelang (UNIMMA) in assisting students business in Covid-19 era which many of them are collaps during this time. Strategies steps from idea to business sustainability strategies are discussed and revealed here. This program has started since 2020 and at this point of time, the system is still being measured and practiced to maintain its sustainability. Lastly, the key point of this program lies in the collaborative concept that is promoted during its process.

***Keywords**: Students business, Entrepreneurship, collaboration, covid-19, business sustainability, strategic steps*

Introduction

The covid-19 virus that widely spread especially since 2020 has shifted country's economic performance. Both developed and developing countries are struggle to maintain their economy where the same time they have to prevent the spreading of this virus. There are a lot of ways that have been taken to minimize the Covid-19 effects, such as: country lockdown, local lockdown, closing country border, limitation movement and massif covid-19 test.

With all those limitations, regional economic experience a rapid downturn due to decreasing transaction in all business aspect. Following to that, Small and Medium Enterprises (SMEs) that once were the savior of Indonesian economic during crisis, is hit badly this time. Numerous SMEs can't operate due to the lockdown, customers limit their consumption and decreasing demand drives to SMEs collapse during that time. Students business is not exaptational. Countless students businesses have to close down. Data taken from Entrepreneurship Unit in Universitas Muhammadiyah Magelang (UNIMMA) stated that 80% non-food business stop operating since the second quarter of 2020.

As a leading University in Magelang, Central Java and Kedu Region, UNIMMA focus in preparing graduates to suit to industry and market needs. One of the focus is in preparing students to be entrepreneurs. Hence, mentoring, assistance and training program are prepared to help students to build and sustain their business. There are some activities that have been done to support this intention, such as: setting up entrepreneurship unit in University, doing regular training and assistance for student businesses and engaging those businesses to various expos.

Especially in this Covid-19 pandemic, UNIMMA through its Entrepreneurship Unit is setting an assistance scheme for Entrepreneurship survival in Covid-19 era and this scheme will be elaborated in this chapter. This scheme is also implemented directly to students business and up until now, the evaluation and sustainability process is still running.

Practical Approach and Scheme

Sustainability is always an issue in entrepreneurship especially during the time of crisis such as disaster, economic crisis in 1998, 2008 (Korber & McNaughton, 2018) or this current situation, Covid-19 pandemic (WHO, 2020). The closing down of the business during the crisis is inseparable to Small and medium Enterprises' (SMEs) nature in having limited resources, access to bank and funding, knowledge and partnership, creativity and innovation, entrepreneurship education and reserve funds (Keuschniggg & BoNielsen, 2003; McAdam, McConvery & Amstrong, 2004; Faherty & Stephens, 2016; Mauborgne & Kim, 2017). In order to achieve sustainability, contemporary researches take in-depth note about entrepreneurship context, growth, competitive strategy, resilience, entrepreneurial identity, business model, culture mix, resource to entrepreneurial stories (Toghraee & Monjezi, 2017; Gehman & Soubliere, 2017; Ticona & Mateescu, 2018; Lounsbury, Gehman & Glynn, 2019).

This part will develop steps in creating sustainability scheme for students business in this covid-19 pandemic.

1. **Identify the problem**

As the first step, UNIMMA Entrepreneurship Unit identify and map it's students business which affected by this pandemic. The result showed that 80% or most business experience decreasing in sales where a relative normal and stagnant business are traditional

F&B business. Data also showed that even though majority fashion business are declined in sales, however some of them are still get normal order. Figure 1 showed some students businesses in UNIMMA which negatively affected by covid-19:

Figure 1. UNIMMA's students businesses affected by Covid-19

As seen above, most businesses are non-food business. Some of them are product-based such as: iands.co (Environmental friendly outer), LaCollect, Branchies, Safira Fashion and Kasarung (Handmade hijab, Sarung, bag and women’s clothes), igifts.id (wooden souvenir) and the others are service based product such as: Luar Kuliah, Danasiwa, Nekart and Yavadesh.

All businesses mentioned that decreasing of customers’ purchasing power due to covid-19 situation may be the main reason. Decreasing of purchasing power caused secondary and tertiary products is put aside for a while. However, F & B based business is believed to be sustained even in covid-19 era as people main and daily needs.

2. Collaboration

It is certain that we cannot stand alone, specifically in uncertain and dynamic situation where change comes so rapid, our own strength is not enough to make us survive in the industry. Hence, the major key of this assistance scheme is collaboration. UNIMMA entrepreneurship unit decided to create new business through collaboration. Businesses that included in these scheme were secondary and tertiary needs business that experience sales declining and the owners eager to form a new collaboration business.

Steps in creating new collaboration business

In this part, steps in creating business in Covid-19 era will be elaborated. One point need to be put in our mind that this scheme is still running until now. Evaluation and sustainability strategy still implemented to seek the suitable strategy and gain continuity profit. The first step taken is:

1. **Team**

Creating a strong team is the essential part of this strategy. A strong team will bring success and on contrary, the fragile one will drag it down. Team creating for this scheme started by eliciting which business owner that eager to form a new collaboration business. One business owner may invite others to join the team. As in this sustainability scheme, 5 business owners are ready to join the program.

2. **Idea Generation**

Bear in mind that secondary and tertiary-based business is experienced a downturn during pandemic. Hence, F&B based business is the choice. However, it still need to be calculated due to demographic aspect and customer behavior in Magelang. The next step in this scheme is generating idea and to be specific the idea needs to be F&B based business.

During the process, we identified that beverage (drink) based business need to be avoided because this type of business is included as red ocean business already. Red ocean means that there are too many competitors in one market that drive into shorter life-cycle, harder sustainability and more difficult profit generating (Mauborgne & Kim, 2017) . In Magelang, beverage (drink) based business is various from coffee based, tea based, milk based, coke based and combined/mix drink from those based. Apart of the choices, we can easily find drink stand/booth in every corner of the street. Lastly, both traditional and modern drink are included in the competition that lead to more variety of drink-based product in the market.

This leave us to food-based product. Compare to drink based product, even though there are countless kind of food, this product is still sustain because included as main need in our daily life. Following to that, Indonesia people are counted as consumptive customers especially when it comes to food (snack is included). Hence, looking for specific food as a new business is primary objective in this part.

In choosing the food, we used several considerations, such as:

a. It should be traditional food because it has longer life cycle
b. One of people's favorite food
c. It should be snack not main dish because it will be targeted young adult who like snacking

Based on that consideration, we choose one of students business who left behind after the owner graduate. Below is the product chosen as the collaboration business:

Figure 2. Collaboration Business in Covid-19 pandemic

The business called Sokarnow is a grilled meatball that packaged in a modern way complete with various sauce to be chosen by customers. This business targets young age as main customers and channel used is on site sales and social media. Sokarnow is a rebranding from its old brand which is Sokar.

3. Job description for each team member

For this project, UNIMMA Entrepreneurship Unit got 4 business owners who are willing to form a new team, 1 student joins as designer and 1 student joins as photographer. We also invite Sokar owner to join the production team.

4. Business feasibility test

Feasibility test is taken as the next step to test whether this business worth to pursue, how long will the breakeven point (BEP) achieved, How much capital need per branch and also suitable price for each serving. By using cash flow prediction, income statement, sales target and initial investment, We managed to count how much capital needed and BEP time.

5. Strategies

Some steps taken in order to open this business, they are:

a. Business rebranding

Sokar used to be a familiar brand in campus and can sell up to 500 skewers daily. However, it is only operated in campus where there is no competitors. The condition made Sokar didn't have any business concept from the packaging, taste, branding and else. By selling off campus, Sokar need to a rebranding to be able to target larger market and gain more new customers. Hence, the rebranding process started from logo, packaging, taste and sauce. SOP is also reconstructed and team's responsibility is divided to production team, sales team and promotion team.

Figure 3. Sokar Before Rebranding

Figure 4. Sokar(now) After Rebranding

Figure 5. Sokar packaging Before Rebranding

Figure 6. Sokarnow packaging After Rebranding

b. Location

This business is concepted as a take away product which can be found easily in some places in Magelang. Hence, we ordered 4 carts to be placed in 4 different locations. However, during the market test process we decided to open in 8 different places where team members form their own team and successfully recruit other people to open more branch and cover more locations in Magelang. Below is the location of each branch:

Figure 7. SokarNow Location

c. Market test

Before launching, we conducted market test in form of pre-order event. We opened pre-order for 3 times. The feedbacks are mostly positive but there are negative comments as well that help us improve the quality and service. After the third pre-order, we tried to join a food bazaar event in Artos mall. With the same aim, we target to practice handling more orders, standardize the SOP and increase customers awareness of the product. Market test run well where we achieve our target to gain feedback from customers. The result of market research then standardized to each process and service.

d. Launching

Business was launched on April 07, 2021 by conducting different strategy based on their location. One location used invitation to gather customers, other used discount, combo package and else.

e. Sustainability strategy

As a modern business which have limited life cycle, Sokarnow has to set a sustainability strategy. So far, UNIMMA Entrepreneurship unit assisted them in setting its sustainability strategy by:

1) Assure the standardize of taste, quality and production and service SOP
2) Making monthly action plan for promotion and strategy
3) Scheduling monthly meeting for evaluation

Based on above explanation, here is the model we conduct in assisting students business in Covid-19 era. This model is focus to collaboration action between business owner, hence, there must be other scheme apart of this one:

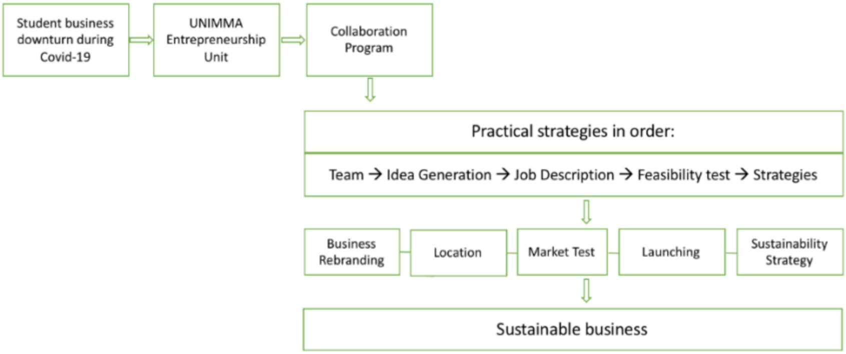

Figure 8. Collaboration based for Sustainability Scheme

Start-up business approach during Covid-19 pandemic

Alike product-based business, start-up business owned by UNIMMA students need to be assisted as well during this pandemic. However, differ to SokarNow, even though offline activity is limited during this time, online activity which is the main activity of start-up run normally.

As for UNIMMA's start-up, Danasiwa which launched in pandemic time had to adapt its launching process. When the previous start-up, Luar Kuliah could hold its launching in crowded area to attract people's attention, Danasiwa could not do the same. In 2019, Luar Kuliah launched its product/service in Magelang's most crowded and most visited place during Car Free Day event. Below is picture of the launching process where the founders themselves set their launching strategies from gas balloon distribution to the visitors, games and activities, Questions and Answering (QnA), consultation, crowd marching and brochure distribution.

However, due to the Covid-19 pandemic, there is no face to face or crowd gathering activity for business launching. UNIMMA's startup business acceleration tenant, Danasiwa, has to conduct their product/service launching via online. Hence, to still build customers awareness and gather them in a certain forum, Danasiwa set an online webinar and at the same time doing a ceremonial launching process which was attended and inaugurated by the Rector of UNIMMA, Assosiate Professor Dr. Suliswiyadi, MM, M.Ag.

Figure 9. Start-Up Launching in 2019

Figure 10. Online Launching Poster

Below is Danasiwa's website:

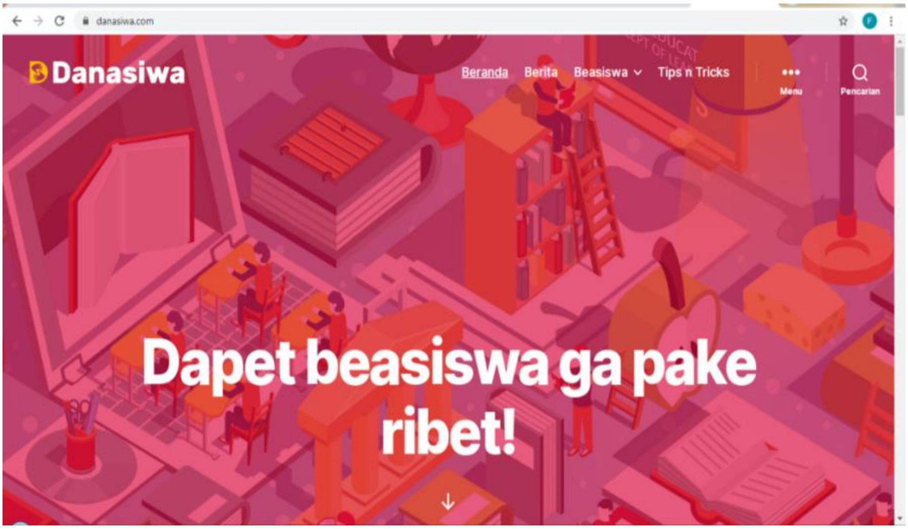

Figure 11. Danasiwa's product

So far, since it launched, both have successfully run several events and activities in order to sell their service to customers, They also successfully secure grant from DIKTI (Indonesia's Education and Technology Institution) through KBMI (Kompetisi Bisnis Mahasiswa Indonesia) in 2019 for Luar Kuliah and KIBM (Kompetisi Inovasi Bisnis Mahasiswa) for Danasiwa in 2020. Lastly, Luar Kuliah was included as a team in startup boot camp by BEKRAF (Indonesia's Economy Creative Institution).

Conclusion

Covid-19 indeed change every layer of our life, start from economy, social to environment. All aspects are affected from the way we study, the way we shop, the way we connect to others to the way we do business. UNIMMA's students businesses are not exceptional. Data taken by UNIMMA Entrepreneurship Unit recorded that 80% student businesses are closed down during pandemic. Most businesses that closed include fashion, hand craft, service, souvenir, hijab and other secondary and tertiary needs business.

Hence, UNIMMA Entrepreneurship Unit set a sustainability scheme for student businesses in 2020. The scheme is combined some business owners and collaborate them to form a new business while still run their own business. This collaboration is set in food business as it is believed to be more sustainable in the time of crisis. There are some steps taken in order to launch and sustain the business. On the other hand, startup business is not affected much in the process however we only need to adapt a little in its operation.

Lastly, this scheme is still running and sustainability still need to be assessed. However, by setting some sustainability strategies as mentioned above, it is expected that this business can run well even in the pandemic era and can be a role model and example for other businesses.

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CHAPTER-05

"ENTRE-*Pinoys*: Embedding Enterprise Resilience amidst COVID-19 Pandemic"

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Abstract

Business in the Philippines is dominated by micro, small, and medium enterprises (MSMEs) totaling 995,745 number of establishments. Entrepreneurship creates and gives jobs, income and social empowerment, and hopefully contribute to the reduction of poverty rate of a country. It allows people to escape from informal economy and make ways to earn more money from available materials and services. However, The pandemic has forced thousands of businesses to permanently close, leaving thousands of Filipinos jobless. The rapid outbreak of the coronavirus presents an alarming health crisis that the world is grappling with. In addition to the human impact, there is also a significant commercial impact being felt globally. Entrepreneurship in the Philippines is not only due to foreign influence but also by culture. Filipinos love selling products which are evident by numerous small-scale stores mushrooming around and within the community selling almost similar products. Common products sold include junk foods, biscuits, candies, canned goods, household needs, cleaning materials, cigarettes and beverages. Through the advent of technology, gadgets linked communication of people from all places through social media platforms. Social media has been an effective platform for many things- from communication to business. Other than from posting products with pictures in the internet, live online selling also emerged as new strategy in product marketing online. To acknowledge and recognize the existence of these industries, the Department of Trade and Industry called for registration of businesses with certain exemptions. This initiative and considering the status of the country's entrepreneurship, the government initiates programs to help entrepreneurs in the time of pandemic.

***Keywords**: Online business, Covid-19, Philippines, Entrepreneurship, Digital marketing*

Business in the Philippines is dominated by micro, small, and medium enterprises (MSMEs) totaling 995,745 number of establishments. Individually, there are 91,044 microenterprises, 99,936 small and 4,765 medium enterprises in the country based on the Philippine Statistics Authority report (PSA, 2019).

The survival of our economic condition is not only an issue, but the main problem of every country in the world, and the Philippines is not exempted from this concern. With this, we are tasked at committing something that will contribute to the solution of the economic problem. It is noted that not all professionals who finished their degree or non-degree programs are assured of high-paying jobs, hence it is necessary to be equipped with skills in *Entrepreneurship* to assure livelihoods and income (Asor, 2009).

Entrepreneurship creates and gives jobs, income and social empowerment, and hopefully contribute to the reduction of poverty rate of a country. It allows people to escape from informal economy and make ways to earn more money from available materials and services. Studies have posited that entrepreneurship in the Philippines could possibly transform Filipinos from poor to non-poor (Cudia, Rivera & Tullao, 2019).

Most of Filipinos are employed in the informal sector. Based on the July 2019 Labor Force Survey (PSA, 2019), an estimated 94.6% was the employment rate, wherein 27.3% of the total employed was self- employed and ventured to entrepreneurship.

Early in the first quarter of 2020 when COVID-19 pandemic hit globally threatening the lives not only of human but also businesses and economies in a whole. With the quick initiative of the government and concerning agencies to lockdown regions for health and safety protection, the movements of people as well as business activities have been severely handicapped. Nevertheless, Filipinos resiliency surpassed any trials through creativeness and innovativeness combined with entrepreneurship skills. With the Philippine economy taking such a huge hit from the COVID-19 pandemic, Filipinos, according to a recent study, have turned to something "small" to cope financially with the global health crisis: microbusinesses.

Filipino microbusinesses at present are trying to seek alternative ways to maintain operations and to somehow gain income from what resources are available. This resulted to the shift of business avenue allowing them to reach their potential customers and continue transactions with them. With the physical limitations due to the pandemic and with the advent of technology, people go online. The presence of e-commerce is vital for businesses to be discovered and establish its credibility, present information and create transactions in digital platforms. In the long term, more businesses will shift to the online marketplace as the pandemic showed that having online capabilities allows a business to stay operational amid crisis.

The pandemic has forced thousands of businesses to permanently close, leaving thousands of Filipinos jobless. The rapid outbreak of the coronavirus presents an alarming health crisis that the world is grappling with. In addition to the human impact, there is also a significant commercial impact being felt globally. As viruses know no borders, the impacts will continue to spread. One of the keys to business is resilience throughout the entire enterprise, from financial (stress testing, forecasting and liquidity), operational (crisis management, people, supply chain, technology and data) to commercial (spanning markets, products, services and customer experience) areas.

Glimpse on Filipino Entrepreneurial Attitudes and the Effects of ASEAN Integration

Entrepreneurship in the Philippines is not only due to foreign influence but also by culture. Filipinos love selling products which are evident by numerous small-scale stores mushrooming around and within the community selling almost similar products. Common products sold include junk foods, biscuits, candies, canned goods, household needs, cleaning materials, cigarettes and beverages. The competition in this entrepreneurial setup relies on the marketing strategies. Considering the fact the people within the community are known to each other, the concept of "longer credit list" is a factor such that most of these stores allow credits payable anytime.

Among South East Asian races, Filipinos have the strongest entrepreneurial intentions, placed entrepreneurship as highest form of career choice. Entrepreneurship in the Philippines is strongly supported by the society and caught the support of media as platform for advertisements and other marketing activities.

Assessments of Philippine development performance raise questions about the quantity and quality of Filipino entrepreneurship. Despite the early attempt at industrialization, industrial entrepreneurship has failed to flourish in the country. Considering the effectiveness of Philippine entrepreneurship ecosystem, it was reported that 300 new firms were born for every 1 million working age population (Word Bank, 2016 cited in Garcia et al, 2019). Its consistency in possessing strong positive interest in putting up a business made the country to have the highest rate of entrepreneurship in SEA (Velasco, et al, 2016). Filipinos topped the list among with the highest optimistic perceptions in their business. However, despite of the optimistic mindset of the Filipino entrepreneurs, Philippines has the lowest rate in terms of business survival and discontinuance between startup businesses. Lack of capital, low profitability, and personal emergencies are the leading reasons of such discontinuance (Velasco, et al, 2016). Yet, entrepreneurs expressed lower fear of failure in business activities.

Although there are policies and laws seemingly supporting entrepreneurship in the country, the population is not well informed on the existence of these policies (Velasco, et al, 2014). Policies on entrepreneurship found to be less bureaucratic compared to Indonesia, Malaysia, Thailand and Vietnam. In the 2017 World Competitiveness Report of World Economic Forum, Philippines scores on policies concerning burden of government regulations, hiring and firing practices, competition and impact of business rules in FDI scores relatively low (negative) (WEF, 2017).

Assessments from the experts noted that the country is low in government policies, R&D transfer, and market openness brought about by inconsistencies in the implementation of policies, low priority in Research and development on technology and products with very low budget allocation. Other reasons noted include improper dissemination and implementation of government policies, lack of extensiveness of infrastructure, lack of management skills among small and medium business owners to grow and expand businesses; and limited financial support from formal financial institutions catering debts and equity funding for entrepreneurs.

The progress of the ASEAN integration has brought many opportunities for local businesses. This integration has opened door for economic growth for all the ASEAN members with the goal of creating a single market and production base, Highly- Competitive Economic Region, Equitable Economic Development, and Integration into the Global Economy (Coloso, 2015). In order to achieve these goals, every nation must work hand and hand for the country's well- being. Hence, cooperation is the key.

Philippines is dubbed as one of the fastest growing country in Southeast Asia sub- region and in Asia, as a whole, the local small and medium- sized enterprises (SMEs) shall take advantage of the ASEAN integration in order to penetrate global trading, exporting and expanding business opportunities in Asia and the globe.

Because of the ASEAN Financial Integration Framework, there will be an entry of foreign banks and access to financial products and services. With this, Republic Act No. 10641 has been enacted to allow and legalize entry of these foreign banks. Hence, entrepreneurs and businessmen can easily invest or borrow from these banks enjoying the benefits of the integration.

Other advantage that the ASEAN integration has caused is the free trading within member nations. Considerably, the total trade of Philippines is within the ASEAN making the region as the biggest trading partner (World Bank, 2016 cited in Garcia et al, 2019). If Philippines will abolish its tariffs, trading of goods will become cheaper for other member which will result to high buying power. Moreover, it promotes high competition among firms and induces better production of goods. As a result, more businesses and more startup businesses will dig into the opportunity due to cut costs and efficiency in maintaining their margins.

The ASEAN integration might be promising and encouraging, however, Philippines has not been able to fully benefit from this due to some reasons including ownership limitations, underdeveloped infrastructure and trade processing differences. As of now, programs for infrastructure have been carried to Tax Reform Program. From this, the government's revenue generation is necessary to finance the *Build! Build! Build! Project.* However, it will affect businessmen and entrepreneurs due to tax collections and the exportation and importation of products and goods through the customs. Considering these snags, entrepreneurs and businesses will surely feel the impact and would possibly affect their productions and sales in the long run.

The Effect of COVID-19 Pandemic to Philippine Enterprises

Coronavirus Disease (COVID-19) caused public health concern threatening people globally. It has already impacted the world population and lives in different ways (Sagar, 2020). It started when the Chinese health authorities announced that the cause of the viral pneumonia outbreak in Wuhan City is a novel type of coronavirus that had never been identified in humans. Twenty-three days later, the World Health Organization has considered COVID-19 as a Public Health Emergency of International Concern (PHEIC). On the same day, the Secretary of Health in the Philippines confirmed the first imported COVID-19 case in the Philippines. On March 7, 2020, the first case of localized COVID-19 transmission was confirmed by the Department of Health, and the president recognized it as a threat to national security a day after.

Last March 12, 2020, the Inter-Agency Task Force for the Management of Emerging Infectious Disease consisting of concerned department of Philippine government (Department of Health, Department of Foreign Affairs, Department of the Interior and Local Government, Department of Justice, Department of Labor and Employment, Department of Tourism, Department of Transportation, and Department of Information and Communications Technology) released a resolution regarding the management of COVID-19. This included the announcement of Code Red Sublevel Two in the Philippines. Subsequent government mandates include: suspension of classes in all levels in Metro Manila extended until April 12, 2020; prohibition of mass gatherings; imposition of community quarantine in the entirety of Metro Manila; closing of business establishments; and suspension of land, domestic air, and domestic sea travel to and from Metro Manila.

The Philippines acted quickly to combat the virus and ease its impact. It imposed an Enhanced Community Quarantine (ECQ) in the National Capital Region and other high-risk regions to stop or at least prevent the spread of COVID-19. It provided a comprehensive set of support measures for households and businesses to help navigate the ECQ, such as an emergency subsidy program for Filipino families and wage supplements to employees of small businesses.

While critical in safeguarding public health against the spread of COVID-19, the enhanced community quarantine and other quarantine/lockdown measures (henceforth referred to as ECQ) dramatically limited business activities throughout much of the Philippines. After the March 16 lockdown of the NCR, Calabarzon, and other regions, most Philippine enterprises faced the immediate closure of business or limitation of business operations. According to the survey, 65.9% of enterprises surveyed temporarily closed their business after the ECQ came into effect (Philippine Enterprise Survey, 2020). Results further revealed that among the businesses, microenterprises have impacted mostly and temporary closures have initiated. The smaller the firm size, the lower the business remaining open. There as 1.3% of microenterprises who permanently closed, that accounts higher than small, medium and large enterprises. On the other hand, it is difficult to assess the timeframe as to how long could businesses recover from lost after the lifting of the ECQ. According to the survey, 29.9% of the enterprises believed that it might take more than 3 months for them to recover, 14.6% anticipated 1-3 months recovery and only 4% expect within a month (Figure 1).

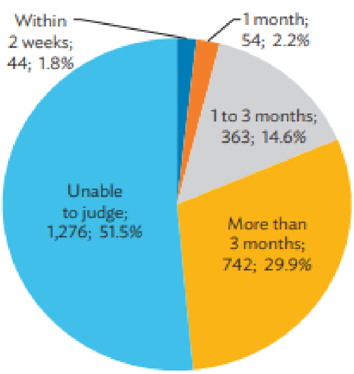

Figure 1. Expected Time Frame for Business (Recovery after ECQ)
Source: Asian Development Bank, Philippine Enterprise Survey (2020)

In terms of sales status, the COVID-19 outbreak and lockdown have led to a sharp decline in April sales (80.4% on average by value) compared with March for 76.8% of enterprises surveyed (Key Findings from the ADB Philippine Enterprise Survey, 2020). Sales remained the same for 22.1% of enterprises while only 1.2% reported to have increased in April sales (23.8% on average) as they supplied households with essential needs after the lockdown began. Most affected businesses were those in wholesale and retail trade which both has decrease and increase in value. A 22.4% of wholesale and retail enterprises experiencing relative decline in March/ April followed by accommodation and food services

(15.8%), other services (14.1%), manufacturing (10.9%), and information and communication (7.3%).

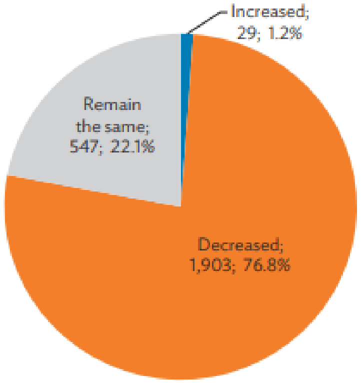

Figure 2. Expected Time Frame for Business (Recovery after ECQ)
Source: Asian Development Bank, Philippine Enterprise Survey (2020)

It was on the mid of July where some of the establishments and small business have permitted to open with strong and strict implementations of protocols for both sellers and customers. However, only selected enterprises were allowed to open their services to control situation. This initiative of the government aimed at supplying the basic needs of the people (i.e. foods, healthcare, etc.) while pandemic is still persisting and health of people is still at risk.

Entrepreneurship amidst Pandemic Crisis

Presently, the world is experiencing too much life- changing pandemic- the COVID19- which handicapped Filipinos in almost all sort of life. Businesses were closed, manpower were lessened, and daily living were challenging as it goes. Going outside for living is more risky than it may seems. In this pandemic time, where health is at risk and there are too much restrictions from the government to ensure safety of the public, people become more creative and innovative in making money at home. Filipinos are wise enough to think of ways to gain income during crisis. More were engaging into microbusiness (or microenterprise) to sustain the living while crisis is still a threat to public health.

It is too early to say what reforms the Coronavirus Pandemic would result in but it is clear that there are a lot of opportunities for entrepreneurship. The pandemic and the lockdowns that were imposed by many governments have devastated entrepreneurs worldwide. I lamented in my previous column how this crisis has virtually wiped out the new breed of entrepreneurs created by the economic growth we have sustained for decades. But the pandemic has also created opportunities for a new class of innovators. This is mainly due to the fact that the pandemic has altered the way we live and the way we behave. If the experts are right, it seems that this coronavirus will stay with us for a long time and these new consumer behaviors will remain. This means that entrepreneurs need to adapt to this "new normal."

But this new condition has given rise to a new class of online entrepreneurs. You have existing businesses that strengthened their online stores in order to cope. And there are the new entrepreneurs who sell and resell a variety of stuff online. The explosion of online entrepreneurship has been so big that the Bureau of Internal Revenue has taken notice.

1. The Era of Online Selling

Through the advent of technology, gadgets linked communication of people from all places through social media platforms. Social media has been an effective platform for many things- from communication to business. Purchasing also have found its new platform- from physical to online technology- based techniques. Buying products (or purchasing) is of the critical areas that people nowadays are experiencing due to the fact that there are many products introduced in the market.

Online selling already emerged years ago as new platform of marketing and selling products with the use of internet in various medias. At present, many people are using such technique and strategies due to the fact the people nowadays spent more time in using technology (particularly social medias) than physical shopping. Also, shopping in malls and going to crowded places are prohibited due to pandemic.

The Internet has developed into a new distribution channel and online transactions are rapidly increasing. The Internet is considered a mass medium that provides the consumer with purchase characteristics as no other medium. Certain characteristics are making it more convenient for the consumer, compared to the traditional way of shopping, such as the ability to at anytime view and purchase products, visualise their needs with products, and discuss products with other consumers. Oppenheim & Ward (2006) explain that the current primary reason people shop over the Internet is the convenience.

The Philippines stand among the frontline in digital economies in the Asia- Pacific. According to Asia Digital Marketing Association (ADMA) and Internet World Statistics 2020 (www.internetworldstats.com), with over 79 million users, the county ranked 2nd in Southeast Asia and 6th in the whole Asia in terms of internet usage. The existence of e-commerce has brought significant changes in the business industry. E-commerce has been identified by Smith & Rupp (2003) to be the most significant contribution of the information revolution. Shopify, Lazada, Amazon, Shopee and other else catered the needs of the people through its quality, affordable and convenient services. Facebook and other social medias, on the other hand, paved the way on the creativity and wiseness of the people by converting into platform for online business. Undeniably, people are in need for commodities (e.g. foods, health supplies, etc.) and other necessary things in this pandemic time. *Retailers* and *resellers* flocked on the social media sites, marketing products in various strategies and pricing schemes.

With the rise of internet, consumers nowadays are making more purchase decisions based on what have posted on social media. It is enunciated that social media is considered as a standout among the latest and significant E- Marketing tools in the current time and provides accessibility to customers with the purpose of knowing their interests and needs as well as affecting their purchasing decisions. The existence of online selling has created a need to understand how the consumer perceives online purchases. With the rise of technology, purchasing has become an effortless activity however entails much more complex decision such that there are more items posted in the platform. In business and marketing , purchase decision process or also known as 'buying decision process' refers to the decision making process that the consumers or buyers on their transaction before, during and after the purchase of good or services. In most time, this stage affects the buying behaviour of the consumers especially when the transactions are made online.

2. *"Pa- Mine na lang po" Concept*

Other than from posting products with pictures in the internet, *live online selling* also emerged as new strategy in product marketing online. Facebook Live, an interesting feature of Facebook launched in 2019 enables users to stream online for any purpose catching the interest of other users to watch it live in real time. Viewers can be able to ask questions and queries on the product and get an answer immediately. Potential buyers can also reserve the product and contact the seller through inbox messaging on further details as to payment and delivery mode. Marketing via live streaming enables spectators and potential customers to view the seller's identity, expressions and the items or products itself that are not pre-recorded or edited prior to selling. Due to the spontaneous, interactive nature of live streaming, viewers ask questions and receive answers from the page in almost real time (Wang et al. 2000), the live seller can use the feedbacks in responding the needs of the customers better.

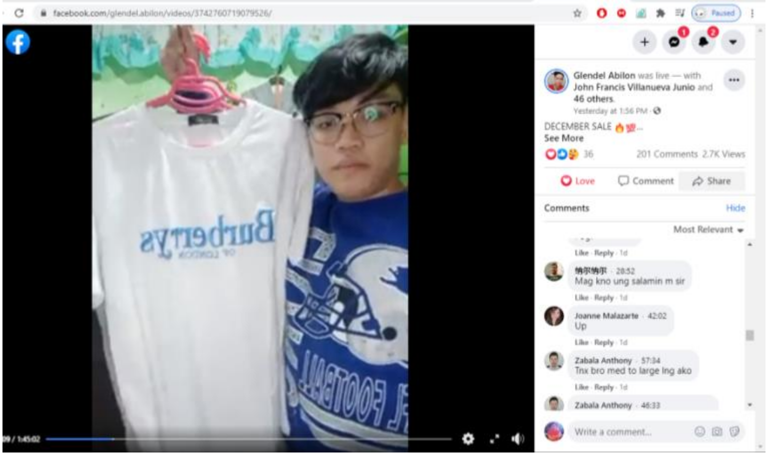

Figure 3. A Live Online Seller Explaining his Products
Credits: Glendel Abilon, owner (with rightful permission to use the image)

Figure 3 shows a sample of how live online selling looks like using the Facebook Live feature. The seller explains the products citing and describing carefully including the minor issues. The seller price the product accordingly. "*Pa-mine na lang po*" (say 'mine' please) signals the spectators or buyer to buy the item. This is the usual line you will hear from live online sellers. Spectators of the live stream comment in the comment section and do inquiries and transactions. A product is considered sold when the customer say via comment "*mine*" on the featured product. To complete the transaction, the seller or the buyer will send private message to discuss the payment method and other concerns of the transaction.

When shopping online, consumers are generally concerned with legitimacy of the vendor and authenticity of products or services (Chen & Dhillon 2002). As live steaming takes place in real-time without any editing and with immediate interaction, this should encourage customers to trust online transaction and purchase more. Unlike any other forms such as advertisements where products had undergone fabrication or editing, live online selling perceived authentic. Authenticity refers to the genuineness, reality or truth of something (Kennick, 1985) which in turn suggests reliability, trustworthiness (Koiso-Kanttila 2005). Hence, a factor in the purchase decision of the buyers.

E-retailers are embracing new digital marketing strategies to provide more authentic information to their customers. In 2015, e-retailers began to apply live video streaming (LVS) to seek an innovative way to capture consumer attention and keep their products and services competitive. Live Online Selling refers to online broadcasts in real time that facilitate business-to-consumer and business-to-business communication (Zhang, Qin, Wang & Lou, 2019). E-retailers use live streaming to information about their latest products. If customers are interested in a certain product, they can ask questions and the e-retailer may respond in real time. Compared with other marketing strategies such as video, brand community, word-of-mouth, and pictured descriptions, the value of a Live Online Selling strategy comes from its unique ability to add an authentic human element to digital communication. Thus, Live Online Selling platforms offer online consumers' new opportunities to experience the purchase processes of physical stores, including watching products, real-time counseling, and trying items on. Live Online Selling thus allows customers to obtain more precise product information, with the hope of capturing their attention and finally increasing online purchase intention.

3. The Rise of Delivery Services

While public transport and ride-hailing alternatives have been suspended across the island, takeout and delivery services are continuing. During the pandemic, delivery services boomed due to high demand of primary needs (i.e. foods, healthcare products, hygiene kits, etc.) ordered from online sellers.

Express delivery such as *GrabExpress, Lalamove* and *Angkas Padala* became vital for Filipinos at home. These delivery services became partners of online sellers and retailers in delivering orders and purchases to customers tight at their doorsteps. On the other hand, aside from LBC, J&T Express and other logistic companies, another form of delivery service emerged amid crisis is the *PasaBuy* (from the Tagalog root word *"sabay"* meaning *"together"*) and *PaBili (*root word "*bili"* meaning *"buy")*, both have the concept of asking someone or somebody to buy for him in return of cash payment. During the pandemic, this concept became famous in provinces while ECQ is still imposed in most regions. In this, a person who has the access in going outside will offer his services to people who wanted to buy something but cannot go out due to restriction policies. The person only adds value to the service as payment. For example, a person will go to Mall to buy something, he make a post in social media to announce and offer his *PasaBuy* services. This concept of service emerged during the lift of ECQ as some people were permitted to travel.

On Issue with DTI Registration

Because online selling and small- scale entrepreneurs are booming rapidly, the Department of Trade and Industry (DTI) have ordered the registration of online businesses. Many online sellers reacted fiercely on the announcements and notice of the agency as many reasoned that their businesses are temporary only. Online sellers questioned the initiative of DTI, however, the agency clarified the issue citing exemptions of registration. Such exemptions include irregular operation, person selling homemade products as a hobby and those small businesses who are earning below P 250,000.00 annually. Nevertheless, many online sellers registered their business on the set deadline of registration.

Government Supports

Entrepreneurs are good for the economy and employment. The government supports innovative startups and helps them grow. Various government agencies have extended its help to Filipino entrepreneurs to increase the industry income. The support mechanisms have increased over time and had launched various programs. The Philippines constitution states that entrepreneurship is an effective vehicle for raising the quality of life. According to Article XII Section 1, "private enterprise shall encourage to broaden their ownership to prevent inequalities and further support production of goods and services".

The Philippine Development Plan (PDP) cited numerous strategies aimed at promoting entrepreneurship in the country and expanding its economic conditions. On the other hand, the Sustainable Development Goals (SDG) aimed at eliminating poverty (Goal 1) and reduce the inequalities (Goal 10) in the society. With this, household are encourage to elevate their economic status through entrepreneurship at home. Aside from this, PDP also aimed on the growth of industries and services sectors of the country to become globally competitive (Yeung, 2020).

To further support entrepreneurs, the government provided programs such as education and training to support entrepreneurship in the country. It had made an enormous effort to promote entrepreneurship as a mean of expanding the economy and elevate poverty. Through plans to expand the economy and increased protections for smaller businesses, entrepreneurship in the Philippines gives people the opportunity to access larger markets and establish connections outside of the informal economy. With supportive policies in place, entrepreneurship could be a key vehicle to alleviating poverty in many countries around the world (Yeung, 2020).

In this time of pandemic, entrepreneurs have experienced difficulties in delivering the goods and services to the buyers. Aside from this, MSME entrepreneurs struggled to sustain the business due to restrictions imposed by the government. However, the government programs to help entrepreneurs in this time of crisis. Micro, small and medium enterprises (MSME) entrepreneurs aiming to penetrate the overseas markets, or surviving the contagion, can avail of government programs to reskill and upskill themselves.

According to the Asian Trade Center, Philippine products are still among those that cannot be easily searched, receive e-payments, nor have optimized the use of technology, the tools and applications to support the business. In line with the shifting of modality and learning management, the Philippine Trade Training Center (PTTC) conducted consultations with industry stakeholders to address issue on entrepreneurship in the country amidst pandemic crisis. The agency looked at developing market requirements for redesigning learning materials for entrepreneurs and businessmen of the country.

Conclusions and Implications

The outbreak of COVID-19 has brought severe impact to human lives and economy. Because of the health risk that it caused, the movement and living of people have been compromised as humans are not allowed to go out of home. Moreover, the pandemic had caused an abrupt decline in the Philippine since the hit of crisis. Business establishments- small or large- closed (temporarily and permanently), production and sales decline; and more employees lost their jobs. Among the MSMEs in the country, microenterprises were severely affected causing shutdowns of businesses according to recent World Bank reports. Nevertheless, businesses hoped to be back in uncertain timeframe after the lift of community quarantine in the country or in a region.

Despite of the negative effects, the pandemic opened big opportunity and discovery of new ideas and shift of business perspective. The existence of technology and gadgets paved the way for Filipino entrepreneurs to enter online selling. Though existed years ago, online selling (also known as 'online marketing') is a booming industry in the country which most sellers are millennial marketing products such as clothing, cosmetics, healthcare and other else. Moreover, the introduction of live streaming in various social media (e.g. Facebook, Twitter, Instagram, etc.) has given another opportunity for online sellers to shift the business strategy into live online selling. With this technique, a real time inquiry, transaction and selling of products encouraged potential customers to purchase and/ or repurchase.

Another industry that boomed during the time of crisis are the delivery services and *PasaBuy/PaBili* which had helped people at home who cannot go out due to strict ECQ policies. Basic necessities such as foods and healthcare were catered by both delivered right to the door steps of the clients. This prevents clients from exposing their selves into the risky environment.

To acknowledge and recognize the existence of these industries, the Department of Trade and Industry called for registration of businesses with certain exemptions. This initiative and considering the status of the country's entrepreneurship, the government initiates programs to help entrepreneurs in the time of pandemic.

Considering gaps of this review, a further study and review on entrepreneurship considering other variables and areas relative to the status of MSMEs in the country. Though there are existing programs to aid entrepreneurs initiated by the government, it is also advised that government will provide extensive and further education and training for online sellers such that mostly were young and not all are professional entrepreneurs. Because online selling possess potential share in the economy, participation of private firms are encouraged to help start-ups in various ways that they can offer (e.g. financial lending, etc.).

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CHAPTER-06

"Collaborative Economy: Economical Impacts, Social Engagement and Entrepreneurship Culture Within Indonesia Moslems Society through 212 Mart"

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Sekolah Tinggi Ilmu Ekonomi Pertiwi

Abstract

This study is aimed at analyzing the influence of 212 Mart in developing economic impacts, social engagement and entrepreneurship culture within Moslems society measured by the involvement in the establishment of the 212 Mart. The data were taken from 2 of the 212 Mart located in Bekasi using qualitative and descriptive quantitative in which the interviewed and questionnaires were conducted simultaneously to gain the needed data. The result found that from the economic impacts, the 212 Mart has not provided the expected results as it needed 4 years return on investment, and the engaging society the Mart has taken into effect the collaboration and cooperation among the members and people in its surrounding while the developing entrepreneurship culture, the 212 Mart has actually brought the energy of togetherness among members as it was built with at least 50 – 100 investors.

***Keywords**: 212 Mart, Economical impacts, social engagement, entrepreneurship culture, profitability*

In a changing environment, firms need to innovate to not only create new value but also preserve their competitiveness. One of the ways to gain competitiveness is by involving community in the business practice (Mulyadi, 2017). And sharia cooperative 212 is one of the models set up by Muslim leaders to implement the spirit of Action 212 which is full of brotherhood and unity (Mulyadi et al., 2019). Brotherhood and unity are words that reflects the economic impacts.

This spirit was later expressed in efforts to turn the 212 Sharia Cooperative into a place for economic struggle to achieve people's economic independence This model has actually been practiced by Indian company namely Project Shakti implemented by Hindustan Lever, which has enabled poor rural women to become distributors of branded products in villages (Torri, 2010).

Community-based, social and societal entrepreneurship have increased in importance in the past decade as globally more people and organizations are interested in issues related to how to encourage a sustainable world for future generations. It's named sharing economy in which it is an emerging economic model usually defined as a peer-to-peer based sharing of access to goods and services (Cherry & Pidgeon, 2018). Although much has been written about the promise of CC [collaborative economy or Sharing Economy in this article] and its potential benefits, it is a largely under-researched area and relatively little is known about its true impact on society, the economy, and the environment (Meyer, 2017; Stephany, 2015; Sundararajan, 2016).

With its mission the Sharia Cooperative is expected to optimize all economic and human resources potential in terms of purchasing power, production , distribution, capital fertilization and investment in selected productive sectors carried out in congregations, in a trustworthy, professional manner capable of bringing prosperity to the level of individuals/families and in achieving glory at the level of public welfare (Koperasi Syariah 212, 2020a).The collaboration with suppliers and customers offers the potential to significantly reduce costs and improve service benefits.The goal of the Sharia cooperative is building a trusted, professional, large and strong economy for people as one of the pillars of worship, sharia and propaganda towards world happiness and the safety of the future.

There are three important values developed by 212 Sharia Cooperative namely *Amanah, Berjamaah* and *Izzah*. *Amanah* means that Sharia Cooperative 212 management must be carried out with full trust. All people involved in it must be competent human resources. Management must be equipped with a set of excellent System Operating Procedure (SOP) and manuals. Management must be accompanied by the Sharia Supervisory Board, Advisors and Supervisors as well as various complementary Committees such as the Investment Committee, Audit Committee and Remuneration and Promotion Committee. The management are periodically required to provide reports to members, regulators and the public (Koperasi Syariah 212, 2020b).

Berjamaah means that Sharia Cooperative 212 must be able to accommodate the potential and aspirations of the economic revival of Muslims in particular, and of the Indonesian people in general, as far as possible. This cooperative needs to be owned jointly, not controlled by just a handful of individuals or groups. Sharia Cooperative 212 must also offer benefits to as many Indonesian Muslims as possible. This concept is also related with how the transformation of economy were based on the productivity of the society .

Izzah is Glory. In the level of individual glory means the fulfillment of all the needs of food, shelter, education , health and transportation of members. Indonesia and the Islamic ummah at nation level must become a dignified and economically independent nation. This is reflected in food and energy self-sufficiency, high exports, trade balance surpluses, poor gini ratios, low absolute unemployment and the smaller the number of poor and poor families.

212 Mart is one of the products developed by Sharia Cooperative. Comparing to those Moslems living in Indonesia, the 212 Mart must actually be easy to penetrate the market and gain more capital but the fact the development of the 212 Mart is far behind those two market leaders in the industry, Indomaret and Alfamart which can establish more than 1,000 outlets a year.

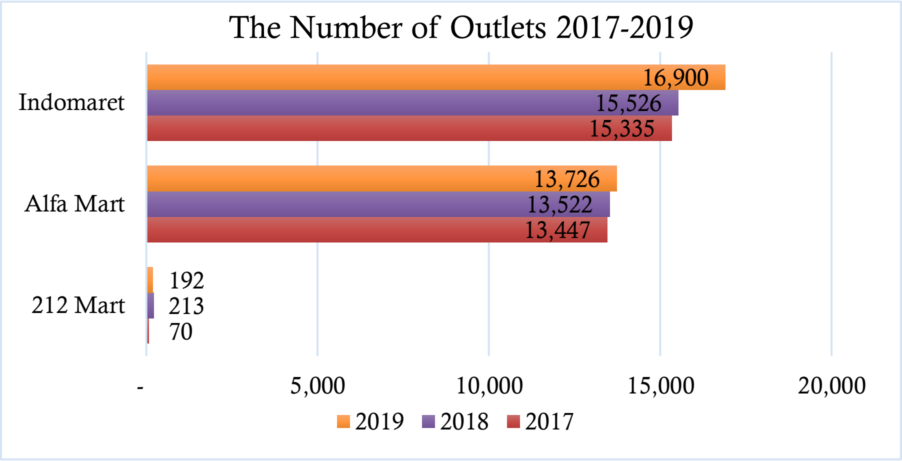

Figure 1. The Number of Outlets of Retail Supermarkets
Source: Https://databoks.katadata.co.id/ (2019)

Figure 1 shows that in 2017 as the 212 Mart was first established numbering less than 100 outlets compared to those Indomaret with 15,335 outlets and Alafamart with 13,447 outlets. In 2018 the 212 Mart doubled the number to 213 outlets while Indomaret and Alfamart number 15,526 and 13,522 respectively. And the last data in 2019, 212 Mart declines to 192 outlets compared to 16,900 and 13,726 for Indimaret and Alfamart (https://databoks.katadata.co.id/, 2019).

The above data certainly can not be used as a benchmark, because Indomaret and Alfamart have been active in the retail business for a long time. But 212 Mart should grow faster with the concept of unity, because the market and its investors are available. With the number of Muslims representing over 85 % of the total population, this 212 Mart should be much more developed than it is today.

Most of Moslems are struggling in economics activities and economic conditions continue to lag behind Chinese populations. Chinese ethnic gains power on Indonesia economic and currently with only 1% of the population. The 2018 World Bank report, which states that 1 per cent of Indonesians control 50.3 per cent or just 10 per cent but control 77 per cent of national assets, is proof of their domination in the country (*Share of Population Below National Poerty Line*, 2017).

The existence of 212 Mart is seen not only from the business concept but also how the 212 Mart can have an economic impact, unite the Islamic community and develop an entrepreneurial spirit. This research aimed to examine the questions how 212 Mart is able to provide economic impacts, unite the Ummah and develop the entrepreneurial spirit among Moslems.This research shall result in an answer whether the concept of sharing economy developed through 212 Mart can gain the public interest. The limitation of the research lies on the limited research objects which consist only two of the hundreds outlets in Indonesia. This result can be used for further research (Miles B Matthew, Hubbermean A Michael, Saldana, 2014).

Economic Impacts

The economical impact of the 212 Mart was not very significant. That can be seen from return on investment process which takes more than four years. Compared to those in similar industry offering shorter period of the return on investment. The longer time on the return of investment can lead to weak investment attractiveness of the community, in particular, among Muslims to invest in this 212 Mart (Murillo et al., 2017). When viewed from the large number of members, returns on investment should be faster so it becomes a good attraction for this 212 Mart's promotion and expansion. Every month the store should have a huge turnover with an average investor exceeding 100 people and assuming they are shopping at the store.

In terms of profit sharing, the model developed by 212 stores is actually sufficient because profit sharing is done once a year or the same as business models that existed where profits are made to the extent of the financial statements reported in those periods or at least that. The advantage of 212 Mart is that space is allocated for goods manufactured by SMEs, but if the number of visitors is small, no buyers will have the displayed goods. 212 Mart also uses the supply system commonly used by other retail systems from the supply side of the goods, so there is no difference to similar stores in the supply system. What could be a little different is that this 212 Mart could become a place for cooperative members who have items to sell at the store as a supply chain (Shaw & Carter, 2007).

The goods entrusted can be displayed with a system of consignment, where the shop will pay for the items entrusted after being sold. Another advantage of the 212 Mart is that this shop can be used as a supply chain for community-produced goods, because it is in line with the cooperative's vision and mission. The observations made were not significantly visible to the goods manufactured by SMEs, i.e. only about 20 percent of the total space, while the remaining 80 percent were used by goods which also sold by other similar stores.

A research by Nembhard (2004) found that there were such kind of the 212 Mart in developing African American economic development. resident ownership and individual and community entrepreneurship address issues of the export of capital and industry from cities, to suburbs and overseas.Compared to those of the similar business, the return on investment of the 212 Mart take much longer which makes it less interesting in gaining the investors. With lower interests of the business, it would be very difficult for the management to expand rapidly.

Lazonick & O'Sullivan (2000) states that "the principle of retain and reinvest began running into problems for two reasons, one having to do with the growth of the corporation and the other having to do with the rise of new competitors". It can be concluded that the main concept of investors are the growth of the companies and the expansion of the competitors. The 212 Mart concept does not consider financial factors in doing the business. While it seems that it considers non financial measures. Nadzi, Omar & Rahman

(2018) states that non-financial measures, including business ownership, happiness, gratification, level of independence, and life improvement, to complement the financial measures in determining the performance of micro entrepreneurs.

Social Cohesion

Since its establishment, the concept of social cohesion has indeed been felt where every investor has to become a member of a cooperative where the 212 Mart location will be opened. It indirectly creates social communities with the same goals, by joining investors in cooperatives. With the system social cohesion is automatically developed. With at least 100 members coming from the same environment, the relationship between community members in the environment will be better, as evidenced by joint activities such as social gathering and other activities. The involvement of cooperative members who are both citizens in the environment makes it possible to maintain and harmonize the relationship between investors / members of the cooperative and communities (Cherry & Pidgeon, 2018).

Another thing that improves social cohesion is to provide compensation for orphans and poor people in the environment around them. 212 Mart can gain sympathy by holding these activities and at the same time become a soft marketing activity for the store. 212 This Mart also gives priority to recruiting employees from the surrounding community. Although the number of people per store is not too many the involvement of the surrounding community in becoming an employee allows the shop to help people without jobs.

Another activity in social cohesion is the creation of traditional stalls as their partners. 212 Mart 's role is as a commodity wholesaler who will be sold through small stalls around 212 Mart. With this model of collaboration it is possible that the small shops around the 212 Mart will support each other and eventually all of them will have the opportunity to earn money By becoming an agent for small stalls around 212 Mart it creates indirect harmony between the same business owners. Don't let 212 Mart 's presence merely make these small shops have to close down their businesses because they can't compete on price.

This can happen because 212 Mart and the like have a direct network with major suppliers so that the prices they get are also much cheaper, while the small stalls have to pass through several agents so that the selling prices they charge to consumers are much more expensive compared to 212 Mart or the like. If that happens then between business people and the community there will be no harmony or social cohesion. Social entrepreneurship is a process of bringing together resources to address a social need. This involves the active evaluation and pursuit of opportunities as a means for social transformation (Chaaban et al., 2015).

The allocation of profits obtained by the store in the form of zakat is another activity in building social cohesion. The allocated value is 2.5 per cent. This is very good to help the community or community activities where the 212 Mart operates. It suits with opinion from Shaw & Carter, (2007) that states 212 mart model "autonomous organizations often with loose governance and wnership structures, based on participation by clients, users, local community groups or trustees. Profits are distributed to stakeholders or for the benefit of the community." The store has a commitment to the community with this model, which in the end will also give the community a positive response and ultimately want to shop at the store.

By creating activities that stimulate social cohesion can actually be used as an effective marketing solution or model if consistent implementation of the activity model is possible. Community engagement through service-learning experiences creates a gateway to the community as the site for enriched learning.Communities encourage innovative opportunities by discovering untapped social needs and focusing on practices that benefit community member (Cherry & Pidgeon, 2018;Vaskelainen & Piscicelli, 2018).

Entrepreneurship

212 Mart has succeeded in enhancing the concept of entrepreneurship among Muslim communities. This is reflected in the number of investors involved in each of the 212 Marts. With the concept of at least 100 people in one shop, then indirectly 212 Mart has created 100 new entrepreneurs. Each investor ultimately has the knowledge and skills to become an entrepreneur by being involved in every meeting activity on how to advance a managed store. They

can use this not only as an investor in 212 Mart but also as other business activities that those investors will be carrying out. 212 Mart can be a place for them to learn about starting a business (Turner & Minonne, 2009).

212 Mart also provides an understanding of how vision and mission are shaped and transformed into operational concepts so that they can be implemented. Even though not all investors are involved in every 212 Mart development, members may learn and understand the business development at every meeting. The concept of entrepreneurship also illustrates how all investors understand the risks that may arise from the value of their investments. Whatever the model in business, not all businesses can always be running as planned. And the entrepreneurial spirit understands only the risks that can result from every step of the business (Mulyadi & Fauzhobihi, 2020).

Another concept of entrepreneurship is that each investor has a high level of trust before starting the business. 212 It is Mart who guarantees that trust. Without a high degree of confidence, prospective entrepreneurs will fear starting a business. From various failures, a strong businessman is always formed but he dares to continue to do so until he succeeds.

The 212 Mart business was also seen by all investors as an opportunity. They think this 212 Mart can be used both as a means of investment and as a charity. This is in line with the 212 Mart vision and mission, where the concept combines the concepts of economic sharing and social engagement and involves many people.

212 Mart has, in some points, provided an alternative choice for collective business collaboration managed by cooperative. The model, even though it's not much different compared with the similar shops, help develop Moslems community in gaining the social cohesion and entrepreneurship culture while for economic impacts it's still far developing and improving.

There are a lot of things developed from the 212 Mart in gaining economics impacts not only from the direct profit from the invested money but it can also be gained through the production of the goods or services as members are entitled to also market their products or services through the outlets as meeting the requirements.

From the social cohesion or community engagement, this model might be the one of solutions answering problems faced by people in Indonesia. This model can develop the relationship among members of cooperative which in bigger perspective it could help the whole community in gaining their better relationship.

In developing entrepreneurship culture, this model is actually one of good models that needs to develop especially those for people economically low and can not run the business by their own as limited capital and access to baking system. The cooperative model namely *berjamaah* make it possible for people who have a very limited money gain profit and knowledge through this model.

This paper recommend that the financial performance of the 212 Mart can be developed its investors loyalty which can be gained by shifting their regular and monthly expenditure from previous market channel to 212 Mart. It can be capitalized if the market has provided better service, quality product and cheaper prices. If the 212 Mart management can capitalize its investors the revenue of the outlet would be huge which result in faster return on investment. This will lead to be more interesting investment tools for others and finally will accelerate the business expansion. With its rapid expansion, the brand of the 212 Mart will also be recognized and later can compete equally with two major players, Alfa Mart and Indomaret.

The services should also be improved in order to gain attraction from the customers. Compared to those of the two main players, Alfa Mart and Indomaret, 212 Mart services is far lag behind. Form attributes the employees wear and the way they greet customers, the customers can easily determine the professionalism of the business. While the two major players shape the brand from all aspect, the 212 Mart doesn't seem aware of those attributes and attitude. The involvement of the investors should also be encouraged to promote their business to neighbors, friends and colleagues so that the numbers of customers would be as snowballs.

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CHAPTER-07

"Generating Business Ideas and Creating Opportunities"

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Abstract

Ideas are the key to innovation. Without them, there isn't much to execute and because execution is the key to learning, new ideas are necessary for making any kind of improvement. It's obvious that ideas alone won't make innovation happen, as you need to be able to build a systematic process for managing those ideas. The point of ideation isn't just about generating tons of them but about paying attention to the quality of those as well. This chapter reveals practical ways to turn business idea to real business. it started with idea generation, idea validation, Minimum Viable Product (MVP) process, business operation, recognising opportunities, creative thinking, keeping up with trend to preparing and executing business plan. Practically, this chapter will tell us to not look any further when thinking of a business that we can start. We should know how to turn your hobby into cash. The good thing about this is that We already have prior knowledge about one thing and We can use such in order to make the business more successful. Lastly, it is also important to think for the long-term. This brings us back to the importance of finding a need that will be fulfilled rather than riding the trend. Before venturing into something, research about its future and see to it that there is a potential for growth.

***Keywords**: Business 101, Pandemic, Philippines, Entrepreneurship, Ideation, Business Growth*

Ideas are the key to innovation. Without them, there isn't much to execute and because execution is the key to learning, new ideas are necessary for making any kind of improvement.

It's obvious that ideas alone won't make innovation happen, as you need to be able to build a systematic process for managing those ideas. The point of ideation isn't just about generating tons of them but about paying attention to the quality of those as well.

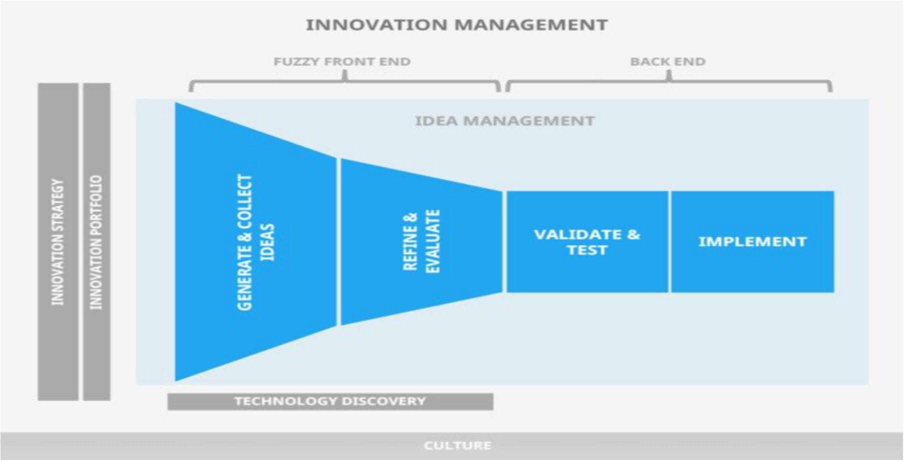
We agree that it can sometimes be difficult to come up with more of those high-quality ideas. It’s not unusual to get stuck in our old habits and routines when we’re supposed to be creating something new.

To break out of that rut, we've decided to look into idea generation as a whole as well as to introduce some of our favorite tips, tools and techniques that can be used to generate new ideas more systematically.

What is idea generation and why it's important?

Idea generation is described as the process of creating, developing and communicating abstract, concrete or visual ideas.

It's the front end part of the idea management funnel and it focuses on coming up with possible solutions to perceived or actual problems and opportunities.



As mentioned, ideas are the first step towards making improvement. Us making progress as individual human beings depends on new ideas. From the perspective of an individual, new ideas can help you to move forward if you feel stuck with a task or are unable to solve a certain problem.

Perhaps you're looking for new ways to overcome a creative block or you're after a better solution to your problem?

Maybe you need new ideas so that you can fully explore a new opportunity?

When it comes to your organization, generating and collecting new ideas from your employees is the best way to uncover creative, tacit knowledge. The ability to create and develop new ideas allows you to:

a. Stay relevant
b. Make positive change happen in your organization "Creative thinking inspires ideas. Ideas inspire change" – Barbara Januszkiewicz

Regardless of your goals or the types of ideas you're looking for, the purpose of new ideas is to improve the way you operate.

On a larger scale, economies depend on innovation to drive growth and increase well-being. Innovation creates new technologies and businesses, which provide new jobs for people.

So, although innovation isn't about ideas alone, they are an important part of the equation as there wouldn't be one without the other.

Part 1 – Generating Business Ideas and Creating Opportunities

1. **Objective**

The students after studying the lessons in this Chapter should be able to:

a. Distinguish the different ways to recognize business opportunities
b. Evaluate various types of business opportunities
c. Apply creative thinking to generate ideas
d. Determine on the best sources of ideas
e. Apply the methods of generating ideas
f. Adopt to the trends that provides business opportunities
g. Determine the methods used to evaluate business opportunities

2. **Sources for new ideas**

Managers can try to search actively for new ideas by looking for inspiration from the following sources.

- **External sources:** customers; lead-users (user solutions); patents/inventions; competitors; suppliers; acquisitions; trade fairs and conventions; published information; trade magazines; outside consultants; channel members; universities; government; law/regulations.
- **Internal sources:** internal R&D; employees; engineering/IT; shelved ideas; complaints systems; customer service; sales force.

3. **Customers**

a. **Definition: Lead-users**

Here are four tips for success in acquiring and generating new ideas:

1) Identify an important market and the company's goals for innovation in this market.
2) Find the trends. Talk to people who lead that trend in terms of experience and intensity of need.
3) Consult customers, suppliers, and their customers and suppliers, to find someone who knows even more about the area or the 'problem'.
4) Hold a workshop with leading figures and your own personnel. Start by working in smaller groups and then all together in order to develop a product concept that involves a number of possible products.

b. Trade fairs and conventions

The Ideation Stimulator Checklist (Small, 1953; 1981; in Crawford & Di Benedetto, 2008) is a concrete example of a systematic approach to developing new ideas (although not food-specific). It provides a list of considerations that are classified according to different aspects of the product:

Table 1. Ideation Stimulator Checklist.

Dimensionality	Larger, smaller, longer, shorter, thicker, thinner, deeper, shallow, stand vertically, place horizontally, make slanted or parallel, stratify, invert (reverse), crosswise
Quantity	More, less, change proportions, fractionate, join something, add something to it, combine with something else, complete
Order	Arrangement, precedence, beginning, assembly/disassembly, focus
Time	Faster, slower, longer, shorter, chronological, perpetuated, synchronized, anticipated, renewed, recurrent, alternated
Cause/effect	Stimulated, energized, strengthened, louder, softer, altered, destroyed, influenced, counteracted
Character	Stronger, weaker, altered, converted, substituted, interchanged, stabilized, reversed, resilient, uniformity, cheaper, more expensive, add colour, change colour
Form	Animated, stilled, speeded, slowed, directed, deviated, attracted, repelled, admitted, barred, lifted, lowered, rotated, oscillated, agitated
State/condition	Hotter, colder, harden, soften, open or closed, preformed, disposable, incorporated, parted, solidified, liquefied, vaporized, pulverized, abraded, lubricated, wetter, drier, insulated, effervesced, coagulated, elasticized, resistant, lighter, heavier
Adoption to new market	Men, women, children, old, handicapped, foreign

4. Turning An Idea Into A Business

Inspiration has struck you with a genius idea for a business, but how exactly do you transfer your idea scribbled on a napkin into a full sustainable company? It's been done before, yet many companies took a unique path that cannot easily be duplicated.

However, there are some fundamental steps that every new entrepreneur can take to get their idea in motion. Take these 8 steps to turn your idea into a functioning business.

a. Figure out what problem is being solved

When you strip a company down to its core function, you'll find that it solves a problem. Right now, you're probably infatuated with your idea and are focused on the solution it provides. Many businesses claim to have solutions, but what specific problem are they really eliminating?

Amazon, for instance, solved how e-commerce was, at one time, expensive and inconvenient. Today, it has more customers (and sales) than its brick-and-mortar competition.

Bottom line: all successful companies, products, or services enhance the lives of their customers by eliminating a problem.

b. Find your market

Picture who your ideal user is - this is the first step to actually figuring out where your idea fits into a sea of consumers. They all have different habits and needs to fulfill, yet are facing the same problem. Figure out where your solution will fit into the market and in the lives of people.

When I had the inspiration to start my company, I did my research and with some consideration chose Los Angeles as the best market that needed the services I was providing through Ciplex.

PROMOTED

One of the biggest mistakes startups make is the failure to get people to understand and want the product or service. If it turns out that your idea isn't being "sold" to your audience, don't blame the market. Instead, figure out what they find compelling, or what it will take to get them to want something different than what they already have

You have a solution, but it needs to be in front of the right people to be seen as such.

c. Find your support

"Have you ever noticed how few successful startups were founded by just one person?"

This question was raised by Paul Graham, co-founder of the startup incubator Y Combinator, when he was addressing mistakes startups make that ultimately lead to failure.

Having business partners has several benefits, especially when you're first starting out. They can act as support, a sounding board for your ideas, and provide evidence to others that you *actually* have a good idea. Aside from building a team, having relationships with other entrepreneurs will give you invaluable knowledge. Find seasoned entrepreneurs and spark conversations with them. Pick their brains - people love to talk about themselves, so they'll be happy to share what they have learned from their experience with starting a business.

d. Create a financial model and plan the first phase

Since you have your market research done, now you must figure out if it's financially viable. Create a "bottom-up" financial model that focuses on how your product or service is created, marketed, and sold to an individual user. Doing this will give you more insight on how your business will function. Then, to verify your projections, create another financial model that is "top-down," which examines the size of your market and what goals you need to reach to turn a profit.

Once you're satisfied with your financial model, begin moving into planning the first phase of your business. This plan is simple - get your ideas out. For discussion purposes among your team and mentors, map out your mission, objective, keys to success, target market, competitive advantage, and basic strategies. It ensures that everyone involved is on the same page and set to proceed into the next stages.

e. Figure out your source of capital

Entrepreneurs generally don't start out just for the money, but money is still needed to get the business off the ground. Some attainable sources of funding are self-funding, money from people you know (friends and family), credit cards, or loans. Depending on the amount you need, a more helpful source can be angel investors and venture capitalists looking to back your mission for a slice of the profits and room for decision-making.

Whatever source(s) you choose to obtain or to aim for, consider that each one has their own rewards and risks.

f. Build the MVP

The MVP, or minimal viable product, provides you with the feedback you need before putting your idea on the market. After all, it's of no use to anyone if you build a product customers don't want.

Minimal does not necessarily mean "basic." The point is not to build a minimal product, but a product that is already great (viable), yet has room to improve (minimal). It's how early adopters actually jump on board to use the product and, if they like it, will provide you the feedback to make it better for them.

g. Find the pivot

The information gathered from your early adopters helps you figure out what works and what garnered the most response from your audience. You might find that their feedback is entirely different than what you expected and planned for.

This can lead you to "pivot" your business model, or change a fundamental part of it. Changing direction doesn't mean you failed entirely; it actually helps to prevent failures you may have encountered. Pivoting doesn't necessarily mean abandoning everything you learned - it's about taking what you learned and using it for your new direction. You took one route to a destination and got lost; pivoting is just recalculating a different route to get there.

h. Stay positive

They say misery loves company - just make sure there is no misery involved with your new business. Self-doubt and questioning if something will go wrong will only hold you back from taking the necessary risks. People will question your ideas and your business, but if they don't believe in your ability to overcome it, they are perpetuating their negativity into you. When you stay above the negativity and stay positive, it will make it easier when you eventually do make a mistake or face an obstacle. And you will face both.

Your journey to building a sustainable business won't be like most processes, simply because there is no guarantee for success. All you can do is adapt your idea and see what works. If at first you don't succeed with it, try and try again until you do

5. Translating strategy into results

Strategy execution: what does this mean? I pose this question – 'What is execution?' - to groups of executives who take our courses at the London Business School. At first, it sounds deceptively simple. You have worked out a strategy, so now it's just about getting it done, right? Surely the hard part is nailing the strategy in the first place. Quite quickly, answers starting firing across the room: "getting it done," "aligning goals," "turning the plan into action," "making it happen." We fill the board with these responses, mostly reflecting the idea of aligning objectives and implementing plans.

Then I ask the next question: 'What is the most difficult challenge your company faces in executing its strategy?' The room erupts into conversation – often boisterous, sometimes heated. Interestingly, though, the challenges these executives are discussing are much more nuanced than those first responses, reflecting the whole range of issues they face every day as leaders in their organisations.

So, what is execution, and what do we know about it?

First, we know that it matters. Ask a CEO what is top of mind, and he or she almost always says execution. Studies consistently show this ranks as the most pressing challenge for executives. We also know that most companies struggle with it. Recent works suggest that by their own admission, between 2/3 and 3 /4 of companies fail to get the intended results from their strategy.

Given how big of a deal it is, and that it is not going well, you would expect this to be a topic that receives significant time dedicated to it. But when I started looking into this several years ago, I found that there is a huge gap between the amount of time we devote to developing strategy and that to which we devote executing it. Even more, creating a chasm between the two is not only not useful, it can be disastrous.

After researching this topic and working directly with companies trying to do it effectively, I've realised that many of our common assumptions and related toolkits about strategy execution simply are not helpful enough. For simple companies in stable markets operating in a single geography, existing tools and frameworks may be sufficient. For complex organisations in fast-changing markets operating across multiple geographies, however, we need a better view of what execution means.

Below are a few of the most common myths, as well as my view on the realities, of strategy execution.

a. "Execution is all about alignment"

There is a commonly held myth that the challenge of execution is about aligning activities and objectives up and down the company hierarchy, through things like KPIs and nested objectives. While important, most companies are actually doing okay on this– sometimes a lot better than they think.

I've found that the biggest thing that's holding execution back is not alignment. Instead, the real challenge stems from the need to coordinate, which is especially pronounced when trying to deliver exceptional customer experiences or integrated customer solutions. Within complex organisations, coordination of activities across multiple functions, departments and units is critical to get things done. And this coordination does not stop at the company's boundaries; it extends beyond the firm to include key partners and stakeholders. While we have many tools to translate objectives and commitments into action going up and down the firm hierarchy, we have far less when considering how to translate commitments or promises made across the organisation into deliverable results for customers.

b. "Execution is just implementing a plan"

Facing this coordination challenge, many organisations apply a less than ideal fix. They try to craft a perfect screenplay of the work they need to do, and then script this out in detailed plans that describe in painful detail who needs to do what and by when. For delivering projects, like a Boeing 787 Dreamliner on time, detailed Gant charts are certainly helpful. When executing strategy in the real world, however, you face a problem. And that problem is that in the real world, things change all the time. As the Prussian Field Marshal Helmuth

Von Moltke famously said: "No plan of operations can extend with any certainty beyond the first encounter with the enemy's main body." Or as former heavyweight boxer Mike Tyson said a bit more bluntly, "Everyone has a plan 'til they get punched in the mouth."

We create these plans at the outset of our strategic journey, and by definition on day one we know least about what the world is going to look like as the strategy evolves through time. Adjusting to local circumstances as markets shift is the very essence of executing strategy in volatile markets.

This does not mean plans, or planning, should be disregarded, but rather that we need to do more to specify clearly the bounds, or parameters, of the strategy, within which distributed leaders can adapt, rather than detailing every aspect of every possible plan. Leaders striving for more effective execution should ensure that strategy is clear enough that key leaders throughout the organisation know what lies within bounds of strategy and what lies outside of it, and avoid the temptation to specify every possible action and reaction in great detail.

c. "Execution is one size fits all"

So strategy execution is about simultaneously doing three things at once - aligning activities and resources with strategy, coordinating across functions, business units and geographies, and adapting to local circumstances and changes. This begs the question of how to find the perfect balance across these three. This is hard, if not impossible to do, as these dimensions are often competing with and pulling against each other. While balance is difficult, it is also unnecessary. One cannot find a perfect balance, but one also does not need to. Execution is never one-size-fits-all. Different companies need different amounts of alignment, coordination, and adaptation depending on their strategy, and in some part, their history. In 3-Dimensional Execution, or 3DX as I refer to it, different strategies will fall at different intersection points across these three. The figure below represents what I consider extremes of strategies that fall primarily into one of the three dimensions, but most companies fall in between these. What is key, though, is that companies "find their fit," across them, and then adapt their execution approach appropriately.

d. "Strategy and execution are distinct from each other"

When organisations fail to achieve their desired results, executives often write off the failure to a great strategy brought down by poor execution. But failure to execute is always partly, if not wholly, due to the way the strategy itself was conceived. Desiring effectiveness in execution over strategy can be just as damning. Many command that 'effective implementation of an average strategy beats mediocre implementation of a great strategy every time,' ? This is ever-popularised by comments from leaders on their preference for superior execution, such as JP Morgan's CEO Jamie Dimon, who noted "I'd rather have a first-rate execution and second-rate strategy any time than a brilliant idea and mediocre management."

What this misses is that strategy and execution are interdependent. We simply cannot talk about strategy and then execution, yet unfortunately too many continue to do so. We teach these as distinct in our MBA and executive education courses, dedicate varying times to one or the other, and usually elevate one piece from the other (strategy usually wins). Thinking we can separate strategy from execution is one of the biggest myths of execution in volatile markets, and the word "effective" cannot be applied to either without the other.

Strategy is fundamentally about choices; discrete choices about how a company creates and sustains economic value. When clearly articulated, a strategy for execution provides guidance to key leaders in the organisation in making necessary trade-offs and resource allocation decisions, and help in resolving conflicts across units while still allowing the needed flexibility to adapt to changing circumstances. A failure to execute often stars here, with a failure to make those choices themselves (and thus also failing to make it clear to people what these choices are). A good strategy should enable people to make good decisions without somebody telling them what to do. Unless those choices have been made, people won't be able to make any decisions at all, let alone good ones, when decisions matter.

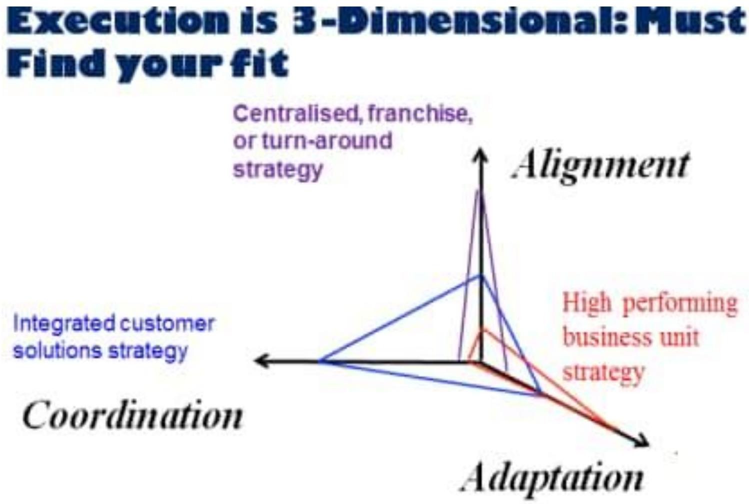
e. "You need the CEO if you want to execute"

Too often when I talk to leaders and managers about execution, they express the desire for their CEO to get more involved, to really understand what the issues are. There seems to be a prevailing idea that to really make execution work, you need someone on the senior team to swoop down and help solve all the problems.

Executive teams are responsible for helping to define strategic boundaries, guide company-wide adaptation, manifesting through their actions and behaviours what it means to have an execution culture (described in my next blog), and, critically, developing and building a key cohort of managers distributed throughout the organisation.

It is these managers, whom I call "distributed leaders," who are the real heroes of execution. In complex organisations, hundreds of decisions and actions at multiple levels of the organisation make strategy execution happen. The leaders closest to these choices are in the best place to make these tough calls as well as to build a shared understanding of a situation which is often in flux. Execution lives and dies with this group, defined as the set of managers and leaders distributed throughout the organisation who are critical to executing strategy.

Part two of the blog will look at devising a framework to help execute strategy effectively within your organisation.



What is asound business idea to pursue? Where does one look for a potential business undertaking?

When a person thinks of a business to pursue, there is no instant answer to this, one has to do something to find the best opportunity in business. The best business opportunity does not come in a wink of an eye, it is a matter of studying the whole process of the business before it will bloom into the most profitable business.

Analyze the following suggestions in finding the opportunities that will guide a would-be entrepreneur.

1. **Start with yourself.**

The choice to be an entrepreneur is a personal one that depends on individual situations and preferences. The chances of success would be higher if you enter a business in line with your interest, knowledge, skills, and passion. Consider the following in relation to your personal preferences:

- **Likes and dislikes.** Interest and preferencesof a person on something that will lead to a possible entrepreneurial choice. If one enjoyscooking then a food business may be suitable.
- **Family obligations.** Your family may be a great influence for one to decide to choose a business. If the family enjoys running a business profitably, then pursue similar or related business.
- **Age and health issues.** Age is relevant when considering the physical and mental demands of the business.
- **Personality.** The business that suits your personality. Individuals who are inherently creative and innovative are usually full of ideas when they observe their surroundings.
- **Financial need.** When the demands of the family, one may choose a business that will provide financial aspect of the whole family.pls see my writings below.

a. What are the Operations of a Company?

A company's operations are the activities that produce and deliver a product or service. Operations management is the profession that encompasses planning, implementing, and supervising that production. Some people think of operations as the daily tasks and tactics that transform materials or actions into a product or service, but operations strategy goes a level higher to determine operations approaches and goals.

In a car company, for example, operations could include the following: obtaining and transporting raw materials (metal, rubber, and plastic, etc.), dealing with suppliers, conducting and measuring the steps that transform materials into parts, managing the people, machines, and processes, assembling the vehicles efficiently, maintaining quality and troubleshooting problems, delivering car orders on time, and managing and continually optimizing the whole value chain. In addition, operations could play a role in product design, plant capabilities and design, and production or sales forecasting.

The seven main functions of operations are:

1) Product management
2) Supply chain
3) Inventory
4) Forecasting
5) Scheduling
6) Quality
7) Facilities planning and management

Some people still understand operations as an organization's daily operations and tactics, while others see operations strategy as having a key role to play in companies of any size.

b. The Role and Purpose of Operations Strategy

Operations strategy is only one part of overall business or corporate strategy, but it's crucial for competitiveness and success. Without a strong operations strategy, companies fail to keep up with changing markets and lose out to more strategic competitors. Many companies, big and small, have struggled with operations strategy, often lacking in comparison with technologically savvy competitors. For example, Amazon, while constantly advancing technology such as drones for delivery, has pushed aside myriad brick-and-mortar retailers.

To be effective and competitive, all parts of a company must work together. All departments should contribute to the company mission and have strategies underlying the overall corporate/business strategy. In addition to having an operations strategy, they should also have functional area strategies in finance, IT, sales, marketing, human resources, and possibly other departments, depending on the type of business.

"An operations strategy should guide the structural decisions and the evolution of operational capabilities needed to achieve the desired competitive position of the company as a whole," says Tim Laseter in his article "An Essential Step for Corporate Strategy."

These days, however, it's not enough to simply follow best practices. Companies must innovate, not just play catch-up to practices already mastered by competitors.

Authors Steven C. Wheelwright and Robert H. Hayes categorized types of organizations based on a company's attitude toward operations:

1) **Stage 1, Internally Neutral:** The operations function is reactive and viewed as a necessary evil.
2) **Stage 2, Externally Neutral:** The operations function adopts best practices and tries to match the competition.
3) **Stage 3, Internally Supportive:** The operations function tries to provide support for the overall business strategy.
4) **Stage 4, Externally Supportive:** The operations function provides competitive advantage for the company, and sets the industry standard.

c. Core Operational Strategy Areas

Different sources use different terms to describe strategy areas. Here's one way to categorize core strategies:

1) **Corporate:** Overall company strategy, driving the company mission and interconnected departments
2) **Customer-Driven:** Operational strategies to meet the needs of a targeted customer segment

3) **Core Competencies:** Strategies to develop the company's key strengths and resources
4) **Competitive Priorities:** Strategies that differentiate the company in the market to better provide a desired product or service
5) **Product or Service Development:** Strategies in product design, value, and innovation

A company's *key success factors (KSFs)* pertain to competitiveness, such as a company's attributes, resources, capabilities, and competencies. By identifying these, a company can focus on the issues that matter most and measure them with *key performance indicators (KPIs)*.

Another way to frame strategic areas is by these "distinctive" competencies:

1) Price
2) Quality, such as performance, features, aesthetics, and durability
3) Service
4) Flexibility
5) Tradeoffs, or competing on one or two distinctive competencies at the necessary expense of others

Author Terry Hill used the terms order qualifier and order winner. An order qualifier means a company or product has a characteristic that allows it to be a viable competitor. An order winner is a characteristic that causes customers to choose it over competitors.

d. Tips for Operations Strategies and Tactics

Specific strategies depend on your specific business. Here are strategy tips that apply to many companies, whether they are producing goods or services.

1) **Take a Global View:** See how others worldwide are providing better goods and services. Learn from them, and see how you might compete and innovate in a core competency. Also, improve your supply chain by looking globally, and employ global talent if remote work is an option.
2) **Have a Strong Mission Statement:** Focus your efforts with a mission statement that truly defines your goals

and guides your business approach. Tie your overall business strategy and operations strategy into it.

3) **Gain Competitive Advantage with Differentiation:** Develop a point of differentiation and a unique value proposition, and consistently innovate and build strategies around them. Don't just use best practices. Exceed them, and leapfrog the competition.
4) **Gain Insights from a SWOT Analysis:** Analyze your company's strengths, weaknesses, opportunities, and threats as a catalyst to strategy.
5) **Track Progress:** Develop strong analytics and KPI dashboards to measure and optimize your operational efforts.

e. Operations Strategy Examples

With the rapidly changing marketplace in recent years, some companies have excelled in part due to their strong operations strategies. Here a few examples:

1) **Amazon:** Once known for books, Amazon is now known as the go-to platform for online shoppers of any product. Its distribution network is widely touted and even includes experiments with drone delivery.
2) **Apple Computers:** Apple is long recognized in operations circles for its operational excellence and supply chain management.
3) **Walmart:** This retailing giant managed to undercut many competitors on the price and variety of a wide range of products.
4) **FedEx:** FedEx made speed of delivery its calling card, achieving it with excellent operations.
5) **IKEA:** The world's largest furniture retailer undercut many home goods competitors on price and variety with its warehouse concept.

f. Types of Operations Strategies

We can broadly categorize major operations decisions as *structure* or *infrastructure*. Structure means the physical attributes of operations, while infrastructure refers to the people, systems, and software.

Structural decisions include facilities, capacity to produce, process technology, and supply network. An example of a decision many companies face is how much to outsource vs. handle in-house. The structural decision on whether to build or expand a facility is an expensive one that could affect the company for years to come.

Infrastructure decisions include planning and control systems, quality management, work organization, human resources, new product development, and performance management of employees.

Operations strategy has a *vertical relationship* with overall business/corporate strategy, and it has a *horizontal relationship* with other functional strategies, such as strategies for marketing, sales, finance, IT, and HR.

Another way to categorize operations strategies is *top-down* or *bottom-up*. That is, operations strategies might come down from business strategy, supporting it. Or, strategies might arise over time as a pattern of decisions within operations.

Also, operations strategy can be *market-led* or *operations-led*. When it's market-led, operations strategy derives from a response to the market conditions. When it's operations-led, excellence in operations in a particularly savvy company drives the strategy.

g. Operations Strategy Framework

Operations strategy provides the ability to improve products, services, and processes. To develop the strategy, consider the business/corporate strategy and a market/needs analysis. Then, consider the competing priorities of cost, quality, time, and flexibility — and how you'll handle them.

To exist in the market, you need to have acceptable quality, price, reputation/years in business, and reliability. To actually win more orders in the market, the factors change a bit. You need winning quality, price, speed of delivery, consistency of delivery, and reliability.

These factors combine like this to provide an operations strategy framework, as outlined by lean transformation consultant Anand Subramanian.

1) We start with the business/corporate strategy, laying out objectives, such as return on investment (ROI), profit, and growth.

2) We move to marketing strategy, where we consider factors such as customer segments, standardization vs. customization, innovation level, and leader-vs.-follower alternatives.
3) Next comes order-winning criteria such as quality, price, delivery speed, design, and after-sales support.
4) Last comes operations/manufacturing strategy, which includes choices of structure (such as facilities and process) and infrastructure (such as planning/control systems and work organization). Feeding into that strategy are the elements of product/process design, inventory, quality management, human resources and job design, and maintenance.

In a similar vein, Slack and his co-authors outlined five performance objectives in their 2004 book, *Operations Management*:

1) **Cost:** Ability to compete on low price
2) **Quality:** Ability to compete on high quality
3) **Speed:** Ability to compete on fast delivery
4) **Dependability:** Ability to compete on reliable delivery
5) **Flexibility:** Ability to compete with new products or services, wide selection, and timing

Authors Henry Mintzberg and James A. Waters wrote about how organizations form strategies in their 1985 book, *Of Strategies, Deliberate and Emergent*. Organizations start with an *intended strategy*, but only some of that is realized through *deliberate strategy*. Some intentions are left *unrealized*, such as those that didn't adequately consider operational feasibility. Meanwhile, *emergent strategies* develop as patterns of actions taken in the organization — most often by the operations department. The deliberate strategies and emergent strategies feed into the *realized strategies*. This process shows the importance of operations details in the big picture.

h. Steps to Write a Strategic Operations Plan

Below are 15 straightforward steps for writing a solid strategic operations plan:

1) **Choose the Right People:** Select those with the right knowledge to compile the operations strategy plan, sometimes just called an operations plan. Some businesses provide more strategy than others in their ops strategy plan.
2) **Study the Overall Business Strategy Plan:** Sometimes the operations strategy plan is included as a section of the overall business plan. In any case, the ops strategy plan should align with the business plan.
3) **Develop Measurable Operations Goals:** These should match up with the business plan. Don't do KPIs in a vacuum. Ensure that stakeholders have a say and agree to the numbers.
4) **Gather Key People to Brainstorm Strategies:** Work on strategies (approaches to reach goals) and underlying tactics (specific steps and tasks to implement the strategy).
5) **Outline Your Major Points to Maintain Your Plan's Focus:** Use headings, subheadings, and bulleted lists for clear organization. These will carry over to your fully written plan, providing clear structure and easy scanning. Your plan might have elements of a SWOT analysis: strengths, weaknesses, opportunities, and threats.
6) **Keep Your Audience in Mind:** Write so that they will understand it. The plan is all about communication.
7) **Include an Index:** Use this for easy scanning of the plan and its sections.
8) **Use an Appendix:** Use this for supplementary material or for items too detailed for the whole audience.
9) **Include the Operations Budget:** Include it, or cross-reference or cross-link it in your operations strategy plan. Show the rationale for key budget items, especially large expenses.
10) **Include a "Stage of Development" Section:** Give an overview of the current state of operations and what you're trying to accomplish and improve. Provide a high-level view of how you make your product, your

supply chain, and quality control. Identify risks and how you'll monitor them.

11) **Include a Production Process Section:** This goes into detail on the daily production process, and demonstrates that you've worked out the necessary specifics. For manufacturing, you would list plant details, equipment, assets, materials, special requirements, inventory, and quality control steps. For a startup, you might include prototype and testing details.
12) **If Necessary, Divide Other Sections by Product Family:** You can also divide them by product, service, or different areas of operations. You might include overall strategies and tactics and/or consider them by section.
13) **Use Flowcharts:** Use these images and other graphics to make it more easily understandable.
14) **Build in Flexibility:** Explain how you might adjust operations based on a changing market.
15) **Regularly Monitor Your Goals:** Do this to see how your strategies and tactics are working. Adjust as necessary to keep ahead of the curve. A strong operations strategy plan is key to your success.

i. Pro Tips on Writing a Strategic Operations Plan

Tim Lewko (paraphrased from a phone interview) suggests that you do the following:

1) Write the plan based on priority products. All products aren't the same. For example, if you're thinking of expanding into Canada, consider what percentage of primary products are represented there.
2) Know your current and future priority customers. Different departments such as operations, marketing, and sales may not agree on priorities.
3) Use a matrix of priority products and priority customers to clarify opportunities and decisions.
4) Decide whether to buy or build. Is it something you should outsource? You don't need to know everything. You just need to know where to get it.

Robin Speculand (paraphrased from a phone interview) provides these tips:

1) Don't wait for perfection. There's no such thing. As soon as you roll out your operations plan, things change. Once you get 80 percent of your plan, start to roll it out.
2) Be clear on what's actionable. You need to be able to explain what action is taking place across the division.
3) Make sure you have clear measures in place. Every objective must have a measure.

Susan Ho says, "Don't do it alone — communication and getting buy-in is everything. The biggest point of frustration I see from teams is when executives put forth operations plans and goals without consulting them. At best, it leads to unrealistic goals. At worst, it leads to a disillusioned team that's not bought in. Before putting something down on paper and handing it to teams as gospel, schedule time with directors and managers to communicate the business-level goals, why they're important, and why they need to happen. Talk to them about the operational implications of those business goals. What will be easy for them to achieve, what will be difficult, and why? What do they need to make it happen?"

She continues, "Spend extra time mapping out interdependencies and worst-case scenarios. At Journy, we pair travelers one on one with an expert concierge who custom builds a detailed travel itinerary based on the customer's interests. At the highest level, we have monthly revenue goals that we want to achieve. Because we have a labor and time-intensive product, we need to carefully coordinate three key variables: top-line growth based on marketing and sales initiatives; capacity (how many hours our concierge team has available), which is directly impacted by how fast we execute against our engineering roadmap; and hiring and training new concierges. At the same time, we also have SLAs to deliver all itineraries to travelers within 5-7 days of their request. Because of that, we have clear processes for how our marketing team communicates with our operations team and for how operational plans align with our marketing tests. For example, if the marketing team hits it out of the park, what is the implication for ops?"

"Connect the dots in your value chain," Suresh Dalai suggests. "To make the plan end-to-end, start with the consumer and work backward (sell, move, make, plan). If sell is your consumer, working backward, you need to plan, make, and move. Your operations strategy should articulate how these steps are connected in your business and how each piece in the chain supports the next piece. Next, measure the effectiveness of your operations plan through consumer-facing KPIs. The KPIs should be as close to consumer experience as possible. For example, many operations KPIs are about meeting operational efficiency goals (e.g., reducing lead times from order to delivery, increasing fill rates [the percentage of the request filled at a certain time], or simply increasing the number of widgets produced per labor). However, a consumer-facing KPI would be, for example, the percentage of consumers satisfied with your product availability or with the high quality/durability of your products."

"Operations plans are really focused on the middle section of the P&L (the costs), so minimize them," says Levy. "While operations does focus on creating a system to scale an organization, keeping costs low and maximizing profit is something I look at carefully. Operations plans should ask tough questions like, 'Is hiring this team necessary, or can we solve this with technology?' or 'Should we perform more experiments to test the viability of new businesses before investing heavily?' These are questions that should be at the core of an operations plan for any evolving organization. You should also have all leaders present, and get in the weeds. As an executive, you have to get in the weeds when you are designing a strategic operating plan. Executives should constantly meet with people on every level of the organizational structure to test assumptions."

Levy adds, "Keep one eye on the short term and one on the long term. Short and long-term planning are equally important and not always easy to balance. Some plans may have the desired effect now, but could cause issues down the line. This often comes into play with the organizational chart and how different groups work together. You want to ensure that everyone is aligning their decision making - not only with their individual department, but also with the overall goals of the company. This is crucial for long-term operational success."

Cristian Rennella notes, "When writing a strategic operation plan, I suggest not writing it in full. It is advisable to write just the initial points. Then, make contributions so as to complete it according to the market needs. Another interesting point is about flexibility. Always be open to new modifications, not just at the moment of writing, but also once you've implemented the plan."

"First, be sure you have a contingency built in," Fajardo emphasizes. "Manufacturers and distributors are likely to miss deadlines too, so build yourself leeway of plus or minus 48 hours on either side whenever possible. Second, sit down and consult with your department heads as you write the plan. What sounds feasible to your line manager might have major negative consequences for your receiving manager. Everybody needs to be on the same page. Third, if opportunity and operations flow permits it, test out small phases of your plan in a controlled fashion, so you can see if the pacing and flow match your desired expectations," he concludes.

j. What Services Do Operations Strategy Consultants Offer?

Consultants offer a wide range of services in functional strategy areas like operations as well as overall corporate/business strategy. Among other things, they can help a business do the following:

1) Map and assess their operations
2) Improve alignment with the overall business and with other departments
3) Create strategic plans
4) Perform a SWOT analysis (strengths, weaknesses, opportunities, and threats)
5) Advise on better technology
6) Develop benchmarking, KPIs, and goals
7) Streamline operations for efficiency and cost reduction
8) Implement strategic plans and new ways of doing things

k. Operations Strategy FAQ

1) What is operational effectiveness vs. strategy?

Operational effectiveness is about continually improving functional performance to better use resources and improve processes. Strategy is more about creating a unique value proposition to surpass competitors and succeed in the market.

2) What is meant by operational sustainability?

Operational sustainability is the business' ability to maintain existing practices without placing future resources at risk. It often refers to ecological resources.

3) What is a competitive capability?

This means a plant's performance compared with competitors. Performance capabilities include quality, delivery, flexibility, and cost.

l. The Future of Operations Strategy

1) Lewko (paraphrased from a phone interview) provides these thoughts on the future of operations strategy: You don't know who the future competition is, so you have to start looking now. Who could be a future competitor? Consider who has better distribution and better manufacturing.
2) What technologies can you leverage in your business that you haven't already? How can you lower costs and/or better serve customers? Find a better way, a better price, better technology. You could have produced the best buggy whip in the world but still been beaten out by the automobile.
3) Use an outside-in perspective. Don't just keep looking through the lens of what you've always done

Ho points out that "Everyone has been talking about AI — from using it to streamline meeting scheduling (Clara.ai and x.ai) to making recommendations to managers about their teams (butterfly.ai) to using machine learning to solve complex problems. It's certainly true that there are many implications for AI in operations strategies that can make the job easier. I would argue, however, that when it comes to operational strategy, getting the 'right' answer is just a small part of the job. It's mobilizing the broader organization to effectively do something about that answer that is the greater challenge, and a machine just won't be able to do that."

"The evolving trend in operations strategy is the integration of technology into every aspect of your business," says Levy. "Operations executives must have a strong understanding of technological trends and push the envelope for integrating technology. The first question I ask myself when making a hiring decision is whether or not I can address this problem with technology. Technology and automation remove the possibility of human error, ultimately making for better processes across your organization" he emphasizes.

Speculand (paraphrased from a phone interview) believes that matching the pace of change is critical to future market survival: You have to be more fluid and agile than ever before. Operations strategies need to keep up with the pace of change. The digital transformation affects everyone to some degree, and operational models around the world are changing. Every operation is going to be challenged.

Dalai sees vertical integration, technology, and the right management talent as the keys to the future of operations strategy: "Vertical integration: Each player in the operational value chain will increasingly try to do what its customers or suppliers do in an attempt to control their own destiny and profit by eliminating the middleman. For example, the sellers of clothes will increasingly try to source materials and manufacture these clothes on their own instead of outsourcing the materials and production. The producers of clothes will increasingly try to sell them directly to consumers instead of supplying to the sellers (brands). However, the challenge in these moves is that companies are stepping out of their core competency. Some will succeed. Most will fail. Those who can harness technology well and have skilled managers will succeed in venturing into areas where they have less experience."

He continues, "Technology: Artificial intelligence, 3D printing, and virtual reality will be some of the tools through which manufacturers will try to get closer to consumers and sellers will try to be efficient in sourcing and production. Companies who can effectively utilize these technologies will likely win. Finally, there is the search for management talent:

Vertical integration and the use of technology will heavily depend on strong managers who can coordinate across functions and activities and keep team members engaged. Two types of managers will be in high demand: those who have experience across selling, moving, making, and planning and those who can build a culture of cross-disciplinary creativity and teamwork."

Rennella strongly believes "that in the future, the key for operation strategies is video instruction. In fact, we have already implemented this up-to-date technique in our company. It is a good idea to show everything on a main screen and, what's more, in short segments. The first time we made a video with strategies, it lasted almost 20 minutes, and as soon as we realized a mistake, making adjustments was a real problem. Consequently, we started recording short videos, no more than seven minutes. In a nutshell, fixed schemes are totally obsolete in such a volatile worldwide market."

"The future of operations strategy? That's a tough one," says Fajardo. "With more and more analytics and data in play, I suppose the job will only get easier in some respects. A/B testing won't be as necessary when you already know what the best outcome will be. Even so, the surfeit of data comes with its own problems. Operations strategists are going to have to be more adept at knowing what these numbers are and — most importantly — what they signify."

2. **Get inspired by successful Entrepreneurs**

Read the stories of successful entrepreneurs. You can learn from their entrepreneurial experiences, insights and practices. Match ideas learned from them with your early thinking and approach

3. **Meeting needs**

In some existing products and services, watch for some gaps in supply, demand, or needs not met. Study needs for products or servicesthat have not been fully satisfied.It may be the time for a would-be entrepreneur to fill the gap.

4. **Identify problem areas to be addressed**

The entrepreneur perceives problems as challenges to create a business, thus turning the problem into an opportunity.

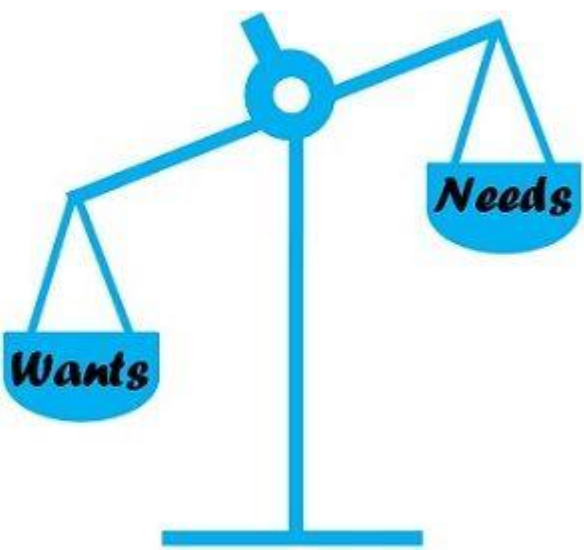
What is a Business Opportunity

Steve Mariotti, the founder of the Networking for Teaching Entrepreneurship (NFTE), is an expert in education for at-risk youth. For more than 25 years, he has been helping young people develop marketable skills by learning about entrepreneurship. "The NFTE's vision is that every young person will find a pathway to prosperity." He wrote the book "Entreprenuership: Owning Your Future." Let us begin to study excerpts from his experience.

Usually you start a business because you see an opportunity. A ***business opportunity****is a consumer need or want that can potentially be met by a new business*. In economics, a ***need****is defined as something that people must have to survive, such as water, food, clothing, or shelter*. A ***want****is a product or service that people desire*.pls see my wrtings below.

1. **Difference Between Needs and Wants**

Last updated on October 21, 2017 by Surbhi S



We all know that economics is a social science, which deals with production, distribution and consumption functions. It is all about making choices regarding the allocation of scarce resources, so as to make their best possible use and satisfy human wants and needs. In economics, we often go through the terms needs and wants, but have you wondered about their differences. **Needs** point out the something you must have for survival.

On the other hand, wants refers to something which is good to have, but not essential for survival. For the purpose of spending and saving money wisely, every person must know the difference between needs and wants.

Content: Needs Vs Wants

a. Comparison Chart
b. Definition
c. Key Differences
d. Conclusion

Table 2. Comparison Chart

BASIS FOR COMPARISON	**NEEDS**	**WANTS**
Meaning	Needs refers to an individual's basic requirement that must be fulfilled, in order to survive.	Wants are described as the goods and services, which an individual like to have, as a part of his caprices.
Nature	Limited	Unlimited
What is it?	Something you must have.	Something you wish to have.
Represents	Necessity	Desire
Survival	Essential	Inessential
Change	May remain constant over time.	May change over time.
Non-fulfillment	May result in onset of disease or even death.	May result in disappointment.

2. Definition of Needs

By the term needs, we mean those requirements which are extremely necessary for a human being to live a healthy life. They are personal, psychological, cultural, social, etc that are important for an organism to survive.

In ancient times the three basic needs of the man are food, clothing and shelter but with the passage of time, education and healthcare also became integral, as they improve the quality of life. They are a person's first priority as they are the things, that they keep us healthy and safe. Therefore, if needs are not satisfied in time, it may result in illness, inability in functioning properly or even death.

3. Definition of Wants

In economics, wants are defined as something that a person would like to possess, either immediately or at a later time. Simply put, wants are the desires that cause business activities to produce such products and services that are demanded by the economy. They are optional, i.e. an individual is going to survive, even if not satisfied. Further, wants may vary from person to person and time to time.

We all know that human wants are unlimited while the means to satisfy those wants are limited. Hence, all the wants of an individual cannot be met and they must seek for alternatives.

4. Key Differences Between Needs and Wants

The following points are noteworthy so far as the difference between needs and wants are concerned:

1) The term 'needs' is defined as an individual's basic requirement that must be fulfilled, in order to survive. Wants are described as the goods and services, which an individual like to have, as a part of his caprices.
2) An individual needs are limited while his wants are unlimited.
3) Needs are something that you must have, in order to live. On the contrary, wants are something that you wish to have, so as to add comforts in your life.
4) Needs represents the necessities while wants indicate desires.
5) Needs are important for the human being to survive. As against this, wants are not as important as needs, because a person can live without wants.
6) Needs are those items, that are required for life and does not change with time. As opposed to, wants are those items,

that are desired by an individual either right now or in future. Therefore, wants might change over time.

7) As needs are essential for life, non-fulfillment may lead to illness or even death. In contrast wants are not essential for living and so non-fulfillment, does not have a great impact on a person's life, however, disappointment may be there.

5. Conclusion

With the above discussion, on these two concepts of economics, it concluded that needs and wants are separate forces, that compels actions for satisfaction. If needs are not met on time, the survival of a person is at stake whereas wants are something which a person is craving for, that does not challenge a person's survival if not satisfied.

So, needs can be distinguished from wants on the basis of their level of importance. Hence, the distinction is between what is required and what is desired.

Recognizing Opportunity

1. Ideas versus Opportunities

Not every business idea is a good business opportunity. For example, you might have an idea for a neighborhood restaurant. But if that idea has no commercial potential, if it can't make a profit, it isn't an opportunity. If the public didn't like the type of food you planned to serve, the business would be doomed to fail.

Your idea could be an opportunity in a different location, however. Let's say that the people in another town really wanted your potential restaurant's cuisine. In addition, no similar restaurant currently existed in the area. In this case, your idea could be a real opportunity.

You can ask yourself five questions to begin the process of determining if a business idea might be a good business opportunity. If the answer to any of these questions is "no," there is a good chance that the idea is not a real business opportunity.

Five questions to determine if the business idea is a good business opportunity:pls see my writings below

2. How to Conduct a Market Analysis for Your Business

A market analysis can help you identify how to better position your business to be competitive and serve your customers.

- A market analysis is a thorough assessment of a market within a specific industry.
- There are many benefits of conducting a market analysis, such as reducing risk for your business and better informing your business decisions.
- There are seven steps in conducting a market analysis.
- This article is for business owners who want to know why they should conduct a market analysis and how to do it.

Understanding your customer base is one of the first key steps to success in business. Without knowing who your customers are, what they want and how they want to get it from you, your business could struggle to come up with an effective marketing strategy. This is where a market analysis comes in. A market analysis can be a time-intensive process, but it is straightforward and easy to do on your own in seven steps.

3. What is a market analysis?

A market analysis is a thorough assessment of a market within a specific industry. With this analysis, you will study the dynamics of your market, such as volume and value, potential customer segments, buying patterns, competition, and other important factors. A thorough marketing analysis should answer the following questions:

- Who are my potential customers?
- What are my customers' buying habits?
- How large is my target market?
- How much are customers willing to pay for my product?
- Who are my main competitors?
- What are my competitors' strengths and weaknesses?

Key takeaway: **A market analysis is a thorough assessment of a market within an industry.**

4. What are the benefits of running a marketing analysis?

You can use a marketing analysis at several stages of your business, and it can even be beneficial to conduct one every year to keep up to date with any major changes in the market.

A detailed market analysis will usually be part of your business plan, since it gives you a greater understanding of your audience and competition, helping you build a more targeted marketing strategy.

These are some other major benefits of conducting a market analysis:

a. Risk reduction:

Knowing your market can reduce risks in your business, since you'll have an understanding of major market trends, the main players in your industry, and what it takes to be successful, all of which will inform your business decisions. To help you further protect your business, you can also conduct a SWOT analysis, which identifies the strengths, weaknesses, opportunities and threats for a business.

b. Targeted products or services:

You are in a much better position to serve your customers when you have a firm grasp on what they are looking for from you. When you know who your customers are, you can use that information to tailor your business's offerings to your customers' needs.

c. Emerging trends:

Staying ahead in business is often about being the first to spot a new opportunity or trend, and using a marketing analysis to stay on top of industry trends is a great way to position yourself to take advantage of this information.

d. Revenue projections:

A market forecast is a key component of most marketing analyses, as it projects the future numbers, characteristics and trends in your target market. This gives you an idea of the profits you can expect, allowing you to adjust your business plan and budget accordingly.

e. Evaluation benchmarks:

It can be difficult to gauge your business's success outside of pure numbers. A market analysis provides benchmarks against which you can judge your company and how well you are doing compared to others in your industry.

f. Context for past mistakes:

Marketing analytics can explain your business's past mistakes or industry anomalies. For example, in-depth analytics can explain what impacted the sale of a specific product, or why a certain metric performed the way it did. This can help you avoid making those mistakes again or experiencing similar anomalies, because you'll be able to analyze and describe what went wrong and why.

g. Marketing optimization:

This is where an annual marketing analysis comes in handy – regular analysis can inform your ongoing marketing efforts and show you which aspects of your marketing need work, and which are performing well in comparison to the other companies in your industry.

Key takeaway: **A market analysis can benefit your business in many ways, especially if you conduct regular analyses to make sure you have current information for your marketing efforts.**

5. How to conduct a market analysis

While conducting a marketing analysis is not a complicated process, it does take a lot of dedicated research, so be prepared to devote significant time to the process.

These are the seven steps of conducting a market analysis:

a. Determine your purpose.

There are many reasons you may be conducting a market analysis, such as to gauge your competition or understand a new market. Whatever your reason, it's important to determine it right away to keep you on track throughout the process. Start by deciding whether your purpose is internal – like improving your cash flow or business operations – or external, like seeking a business loan. Your purpose will dictate the type and amount of research you will do.

b. Research the state of the industry.

It's vital to include a detailed outline of the current state of your industry. Include where the industry seems to be heading, using metrics such as size, trends and projected growth, with plenty of data to support your findings. You can also conduct a comparative market analysis to help you find your competitive advantage within your specific market.

c. Identify your target customer.

Not everyone in the world will be your customer, and it would be a waste of your time trying to get everyone interested in your product. Instead, decide who is most likely to want your product using a target market analysis and focus your efforts there. You want to understand your market size, who your customers are, where they come from, and what might influence their buying decisions, looking at factors like these:

- Age
- Gender
- Location
- Occupation
- Education
- Needs
- Interests

During your research, you might consider creating a customer profile or persona that reflects your ideal customer to serve as a model for your marketing efforts.

d. Understand your competition.

To be successful, you need a good understanding of your competitors, including their market saturation, what they do differently from you, and their strengths, weaknesses and advantages in the market. Start by listing all your main competitors, then go through that list and conduct a SWOT analysis of each competitor. What does that business have that you don't? What would lead a customer to choose that business over yours? Put yourself in the customer's shoes.

Then, rank your list of competitors from most to least threatening, and decide on a timeline to conduct regular SWOT analyses on your most threatening competitors.

e. Gather additional data.

With marketing analyses, information is your friend – you can never have too much data. It is important that the data you use is credible and factual, so be cautious of where you get your numbers. These are some reputable business data resources:

- U.S. Bureau of Labor Statistics
- U.S. Census Bureau
- State and local commerce sites
- Trade journals
- Your own SWOT analyses
- Market surveys or questionnaires

f. Analyze your data.

After you collect all the information you can and verify that it is accurate, you need to analyze the data to make it useful to you. Organize your research into sections that make sense to you, but try to include ones for your purpose, target market and competition.

These are the main elements your research should include:

- An overview of your industry's size and growth rate
- Your business's projected market share percentage
- An industry outlook
- Customer buying trends
- Your forecasted growth
- How much customers are willing to pay for your product or service

g. Put your analysis to work.

Once you've done the work to create a market analysis, it's time to actually make it work for you. Internally, look for where you can use your research and findings to improve your business. Have you seen other businesses doing things that you'd like to implement in your own organization? Are there ways to make your marketing strategies more effective?

If you conducted your analysis for external purposes, organize your research and data into an easily readable and digestible document to make it easier to share with lenders.

Be sure to retain all of your information and research for your next analysis, and consider making a calendar reminder each year so that you stay on top of your market.

1) Does the idea fill a need or want that does not currently being met?
2) Will the idea work in the location or in the way that you plan to sell it?
3) Can you put the idea into action within a reasonable amount of time—that is, before someone else does or while resources are still available? This concept is called the ***window of opportunity*****:** *the period of time you have to act before the opportunity is lost.*
4) Do you have the resources and skills to create the business (or know someone else who could help you do it?
5) Can you provide the product or service at a price that will attract customers but still can make a profit? Pls see my writings above

Thinking Creatively

Entrepreneurs are constantly coming up with business ideas by thinking creatively. Training yourself to think like an entrepreneur may take some practice, but it is well worth the effort.

1. Types of Thinking

Creative thinking is a thought process that involves looking at a situation or object in new ways. It is also called lateral thinking. The phrases "Think outside the box" and "Use your imagination" refer to creative thinking. You can also define creative thinking as having an attitude that "plays" with many possibilities. This are my clear definitions…Creative thinking refers to using abilities and soft skills to come up with new solutions to problems. Creative thinking skills are techniques used to look at the issue from different and creative angles, using the right tools to assess it and develop a plan.

The focus on creativity and innovation is important because most problems might require **approaches that have never been created or tried before**. It is a highly valued skill to have individually and one that businesses should always aspire to have among their ranks. After all, the word creativity means a phenomenon where something new is created.

Creative thinking is a skill and, like any other, it needs constant exercise to stay sharp. You need to regularly expose yourself to situations in which a new idea is needed and surround yourself with like-minded people to achieve this goal.

Such a process is made easier with the use of certain techniques. They help get you on the right mindset and **provide the basic structure to reach new ideas** on demand.

2. Creative thinking techniques

As you have just learned, creative thinking can be triggered by some widely used techniques. These are effective methods to **help you come up with new ideas**, test them under new environments, and count on other people's input to make them even more innovative.

Some of the best examples of creative thinking skills may include: lateral-thinking, visual reading, out-of-the-box thinking, copywriting, artistic creativity, problem-solving, analytical mind, and divergent thinking.

Here are the best creative thinking techniques you can use.

3. Brainstorming

This technique can be very useful in small or large-scale problems that require a creative solution. The main goal is to form a group of people and throw around ideas without interference.

The general idea of brainstorming is that, by having an **excess of creative potential solutions**, it gets easier to reach one with the highest level of quality.

Brainstorming has several advantages that can help you exercise your creative thinking skills. For starters, it does not require a rigid structure to function, being very informal. However, **it can be facilitated by professional guidance**. Also, the people involved do not even need to be together at the same time, as you can use a virtual setting or put ideas into a shared document.

For it to work well, all participants must be aware of the problem that requires a creative solution and are familiar with how brainstorming works. In the end, do not forget to register all the ideas through proper documentation.

4. Lateral thinking

Sometimes, the answer to a problem is not in front of it, but besides it. That is the general idea of lateral thinking, which is a great way to exercise your creative soft skills and come up with innovative plans.

Lateral thinking involves looking in **less obvious areas and lines of reasoning**. It can work well if you and your partners try to put yourselves under different perspectives or reverse the problem to look at it differently.

For instance, the direct solution to a loss of sales online would be to put up more ads and promotions. However, lateral thinking might reach alternative paths, like using e-mail marketing to reach customers that have not bought from you in a while.

This can be extrapolated further, even using absurd lines of thinking to get your creative juices flowing. The most important aspect of this process is to **go where you would not usually choose to go**.

5. Mind mapping

The process of mind mapping helps you connect ideas you never imagined could be combined. Because of that, it might help you reach appropriate solutions while using creative thinking skills.

A mind map is a chart where you input ideas and connect them. It can have possible solutions to a problem, its immediate consequences, and be the best course of action to deal with them. Alternatively, your mind map can serve as **a way to see a bigger picture regarding what you are trying to do**.

Mind mapping can even be done individually. Sometimes, you may already have all the ideas you need but it is required to put them to paper. Creating a mind map helps to organize them and naturally reach conclusions.

Also, since a mind map is essentially an **infographic**, those who were not part of the process can easily understand it. Therefore, it serves as a valid piece of documentation.

6. Examples of creativity skills

Besides these creative thinking techniques we presented in this chapter, there are several skills you'll need to develop to enjoy the advantages of the techniques. Some of the creativity skills may include:

- Experimentation

- Opposing views
- Asking questions
- Communication
- Organization

7. What are the main benefits of creative thinking?

Developing your creative thinking skills is highly beneficial for any field of work. After all, every area needs people that can come up with the best solutions to the everyday problems that arise and **creativity is critical** to do that.

You can experience advantages such as these by developing creative thinking skills:

- Ability to **create the best solutions** to daily demands, which provides value to clients and your own business;
- Improvement on **problem-solving** for not only work-related matters but also those in your personal life;
- Higher **workplace involvement** in daily activities and engagement, which is beneficial to a healthier environment;
- A better **understanding of data** — also known as data literacy — and how to present it through data storytelling;
- Focus on **self-improvement** as you and your teammates will develop more soft skills.
- More effective **teamwork and bonding**, since people grow used to bouncing off original ideas and learn each other's creative traits.

8. How to develop creative thinking skills?

Now that you know exactly what creative thinking skills are, the next step in this process involves learning how to work on them. After all, **stagnation can be the biggest threat to your creativity**, as it requires constant stimulation.

Check out below the best ways to develop creative thinking skills for yourself.

9. Consume different kinds of content

Your creative thinking can be heavily benefited if you diversify the kind of content you consume in your daily life. After all, the information we absorb can be combined, remixed, and repurposed in several ways to provide solutions. However, this becomes impossible if there is no variety.

To do that, you can **make use of the internet's vast selection of content types**. Try to visit different blogs, YouTube channels, and social media profiles you are not used to — preferably those that deal with topics you do not usually consume.

This also works if you try to vary the forms as well as the content. This means engaging with different types of media, like text, videos, audio, and even more specific ones like e-books, podcasts, infographics, and others.

10. Keep up with the trends

Much of your creative thinking can be influenced by the trends that are influencing the market right now and the ones that are **coming up in the future**.

Keeping up with the trends is not just about consuming all kinds of news related to your field. It is also necessary to develop a keen eye to distinguish what has the creative potential to get viral or not. This ability will be essential to the success of your strategies in marketing.

Being able to predict trends does not require a crystal ball. Instead, you need to understand how your business segment operates and **where the innovation comes from**. Having a problem-solving stance is critical for coming up with creative and original ideas.

11. Try to create something every day

When someone wants to lose weight, they come up with an exercise plan that requires a daily effort as commitment. The same concept applies to the workout of your creative thinking and technical skills required to stay sharp.

So, with that goal in mind, make sure to try to create something new daily. It does not have to be something large or significant, just anything new that derives from **all the new references you are absorbing**.

Such creations might also serve as solutions to everyday problems you or your community face. The most important part of this process is creating a habit of coming up with new things so it begins to come naturally to you.

12. Build a network for creativity

Get help from others to keep your creative thinking and technical skills in constant development. You can build a network of people with the same goals and put all these tips in action as a group.

Interacting with your peers is a great way to **exercise your creativity**. It is even better when these people are also creatively-oriented and contributes to coming up with original ideas as a network. Try to come up with group projects to create a solution to a common problem or innovate on a certain aspect of work.

Be careful not to surround yourself with people that think and create exactly like you. Seek as much diversity as you can while creating this network, since all this variety can be highly beneficial to everyone's ideas.

Realizing **creative thinking skills** require constant training is the first step in improving how you come up with new ideas. People who are experienced in this craft can improve every field of expertise. Consider the tips in this article and begin a process of self-improvement focused on honing your creative thinking skills.

In contrast, critical thinking is also called lateral thinking, but it doesn't mean you are being negative. ***Critical thinking*** refers to a logical thought process that involves analyzing and evaluating a situation or object. Perhaps you've asked someone to help critique and essay or project on which you were working. They read or analyzed what you did. Then, they probably evaluated the project, suggesting things you could change.

Creative and critical thinking are both important, but they tend to produce different results. It is wise to learn when and how to apply them. For example, creative thinking works well for generating ideas and recognizing opportunities.

Creative Thinking Techniques

You can help yourself think creatively. Here are a few techniques:

1. **Challenge the Usual**

Ask lots of "Why" and "What if?" questions. Challenge what you believe about how products should work or how things are done.

2. **Think Backward**

Sometimes solving a problem is easier when you start by imagining the end result you want. Then mentally trace imaginary steps backward to see how you could get there.

3. **Be Flexible**

There is almost always more than one way to solve a problem. Force yourself to examine things from different angles. Problems can even become solutions.

4. **Judge Later**

When brainstorming ideas, don't worry about being practical. Also, try not to be negative or prejudiced. Those attitudes lower productivity. Not all ideas have to make sense in the beginning. You'll have time later to decide which ones are not useful. Sometimes ideas that seem silly at first inspire other, more useful, solutions later.

5. **Draw Idea Maps**

Use whiteboards, chalkboards, and poster boards to sketch out ideas. For example, one thought might branch out into six directions, and some of those branches might generate additional ideas. Drawing possibilities in this way often helps you to see a bigger picture, with new possibilities that you might have otherwise missed. You might also try using sticky notes as well or poster board. This method allows you to move ideas around.

6. **Brainstorm in a Group.**

Ask your friends, family and classmates to help you generate ideas. The old saying "two heads are better than one" is often true. All of these thinking techniques can be used when working in a group.

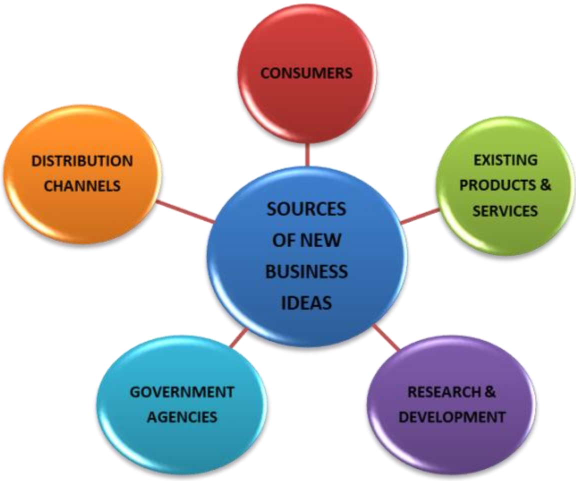
7. **Daydream.**

Letting your mind wander is okay; just make sure you pick an appropriate time. With your eyes closed, practice visualizing what your new product or service would be. What would it look like, small like, taste like, feel like, sound like?

Once you've gathered your ideas, tested them to see if they appeared to be opportunities, and compared various ways of activating them, you will need Start with the business ideas you like best. Then use critical thinking to logically evaluate the feasibility of each idea.

Source of New Ideas

Potential entrepreneurs can select business ideas from different sources. Let us take a look at some of the more fruitful sources of ideas for entrepreneurs.



1. **Consumers**

Potential entrepreneurs should always pay close attention to potential customers. This attention can take the form of informally monitoring potential ideas and needs or formally arranging for consumers to have an opportunity to express their opinions. Care needs to be taken to ensure that the idea or need represents a large enough market to support a new venture.

2. **Existing Products and Services**

Potential entrepreneurs should also establish a formal method for monitoring and evaluating competitive products and services on the market. Frequently, this analysis uncovers ways to improve on these offerings that may result in a new product or service that has more market appeal and better sales and profit potential. Even existing companies need to do this. Sam Walton, founder of Walmart, would frequently visit competitive stores focusing not on what the competitive store did badly, but rather on what it was doing very well, so he could implement the idea at Walmart. Jameson Inns established a policy whereby the manager of each of its inns (hotels) weekly reports on competitive hotels and their prices in their market areas.

3. Distribution Channels

Members of the distribution channels are also excellent sources for new ideas because of their familiarity with the needs of the market. Not only do channel members frequently have suggestions for completely new products, but they can also help in marketing the entrepreneur's newly developed products. One entrepreneur found out from a salesclerk in a large department store that the reason his hosiery was not selling well was its color. By heeding the suggestion and making the appropriate color changes, his company became one of the leading suppliers of nonbrand hosiery in that region of the United States.

4. Government Agencies

The government can be a source of new product ideas in two ways. First, the files of the Patent Office contain numerous new product possibilities. Although the patents themselves may not be feasible, they can frequently suggest other more marketable product ideas. Several government agencies and publications are helpful in monitoring patent applications. The Official Gazette, published weekly by the U.S. Patent Office, summarizes each patent granted and lists all patents available for license or sale. Also, the Government Patent Board publishes lists of abstracts of thousands of government-owned patents; a good resource for such information is the Government-Ownd Inventories Available for License. Other Government agencies, such as the Office of Technical Services, assist entrepreneurs in obtaining specific product information.

A government, any elected government comes to power after vanquishing an existing government or is re-elected by the people to continue on its mandate.

Government is a facilitator of Entrepreneurship. It should create conducive environment for Entrepreneurship, that's less of documentation , governance, tax free environment for first few years , provide venture capital and most importantly provide opportunities for business through syndication with large units buyers.Also provide an escape route if the new entrepreneur fails and needs to quit. The motivation should always be there to emphasise failure is not fatal success is not permanent too.

In an ideal world, a good government would

1) Create a policy framework that is pro-business and pro-employment
2) Co-ordinate with industry associations and business entities to advance innovation, ensure compliance, balance profits with employee focused social benefits, and encourage competition by effectively checking monopolies
3) Encourage entrepreneurship and support small entrepreneurs through grants and aid
4) Improve the education ecosystem to create well-paying jobs and ensure a pipeline of skilled candidates for industry to hire
5) Create a business-friendly and people-friendly tax regime, where consumption is taxed instead of basic services
6) Partner with countries around the world so that the country can leverage economies of scale and innovation from across the world
7) Create programs that will foster productivity and effectiveness, social contribution and sustainability
8) Protect Intellectual Property and punish copyright infringement
9) Ensure comprehensive rule-of-law and protection to businesses and entrepreneurs

The government should (pls see above mentioned)create an environment where entrepreneurship can grow. Access to finance should be made easier so that most entrepreneurs are helped in raising funds in the early stages of their business. Access to technological, legal, and socio-psychological support must be made available through government's assistance and stimulation to help entrepreneurs that are just starting their businesses.

Policies, laws, regulations, and procedures should be simplified to ease the way for new entrepreneurs as they go through the administrative complexities of starting a business. Bureaucratic delay, otherwise known as red tape, is one of the barriers to new business creation.

5. **Research and Development**

a. **Research and develop ideas, new products and services**

Research and development (R&D) is a key activity for growing and improving your business. Successful R&D relies on extensive market research and detailed assessment of your customer needs and behaviours, before developing new and improved products and services to fit those needs.

R&D is crucial to growth, both when starting up and as a means of keeping your existing business profitable. But **new product development process** can sometimes be risky and it needs considerable planning and organisation.

This guide highlights best practices in **researching new product and service ideas**. It explains how to generate ideas and assess their viability, carry out **concept development and testing** and ultimately **test the market**.

It also tells you **how to protect new product ideas** and find suitable finance and funding options for a new product or service development.

A **new idea** is often the basis for starting up a business. Many entrepreneurs spot a gap in the market and start businesses that provide a product or service that fills it. Others come up with ways to improve an existing product.

b. **Idea generation**

The **development of a new product or service** usually starts with an initial idea. There are many ways to come up with an idea. To begin with, you can ask yourself the following questions:

- Is there a gap in the market in the industry that you currently work in?
- Are there gaps in your existing product range?
- Are there weaknesses in existing products which you may be able to address?

- Can you adapt, modify or improve your existing products?
- Can you use customer's feedback to enhance your existing products or services?
- Can you identify a need for a particular service or product that nobody else provides?

Generating **a good product or service idea** is your starting point in any new product or service development.

c. New product development

New product development is a process of bringing a new product to the market. You may want to develop new products due to:

- Changing customer needs or preferences
- Increased competition
- Advances in technology
- New opportunities

A quality idea lays the foundation for all other stages of product development. Once you've come up with a list of product or service ideas, you should carefully screen or assess each one to determine whether you should pursue or discard them.

Successful new product development starts with identifying good product or service ideas. You will have to carefully evaluate each idea to determine which are worth pursuing and which you should discard.

d. Idea screening

When screening or evaluating your ideas, it might help to assess them against an **objective set of criteria**. For example, the criteria may include:

- The needs of your market and your customers
- Details of your customer behaviours and expectations
- The affordability of your idea, including resources needed for research and development
- The technical feasibility of your idea
- The market potential of your idea

- The profitability of your idea and the return on investment
- Relevancy and desirability of your new products or product improvements
- Your competition and their existing products

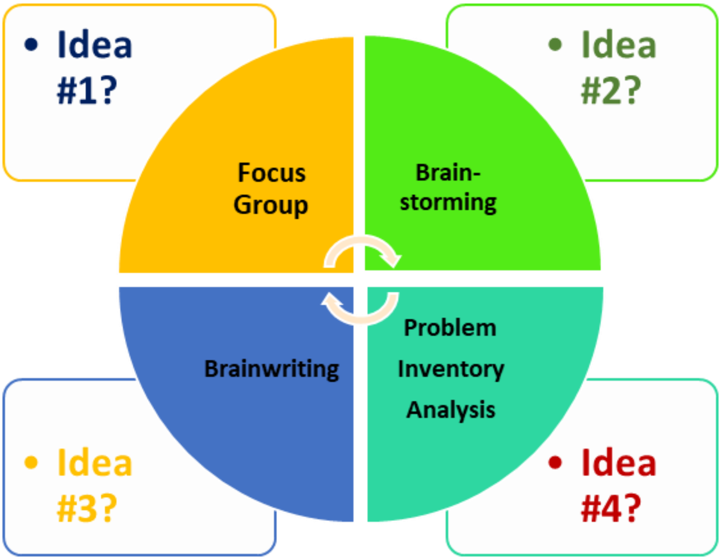
You may also want to consider doing a **SWOT analysis** for each of your ideas to identify their strengths and weaknesses.

Once you determine which ideas are viable, take time to refine them further to maximise their chances of success. Read more about **researching new product and service ideas**.

The largest source of new ideas is the entrepreneur's own "research and development" efforts, which may be a formal endeavor connected with one's current employment or an informal lab in a basement or garage.

Methods of Generating Ideas

Even with such a wide variety of sources available, coming up with an idea to serve as the basis for a new venture can still pose a problem, particularly since the idea is the basis for the business. The entrepreneur can use several methods to help generate and test new ideas, such as focus groups, brainstorming, brainwriting, and problem inventory analysis. Pls see my additional writings below.



Focus groups have been used for a variety of purposes since the 1950s. here are the Advantages & Disadvantages of a Focus Group

Advantages & Disadvantages of a Focus Group

Focus group usually refer to a group of 10 or fewer volunteers who gather to discuss a particular product or idea. The market research firm will ask them a series of questions or give them a product to try, after which they freely share their opinions, ideas and reactions. All their responses are viewed and studied to measure the likely reaction of the larger market population. Focus groups are usually tools used by the advertising industry to measure the potential impact of a new product.

1. **Advantage: Easily Measure Customer Reaction**

A focus group is a useful method that can be used to measure the reaction of customers to your new product or company strategies. Focus groups usually provide immediate ideas for the improvement of particular products or concepts. They also help identify the product requirements of the end-user as well as other needs not addressed by the company and its competitors. In addition, focus groups provide insights on the current position of your competitors in the mind of the customer, as well as measuring the reaction of customers to a product's design, packaging, price and message.

2. **Disadvantage: Not as In-Depth as Other Market Research**

Compared to individual interviews, focus groups are not as efficient in covering maximum depth on a particular issue. A particular disadvantage of a focus group is the possibility that the members may not express their honest and personal opinions about the topic at hand. They may be hesitant to express their thoughts, especially when their thoughts oppose the views of another participant.

3. **Advantage: Time-Saving Opportunity**

The condensed nature of a focus group makes it possible for your business to solicit a quantity of opinions and feedback on multiple aspects of a product without the time intensive process of individually soliciting interviews. Time saved in the research phase of product development is key in rapidly evolving industries, particularly if a comprehensive focus group allows you to expedite a product's journey to the marketplace.

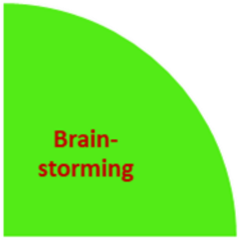
4. **Disadvantage: Expense**

Compared with surveys and questionnaires, focus groups are much more expensive to execute. Participants sometimes offer their time for free; others will have to be compensated in cash or in kind. Most of the expense is incurred behind the scenes, however. The questionnaires and product demonstrations must be carefully created to ask the right questions and elicit the type of responses that will be most valuable to the company's market research.

5. **Disadvantage: Moderator Bias**

Moderators can greatly impact the outcome of a focus group discussion. They may, intentionally or inadvertently, inject their personal biases into the participants' exchange of ideas. This can result in inaccurate results. Moderators can also lead focus group participants into reaching certain assumptions or conclusions about an idea or product. Out of fear in going against the opinion of the moderator, or even out of fear of disappointing the moderator, participants may not disclose their true and honest opinions.

In focus group a moderator leads a group of people through an open, in-depth discussion rather than simply asking questions to solicit participant response. For a new product area, the moderator focuses the discussion of the group in either a directive or a nondirective manner. The group of frequently 8 to 14 participants is stimulated by comments from each other in creatively conceptualizing and developing a new product idea to fill a market need. One company interested in the women's slipper market received its new product concept for a "warm and comfortable slipper that fits like an old shoe" from a focus group of 12 women from various socioeconomic backgrounds. The concept was developed into a new women's slipper that was a market success. Even the theme of the advertising message came from comments of the focus group members.



In addition to generating new ideas, the focus group is an excellent method for initially screening ideas and concepts. With the use of one of several procedures available, the results can be analyzed more quantitatively, making the focus group a useful method for generating new product ideas.

The brainstorming method stimulates people to be creative by meeting with others and participating in organized group experience. Although most of the ideas generated by the group have no basis for further development, sometimes a good idea emerges. This has greater frequency of occurrence when the brainstorming effort focuses on a specific product or market area. When using brainstorming, four rules need to be followed.

1) No criticism is allowed by anyone in the group—no negative comments.
2) Freewheeling is encouraged—the wilder the idea, the better.
3) Quantity of ideas is desired—the greater the number of ideas, the greater the likelihood of the emergence of useful ideas.

Combinations and improvements of ideas are encouraged; ideas of others can be used to produce still another new idea.

Brainwriting is a form of written brainstorming. It was created by Bernard Rohrbach at the end of the 1960s under the name Method 635 and below are my references differs from classical brainstorming by giving participants more time to think than in brainstorming sessions, where the ideas are expressed spontaneously.

6-3-5 Brainwriting (or 635 Method, Method 635) is a group-structured brainstorming technique aimed at aiding innovation processes by stimulating creativity developed by Bernd Rohrbach who originally published it in a German sales magazine, the Absatzwirtschaft, in 1968.

In brief, it consists of 6 participants supervised by a moderator who are required to write down 3 ideas on a specific worksheet within 5 minutes, this is also the etymology of the methodology's name. The outcome after 6 rounds, during which participants swap their worksheets passing them on to the team member sitting at their right, is 108 ideas generated in 30 minutes. The technique is applied in various sectors but mainly in business, marketing, design, writing as well as everyday real life situations.

6-3-5 Brainwriting is a particular form of brainstorming through the medium of graphics;in particular, it is classified under the intuitive and progressive methodologies as it involves driving inspiration from other members in a cyclical way.The grounding of such technique is the belief that the success of an idea generation process is determined by the degree of contribution and integration to each other's suggestions, and specifically it is meant to overcome the possible *creativity barriers* brought up by issues such as interpersonal conflicts, different cultural backgrounds and reasons of intellectual properties.

1. Procedure

- The optimum application of the technique would require 6 participants, as too many would make the session unmanageable, however sessions may be carried out also in teams of 4, 5 or 7 and the number of ideas generated would respectively be 48, 75 and 147.
- It is fundamental to assure that all participants share a deep background knowledge on the topic of the brainwriting session since even a single not well informed individual can significantly affect the quality of the output. In addition to this, it is recommended that through a preliminary discussion, the group focuses on identifying the problem to be solved or the aim to be pursued. This can either occur through as independent initiative of the group or guided by the supervisor.
- Once the topic of the session is narrowed down to a problem statement, this is announced and written on top of the Idea Form. This is a worksheet that has to be handed out to each participant and consists of a grid where the heading of the columns are Idea 1, Idea 2 and Idea 3 and the rows identify the name of who has contributed to that particular suggestion.
- At this point, the session is ready to start and participants are given 5 minutes to complete the first row and write down the first ideas working in silence. These may be expressed in any graphical form: written, drawn, through a symbol or however the author prefers.
- The supervisor signals the end of time, and the sheet is passed on to the next participant on the right. Now the

process is repeated and each participant is free to get inspired from the idea he reads on the sheet written by his neighbour and contribute to them by integrating or completing them, or decide to ignore them and start a new one from scratch.

- The process goes on until the worksheet is completely filled in but if the supervisor deems it necessary, the time for each round may be extended to a maximum of 10 minutes.
- The conclusion of the brainstorming session is a preliminary screening of the ideas that have been gathered where exact duplicates are deleted, and a team evaluation perhaps using the Nominal Group Technique or Prioritization matrix to select 1 to 3 ideas the group can focus on.

2. Pros

One of the main advantages of using 6-3-5 brainwriting is that it is a very straightforward method and therefore is easy and quick to learn. In addition to this, no particular training for the supervisor is required.

Secondly, it valorises the possible different backgrounds of participants since it encourages sharing and exchanging knowledge. Differently than traditional brainstorming, it assures an active participation from all members and at the same time avoids issues of domination over introverts that are also likely to feel more free about expressing their own ideas instead of risking to have their potential inhibited by those who shout louder.

All ideas are recorded on the worksheet, this means that nobody has to be in charge of taking notes throughout the session and this adds a motivational factor since it is possible to keep track of the author of a particular idea.

Overall this leads to a gain of efficiency that might imply an economic benefit since by hiring 6 members 108 possible content ideas are generated.

3. Cons

Expressing ideas in a written form may lead to issues in clarity due to participants having trouble summarising their ideas or reading their colleagues' handwriting or graphical representations.

Stress due to time constraints might cause quality of ideas to decrease, and this might require some people time to become familiar with the methodology.

There is a risk of clash of similar ideas since there is no immediate group discussion which constitutes a loss of possible innovation.

Wikipedia contributors. (2021, January 15). 6-3-5 Brainwriting. In *Wikipedia, The Free Encyclopedia*. Retrieved 07:36, March 8, 2021, from https://en.wikipedia.org/w/index.php?title=6-3-5_Brainwriting&oldid=1000611883

Brainwriting is a silent, written generation of ideas by a group of people. The participants write their ideas on special forms or cards that circulate within the group, which usually consists of six members. Each group member generates and writes down three ideas during a five-minute period. The form is passed on to the adjacent person, who writes down three new ideas, and so on, until each from has passed all participants. A leader monitors the time intervals and can reduce or lengthen the time given to participants. A leader monitors the time intervals and can reduce or lengthen the time given to participants according to the needs of the group. Participants can also be spread geographically with the sheets rotated electronically.

Problem inventory analysis pls read my writings below uses individuals in a manner analogous to focus groups to generate new product ideas. However, instead of generating new ideas themselves, consumers are provided with a list of problems in a general product category. They are then asked to identify and discuss products in this category that have the particular problem. This method is often effective since it is easier to relate known products to suggested problems and arrive at a new product idea than to generate an entirely new product idea by itself. Problem inventory analysis can also be used to test a new product idea.

Results from product inventory analysis must be carefully evaluated as they may not actually reflect a new business opportunity. For example, General Foods' introduction of a compact cereal box in response to the problem that the available boxes did not fit well on the shelf was not successful, as the problem of package size had little effect on actual purchasing behavior. To ensure the best results, problem inventory analysis should be used primarily to identify product ideas for further evaluation.

What is ABC Analysis of Inventory?

ABC inventory analysis is a process of classifying the products based on the value of importance. This concept is derived from the Pareto principle of 80/20 rule which focuses on vital few from trivial many. Not all items in an inventory are of the same value, therefore these items are broken down into three categories A, B and C. Class A consists of most valuable items, although these items constitute only 10% of quantity they account for 70% – 80% of consumption value. Class B consists of items with moderate importance accounting for 10% – 20% of revenue. And class C consists of least valuable items that contribute to only 10% of revenue. This classification helps managers in prioritizing and monitoring items of high importance closely.

1. **End of life management:**

Every product goes through four phases during its lifespan: launch, growth, maturity and decline. Once the product reaches the maturity stage it is bound to decline sooner or later. Customer demand plays a vital role in end of life management. With the concept of ABC analysis, inventory planners can forecast the demand for products beforehand and manage the stock levels accordingly. The maturity and decline period is different for different products, with decrease in demand the sales will fall and therefore it would be wise to reduce the inventory levels to minimize the carrying costs on the items and also avoid having obsolete stock.

2. Supplier negotiation:

It is obvious that the company would make most money by negotiating with suppliers of the class A category since 70% – 80% of the money is spent on them. An offer may look lucrative from afar but never accept the very first one. Make a counter offer in return. Wait for the supplier to revise his numbers. If the supplier is not willing to budge, you can still make the most of the deal by negotiating other features like providing post purchase services, reducing the down payment, free shipping etc. The negotiation needs to be a win-win approach, the supplier needs to make reasonable profit from the deal while helping your company get desired quality product and services.

3. Inventory optimization:

Optimizing inventory is a popular benefit of ABC analysis as it allows inventory planners to organize high priority items aligning to customer requirement. Depending on the demand fluctuations the inventory is stocked to cater to high demand items and also carrying low stock for undesirable items.

4. Strategic Pricing:

ABC classification of inventory helps in setting the prices very strategically for products which bring more value to the company. The company will have to monitor those products which are highly desirable to customers and have an escalating demand. Based on that data, the company can increase the price of these items by a few extra dollars which will make a huge impact on the profit. Another strategic pricing option to consider is to consolidate suppliers or consider transferring business to a single supplier. Purchasing more goods from a single supplier will reduce carrying costs and complexity costs associated with them.

5. **Resource Allocation:**

Resource allocation with ABC analysis is a continuous process requiring periodic tracking of class A items. Since these items are of utmost value, the stock level must always align with the customer demand. In case a class A item is no longer desired by the customers or has fairly lower demand, the item needs to be moved to a lower classification B or C.

6. **Customer Service Levels:**

Not all products can be treated the same or achieve same customer service levels. The service levels for different products depends on multiple factors like the item cost, quantity sold and margin on the product. There is no point crowding your warehouse with low margin products which are sold once in a while. ABC analysis allows planners to set service levels based on the product classification, which improves the overall supply chain performance carrying less safety stock.

There you have it. Six target benefits to adapting ABC analysis of inventory method in your company. If you have employed this technique in your business, please share the advantages and benefits you enjoyed.

Source of Opportunity

Staying aware of things going on around you can help you recognize potential business opportunities. Here are some opportunities entrepreneurs may generate from different sources available in the environment. Pls see my writings below:

1. **Business cases**

The business case is a tool for advocating and ensuring that an investment is justified in terms of the strategic direction of the organisation and the benefits it will deliver. It typically provides context, benefits, costs and a set of options for key decision makers and funders. It can also set out how success will be measured to ensure that promised improvements are delivered.

It is essential that any business model or proposal that is created supports the wider aims and objectives of the parent organisation. It is equally important that key stakeholders, such as budget holders, are consulted and given early sight of the plans and offered the opportunity to comment and provide input. Early exposure of plans can to some extent mitigate situations in which plans might otherwise be rejected outright.

However, presenting a business case for preserving any material at an early stage is no guarantee that it will be accepted. Whilst there is no sure fire template, some or all of the following steps may be useful if a plan is rejected. Within an organisation there may be set procedures and policies regarding the making and presentation of business cases and these should be followed. Early communication of business planning can help identify topics or areas that could present problems when the plan is formally presented.

a. Identify options and be pragmatic

The point of business planning is to be aspirational and to create services or products that have value and benefit. Not everyone sees the benefits in preservation over the long term where costs are an ongoing issue or where resources are required to be committed for the long term. Business planning is often an exercise in pragmatism. It might be more effective to make a number of smaller more focussed business plans than one single large proposal. Using their knowledge of an organisation the author of a business plan must ensure that any plan is realistic and within the means of the organisation. Strategic planning provides the framework within which business plans are written. Any strategic objective can be achieved in a number of ways, e.g. less money but more time, fewer staff but longer timeframe etc. A pragmatic response offers decision makers a preferred option and why it is preferred and a small range of other alternative options in the business case. It is often helpful to include the "costs/dis-benefits of inaction" as an option against which other actions can be evaluated.

b. If at first you don't succeed

Work with stakeholders to identify reasons why a business plan was rejected. Talk to those involved in decision making and seek specific feedback. Was the cost component too expensive? Were the plans too ambitious? Is it felt the business case was poorly written or presented? Does the timeframe not fit with organisational plans?

Response: Work with stakeholders to address key concerns. Be clear to address each issue. Explain the reasons why a business plan was presented and what it is aiming to achieve. Focus on benefits, especially those that address the key strategic goals of the parent organisation. Focus on short as well as longer term benefits of the business plan. One approach is to create business plans that are 'SMART', that is Specific, Measurable, Achievable, Realistic and Timely.

c. When circumstances change

The hard work in business planning is getting to the point where a plan is accepted. However, circumstances can change. If a business plan is not implemented or previously agreed funding withdrawn, the implications can be severe. Again, communication with key stakeholders is essential and can reveal why something may have changed.

Response: Part of business planning involves having a range of options that can be offered in the event of problems arising with funding a preferred option. Having a well-structured business plan from which proposals can be deleted can help in making an alternative case for phased or alternative implementations requiring fewer resources. In such a case a business plan might quickly be re-drafted in more acceptable terms and resources made available. Having a focus on why resources were not made available gives an opportunity for a business case to be re-presented with more emphasis on benefits and positive impact.

d. Creating business cases

The following steps should be considered when writing and delivering a business case.

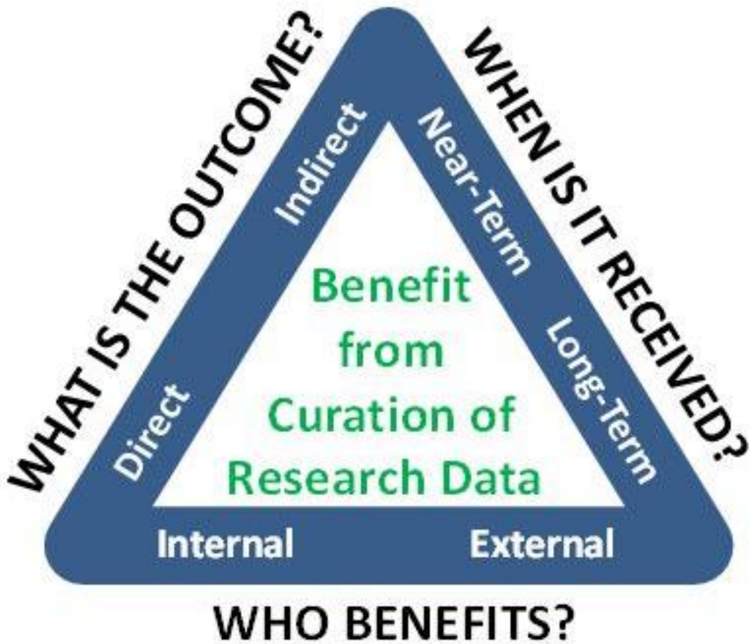
Creating a business case	
Audit your digital materials and prioritise work required	Audit your digital materials. Analyse the risks and opportunities for your digital materials. Use your analysis to prioritise areas of work and assign owners to them.
Is this the right time?	What are you already doing? Is it the right time to do new things on your own? Can you collaborate with others?
Institutional analysis	How ready is your institution for change in terms of content and process?
Stakeholder analysis and advocacy	Who will be working on and using the digital materials? Who decides on funding? Engage with them using language and terms they will understand.
Objectives: scope aims, activities, plan and costs	Map out what are you going to do, who will do what, what will it cost, and when it will happen.
Map benefits to organisational strategy	Make sure you express the benefits of your business case in a way that your funders will understand.
What else is needed?	Do you need to include a cost-benefits analysis or list of options based on expenditure and outcome?
Validate and refine business case	Review and test your business case against best practice and identify what else it needs.
Deliver the business case with maximum impact	Do you have a champion to use in the organisation? Remember you may need to deliver it again.
Share an edited business case	Remove confidential material and share online so others can benefit from your work

For a generic digital preservation business case template and more information, see the **Digital Preservation Business Case Toolkit**

2. Benefits

Benefits are associated with costs and also with risks (see **Risk and change management**). If risks are mitigated these become a type of benefit. The purpose of the acquisition of any digital material is that it is used. The uses to which digital material is put represents a benefit to those users. If an organisation needs to understand costs associated with digital materials then it must also understand benefits. Benefits can be used to justify costs through the development of business plans.

Measuring benefits is often quite challenging, especially when these benefits do not easily lend themselves to expression in quantitative terms. Often a mixture of approaches will be required to analyse both qualitative and quantitative outcomes and present the differences made. To assist institutions, the Keeping Research Data Safe project created a KRDS Benefits Framework and a **Benefits Analysis Toolkit** (**KRDS, 2011**). These aim to help institutions identify the full scope of benefits from management and preservation of research data and to present them in a succinct way to a range of different stakeholders (e.g. when developing business cases or advocacy). The toolkit is also easily applicable to the benefits of digital preservation to other classes of digital materials.



The KRDS Benefits Framework uses three dimensions to illuminate the benefits investments potentially generate. These dimensions serve as a high-level framework within which thinking about benefits can be organised and then sharpened into more focused value propositions using the Toolkit. It helps you identify what changes you are trying to deliver, what are the outcomes, who benefits, and how long it will take to realise those benefits.

3. Costs

A business case will normally look at not just the establishment cost for the digital preservation solution, but the all-in cost, including project/program management costs and other activities being undertaken to support implementation such as training and publicity. However digital preservation costs are often the most critical element.

a. Why understand digital preservation costs?

These are a few reasons why an organisation might want to estimate digital preservation costs:

- Planning and budgeting to build a new repository from scratch, or to extend an existing one.
- Adding a new digital material to your repository and deciding if you can afford it now or over the long-term.
- Providing a platform for comparison with like organisations and an opportunity to adopt efficiencies that have been identified by others.
- Deciding whether to outsource activities or do it in-house.
- Deciding how much to charge for providing a digital preservation service to clients.
- Understanding where resources are being used or under-utilised and areas where additional allocation of resources might be beneficial.

b. What is lifecycle cost modelling?

A number of research and development projects have sought to model digital preservation costs across the lifecycle from creation and ingest through to preservation and ultimately access. The large number of projects makes understanding this work, finding which results are most applicable to a particular situation, choosing a model, and putting it into practice a significant challenge. The 4C Project surveyed, analysed and assessed this work and provides guidance on getting the most from it:

- **Starting out with curation costs** - provides an introduction to the concepts.
- **Using cost models** - describes how to select a cost model appropriate to your organisation.
- **Cost Concept Model and Gateway Specification** - provides more detail including a guide to develop a model to your own requirements looking at concepts such as 'risk', 'value', 'quality' and 'sustainability'.

c. Challenges with cost modelling

Cost modelling has been identified as a particularly challenging activity, with a number of difficult aspects, such as:

- Articulating the drivers or aims for costing digital preservation.
- Digital preservation is a moving target, defined by changing technologies and evolving institutional requirements.
- Level of detail: At a high level, modelling becomes less useful as it typically relates to a cross section of different preservation contexts. Modelling at a low level quickly becomes highly complex, making models difficult to develop, maintain and put into use.
- Organisations are reluctant to share costing data, with which models may be developed and validated.
- Even where costing data has been shared, it is often difficult to map between the different costing models it is associated with.
- Separating out digital preservation costs from other business costs is difficult and sometimes meaningless (example: digitising collections in a way that helps ingest into content into the preservation environment – is this digital preservation or digitisation costs?)

For this reason, modelling digital preservation costs across the lifecycle is an activity that should be approached with caution. Cost modelling will always be an approximation and so you need to decide the amount of time you are willing to put in to gain a less approximate answer.

d. Managing costs

It is possible to manage costs through careful planning. One way is through good process design. The ways in which digital material is created or acquired, managed and disseminated attract costs. Those costs are at the discretion of the organisation and can be managed. The end to end process from acquisition to dissemination must be designed to ensure that all activities are as efficient as possible. All steps should be designed in such a way as to minimise the need for resources, whilst maximising efficiency. Whilst efficiencies work well at scale, an efficient process doesn't have to be a high volume process. Automation of systematic steps can also save time and deliver effective consistent processes. The initial costs of process design and implementation can be offset by longer term returns.

4. Impact

Impact is typically the measurement of benefits particularly to the wider public and society undertaken after a business case project has delivered.

For small projects and business cases, impact may be just a simple set of measures such as downloads or number of website requests against which success can be benchmarked easily.

For larger projects and programmes, it may be part of a more thorough evaluation to justify the resources expended. It can include a mixture of quantitative and qualitative measures and will normally be undertaken by external specialists working with staff from the repository. They employ methods from economics and management and information science, for example cost-benefit analysis or contingent valuation, and traditional social science methods such as interviews, surveys and focus groups.

a. Problems

Many well-known companies were started because an entrepreneur wanted to solve a problem. A problem could be something you are experiencing personally. Or it could be a problem observe others experiencing. What product or service would improve your life or the lives of others? What would you like to buy that is not available for purchase in your area?

b. Changes

Our world is continually changing—changes in laws and regulations, social customs, local and national trends, even the weather. Change often produces needs or wants that no one is currently supplying. Consider climate change and the trend toward taking better care of the environment. Many new business opportunities have occurred because people are interested in purchasing "green" products and services.

c. New Discoveries

The pls see my writings belowcreation of totally new products and services can happen by accident. For example, someone who has enjoyable hobby can discover something recognizable as a business opportunity. Inventions also come about because someone wanted to find a way to solve a problem. Other examples include changes in technology or medical and technological discoveries that entrepreneurs find ways to convert into products and services.

Serendipity is an unplanned fortunate discovery. Serendipity is a common occurrence throughout the history of product invention and scientific discovery. Serendipity is also seen as a potential design principle for online activities that would present a wide array of information and viewpoints, rather than just re-enforcing a user's opinion.

The first noted use of "serendipity" in the English language was by Horace Walpole on 28 January 1754. In a letter he wrote to his friend Horace Mann, Walpole explained an unexpected discovery he had made about a lost painting of Bianca Cappello by Giorgio Vasari[2] by reference to a Persian fairy tale, *The Three Princes of Serendip*. The princes, he told his correspondent, were "always making discoveries, by accidents and sagacity, of things which they were not in quest of."The name comes from *Serendip*, an old name for Sri Lanka (Ceylon), hence *Sarandib* by Arab traders. It is derived from the Sanskrit *Siṃhaladvīpaḥ* (Siṃhalaḥ, Sri Lanka + dvīpaḥ, island).

The word has been exported into many other languages, with the general meaning of “unexpected discovery” or “fortunate chance”.

5. Applications

a. Inventions

Serendipitous inventions

Post-It Note

Velcro

Silly Putty

The term "serendipity" is often applied to inventions made by chance rather than intent. Andrew Smith, editor of *The Oxford Companion to American Food and Drink*, has speculated that most everyday products had serendipitous roots, with many early ones related to animals. The origin of cheese, for example, possibly originated in the Nomad practice of storing milk in the stomach of a dead camel that was attached to the saddle of a live one, thereby mixing rennet from the stomach with the milk stored within.

Other examples of serendipity in inventions include:

- The Post-It Note, which emerged after 3M scientist Spencer Silver produced a weak adhesive, and a colleague used it to keep bookmarks in place on a church hymnal.
- Silly Putty, which came from a failed attempt at synthetic rubber.
- The use of sensors to prevent automobile air bags from killing children, which came from a chair developed by the MIT Media Lab for a Penn and Teller magic show.
- The microwave oven. Raytheon scientist Percy Spencer first patented the idea behind it after noticing that emissions from radar equipment had melted the candy in his pocket.
- The Velcro hook-and-loop fastener. George de Mestral came up with the idea after a bird hunting trip when he viewed cockleburs stuck to his pants under a microscope and saw that each burr was covered with tiny hooks.
- The Popsicle, whose origins go back to San Francisco where Frank Epperson, age 11, accidentally left a mix of water and soda powder outside to freeze overnight.
- The antibiotic penicillin, which was discovered by Sir Alexander Fleming after returning from a vacation to find that a Petri dish containing staphylococcus culture had been infected by a *Penicillium* mold, and no bacteria grew near it.

b. Discoveries

The serendipitous discovery of a new species of lacewing, *Semachrysa jade*, was made on Flickr

Serendipity contributed to entomologist Shaun Winterton discovering *Semachrysa jade*, a new species of lacewing, which he found not in its native Malaysia, but on the photo-sharing site Flickr. Winterton's discovery was aided by Flickr's ability to present images that are personalized to a user's interests, thereby increasing the odds he would chance upon the photo. Computer scientist Jaime Teevan has argued that serendipitous discovery is promoted by such personalization, writing that "people don't know what to do with random new information. Instead, we want information that is at the fringe of what we already know, because that is when we have the cognitive structures to make sense of the new ideas.

c. Online activity

Serendipity is a design principle for online activity that would present viewpoints that diverge from those participants already hold. Harvard Law professor Cass Sunstein argues that such an "architecture of serendipity" would promote a healthier democracy. Like a great city or university, "a well-functioning information market" provides exposure to new ideas, people, and ways of life, "Serendipity is crucial because it expands your horizons. You need that if you want to be free." [The idea has potential application in the design of social media, information searches, and web browsing.

Wikipedia contributors. (2021, February 21). Serendipity. In *Wikipedia, The Free Encyclopedia*. Retrieved 08:25, March 8, 2021,
from https://en.wikipedia.org/w/index.php?title=Serendipity&oldid=1008030623

1) Existing Products and Services

You can get ideas for opportunities from businesses that already exist. This is not the same thing as copying a product or service and then calling it by another name (which can be illegal). Instead, it means looking for ways to significantly improve a product, perhaps at a lower price. It could also involve improving the quality and manner in which customers are served—including such features as better locations, longer hours, or quicker service.

2) Unique Knowledge

Entrepreneurs sometimes turn one-of-a-kind experiences or uncommon knowledge into a product or service that benefits others. Think about your own knowledge and experiences. Is there anything unique or unusual that you could use to create something new or to help others?

Where to Look for Opportunity

How entrepreneurs identify more business opportunities

To be successful entrepreneurs, we need to be continually innovating and looking for opportunities to grow our startups.

Here are four ways to identify more business opportunities.

1. Listen to your potential clients and past leads

When you're targeting potential customers listen to their needs, wants, challenges and frustrations with your industry. Have they used similar products and services before? What did they like and dislike? Why did they come to you? What are their objections to your products or services?

This will help you to find opportunities to develop more tailored products and services, hone your target market and identify and overcome common objections.

2. Listen to your customers

When you're talking to your customers listen to what they saying about your industry, products and services. What are their frequently asked questions? Experiences? Frustrations? Feedback and complaints?

This valuable customer information will help you identify key business opportunities to expand and develop your current products and services.

3. Look at your competitors

Do a little competitive analysis (don't let it lead to competitive paralysis though) to see what other startups are doing, and more importantly, not doing? Where are they falling down? What are they doing right? What makes customers go to them over you?

Analysing your competitors will help you identify key business opportunities to expand your market reach and develop your products and services.

4. Look at industry trends and insights

Subscribe to industry publications, join relevant associations, set Google alerts for key industry terms and news and follow other industry experts on social media.

Absorb yourself in your industry and continually educate yourself on the latest techniques and trends.

There are many ways to locate business opportunities. Ypls see above writings our own community is a good place to begin. Here are some resources you might find useful:

a. Newspapers and Magazines

Examine not only your local newspapers but also those from such metropolitan areas. Take a look also at a specialized magazines that focus on a hobby or subject you are interested in.

b. Business and Governmental Agencies

Some good examples of government agencies that provide useful statistical data and other information in DOST, NSO and SME organizations.

c. Trade Resources

Various types of trade resources can help you get ideas for new businesses. A trade show is a convention where related businesses come to promote their products or services. Similarly, trade magazines are published for specific types of businesses.

d. World Wide Web

Surfing the Web is great way to explore just about any topic. By browsing, you might discover sites that you otherwise would not have known about.

New Trends that Provides Opportunity in the 21st Century

A trend often provides one of the greatest opportunities for starting a new venture, particularly when the entrepreneur can be at the start of a trend that lasts for a considerable period of time. Seven trends that provide opportunities, indicated hereinbelow include: green trend, clean-energy trend, organic-orientation trend, economic trend, social trend, health trend, and Web trend.

1. Green Trend

The green sector is brimming with opportunities for entrepreneur around the world. While today's consumers are very conscious about their spending habits, an increasing number are willing to pay more for green products. Green brands are those brands that consumers associate with environmental conservation and sustainable business practices.

Such brands appeal to consumers who are becoming more aware of the need to protect the environment. A green brand can add a unique selling point to a product and can boost corporate image. However, if a company is found or perceived to overstate its green practices its green brand may be criticised as greenwash.

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a. Increase in green brands

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b. Packaging

In the case of consumer brands, packaging can be a key element in communicating a green brand. This is because packaging communicates information to the consumer at the point-of-sale, and because of the environmental impact of the packaging itself.

Companies may claim sustainable packaging, recycled and/or recyclable material, or reduce excess packaging.[5] Packaging is of especially high brand importance when the packaging is part of the aesthetic appeal of the product and brand, as in the case of the cosmetics and toiletries sector. Packaging material may have to not only reinforce environmental credentials, but also communicate the high-quality and luxury image of the brand.[6]

c. Advertisement and marketing standards concerns

In Europe concerns have been raised that consumers might be confused or mislead as a result of a recent increase in green brands. Because green brands can add a unique selling point there is little consistency from brand to brand. In the food and drinks industry it has been observed that companies are reluctant to use existing and widely recognised green logos, such as the mobius loop, because using their own makes the brand more easily distinguishable for the consumer.

In Britain, the Advertising Standards Authority (ASA) warned consumers in mid-2007, that some "green" claims might not be authentic. The ASA stated that green claims have become noticeably more prevalent in advertisement, and has investigated and upheld several complaints regarding "unsubstantiated environmental claims". The ASA Director General has stated that "the ASA needs to see robust evidence to back up any eco-friendly claims".

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Rural Affairs (Defra) best practice guidance on environmental claims stated that green claims should not 'be vague or ambiguous, for instance by simply trying to give a good impression about general concern for the environment. Claims should always avoid the vague use of terms such as 'sustainable', 'green', 'non-polluting' and so on." Furthermore the ASA ruling stated "Defra had made that recommendation because, although 'sustainable' was a widely used term, the lack of a universally agreed definition meant that it was likely to be ambiguous and unclear to consumers. Because we had not seen data that showed how Shell was effectively managing carbon emissions from its oil sands projects in order to limit climate change, we concluded that the ad was misleading"

In the United States the Federal Trade Commission issues the "Green Guides" (last updated 2012) - environmental marketing guidelines. The guidelines give advice on the types of substantiation needed to support environmental claims, and give examples of claims that are to be avoided. The Federal Trade Commission has recognised that these guidelines need updating, as for example they currently contain no guidance on carbon neutrality, or the terms sustainable or renewable. The Green Guides do contain guidance on the term recyclable, recycled and biodegradable.

The marketing and brand building experiences of many American green brands was documented in the book *The Gort Cloud* by Richard Seireeni, 2009. The gort cloud refers to the green community that provides support and a market to green brands.

d. Consumer demand

In recent decades, there has been increasing interest in protecting the environment and sustainability when it comes to the world's markets. Due to global warming and the immense amount of environmental pollution attributed to factory manufacturing, the world has observed the rise in environmental issues (Chen, 2011). In response to society's concerns, this has seen an increasing number of companies adopting green brands to front environmental responsibility. In turn, products and services of green brands have recently been seen to have a perfectly inelastic demand because people are prepared to support and pay a higher price for a sustainable image (Chen, 2011).

Through a consumer study taken in 1999, it was discovered that environmental issues are ranked above human rights, animal rights and welfare issues (Wheale & Hinton, 2007). This information shows growing consumer demand of companies providing goods and services that preserve the environment and adopt a "green" approach to business. In a similar study, according to Iannuzzi (2011), a compelling global demand for "greener products" was demonstrated by over 60% of all countries studied, further demonstrating the desire of environmentally friendly green brands. In the study, environmental awareness was placed among the most vital product traits that consumers valued when purchasing, along with minimising toxic and hazardous substances, water preservation and recycling (Iannuzzi, 2011). Green brands are ultimately more attractive to a lot of consumers nowadays, and committing to such sustainability is now essential to stay competitive.

Because concern for the environment is now a pivotal element in consumer decision-making, studies have found that the demand for green brands is higher than ever before (Ahmad & Thyagaraj, n.d.). A number of studies have also suggested that such a demand for greener products is due to consumers' self-expressive benefits. When supporting green brands, customers believe this determines their role in society and as stated by Ahmad and Thyagaraj (n.d.), this gives consumers satisfaction that they are perceived as having an eco-friendly attitude. Various components have been stipulated as effects on conscious consumer behavior such as changing perspectives, awareness of environmental issues and greener products, and people's perceived environmental contribution in society. Such factors help green brands to segment, define and target their market (Baker, 2003).

An example of companies tackling environmental sustainability is the world's largest retailer, Walmart. Walmart has undertaken a sustainability strategy that called on their suppliers to supply greener products because they were adamant their customers demanded "more efficient, longer lasting and better performing products" (Iannuzzi, 2011). Being a world-leading retailer, Walmart's green approach to business has put pressure on other companies to adopt similar practices that consumers are demanding.

The shift towards green brands is a result of numerous factors such as organic products being more accessible, fuel-efficient and eco-friendly automobiles becoming increasingly prevalent, and countless consumers looking to support the environment and portraying a green image (Richards, 2013). The development of the greener approach to living has transferred into marketing and advertising and consumer markets, where enterprises are adopting this movement to attract customers and increase profits (Richards, 2013).

e. Marketing of green brands

When it comes to marketing strategies of green brands, company officials want to understand the effects of being green has on their company and customers alike. Being a green brand alone differentiates a brand from the outset and opens new market opportunities. The Body Shop is an example of a competitive green brand that succeeds through understanding and providing the consumer demand for eco-friendly products and their sound environmental performance (Baker, 2003). Green brands have also been profitable in niche markets where they can charge exclusive prices because conscious consumers are prepared to pay.

To combine environmental concern into marketing strategy is called ‘green marketing’ where companies use a range of undertakings to satisfy the consumer demand for environmentally friendly products such as revamping advertising, product adjustment, altering production operations, sustainable packaging and of course recycling (Baker, 2003). By doing this, a green brand is creating further value, which is conveyed through their communication strategy (Danciu, 2015).

Green brands looking to secure their sustainable image within consumers minds must establish a philosophy that describes their use of renewable resources, minimising waste, supplying safe goods and services and "giving back to the environment" (Saxena & Khandelwal, 2010). Environmental concerns should also be included in marketing plans. After segmenting the market, green brands can make contact with their target market through implementing strong integrated marketing communications (IMC), which conveys their value proposition to consumers (Saxena & Khandelwal, 2010).

Where a clean and green image is communicated, brands should be associated with environmental claims that are truthful in how their business practices impact on the surrounding environment (Danciu, 2015). Such claims can be relayed through green labeling colour schemes, packaging, and “nature” images through advertisements as well as on the Internet. Consumers need to be wary of greenwashing through marketing strategies that does not reflect any green qualities in the product itself.

Another area of marketing a green brand is making use of functional and emotional strategies to position a brand in consumers’ minds. The functional characteristic approach delivers information on how a brand's products and services are environmentally friendly, which creates brand connections for buyers and powerful cognitive perception of the company (Danciu, 2015). Such information should include a company's sustainable production process and ecological footprint in relation to its superiority to other competitors. The emotional approach for positioning focuses on emotions and alludes to a brand relationship with nature and the environment (Wang, 2016). It has been found that emotional strategies build brand loyalty very effectively because consumers feel they are helping preserve the environment through supporting sustainably made products (Danciu, 2015). Wang (2016) states that overall, a mixed strategy of using both emotional and functional approaches to market a green brand generates favorable brand relationships and commitment from consumers. It is noteworthy to mention that the most prosperous green brands are affiliated with either "alternative technology or a green corporate philosophy" (Wang, 2016).

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Water is one aspect of this green trend that provides opportunities, particularly in the area of irrigation, such as reclamation programs for golf courses and parks, smart irrigation systems, and consulting firms that increase water-use efficiency. Other business areas worth looking at include eco-friendly printing, recycling, and green janitorial services. For example, one entrepreneur is testing using worms to recycle food waste into fertilizer and another uses the same process as a source of fuel.

2. Clean-Energy Trend

One of the most pressing environmental concerns of consumers is Green brands are those brands that consumers associate with environmental conservation and sustainable business practices.

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f. Clean Energy.

Many feel that the power of the 21st century will come solar, wind, and geothermal sources. A significant factor that will accelerate this movement from coal being the power in the 19th century and oil in the 20th century is when the solar costs are equal to the costs of electricity either from cost reductions and efficiency in solar conversion capacity and/or tax breaks for solar production and use. Smaller businesses and homeowners are a significant untapped market in this area. Several entrepreneurs install solar devices on single family homes at a low costs or with their revenue coming from the cost savings in electricity bills.

3. Organic-Orientation Trend

The organic trend is increasing significantly, particularly in the food sector, which has been accelerated by the shrinking price gap between organic and nonorganic foods. The sales growth in all organic foods including meat, dairy, fruits, vegetables, breads, and snack foods averages about 25 percent per year. Total organic nonfood sales are also growing, particularly in apparel for babies. The baby clothing, size newborn to 2T, is distributed through retail outlets and online (oscarandbelle.com).

4. Economic Trend

The impact of the credit crunch, bank failures, and the housing slide and foreclosures has forced consumers to be much more careful in their spending. This increase in more frugal spending provides significant opportunities in such areas as garden products, business coaching, discount retailing, credit and debt management, virtual meetings, outsourcing, and the entire do-it-yourself movement. Still, many luxury products have not been significantly adversely affected.

5. Social Trend

The social trend is evident throughout the world with more networking events and opportunities occurring each week. These include the popular Facebook, MySpace, LinkedIn, and many other social networks as well as social networking for businesses. These are also opportunities in related areas of financial planning and travel as individuals want to have the ability to be financially solvent anAlliance, for example, is a one-stop advisory service offering counselling in long-term care and financial planning.

6. Health Trend

Health maintenance and concerns about health care provisions together are one of the biggest trends today that will continue in the next decade as the world populations ages. This provides many opportunities for entrepreneurs, including cosmetic procedures, mind expansion such as the "brain gym" of Vibrant Brains, personal health portals, point-of-care testing facilities, fitness centers, fitness toys such as the latest Fit Flops and Wii Fit peripherals, fit food, convenient care clinics, and wellness coaches. Green Mountain Digital is developing a social network platform for nature lovers and was the leading selling app in birds.

7. Web Trend

The Web trend is creating many new forms of communication and purchasing, which is opening up massive opportunities for entrepreneurs. This has been driven by Web 2.0. The opportunities, with low-cost barriers to entry, are in numerous areas such as Web 2.0 consulting, blogging, online video, mobile application (apps), and Wi-Fi apps. Platforms such as "Apple and Android allow entrepreneurs to create and market their applications maintaining 70 percent of the revenues generated. Gaming has become a high growth industry with new and more interactive games emerging daily.

An entrepreneur should carefully monitor these trends to see if any produce ideas and opportunities that make sense. He or she should also look at the many sources of ideas as well.

Opportunity Recognition

Recognizing an opportunity often results from the knowledge and experience of the individual entrepreneur and, where appropriate, the entrepreneurial business. This prior knowledge is a result of a combination of education and experience, and the relevant experience meaning not clear could be work related or could result from a variety of personal and experiences or events. The entrepreneur needs to be aware of this knowledge and experience and have the desire to understand and make use of it. The other important factors in this process are entrepreneurial alertness and entrepreneurial and entrepreneurial networks. There is an interaction effect between entrepreneurial alertness and the entrepreneurial networks. There is an interaction effect between entrepreneurial alertness and the entrepreneur's prior knowledge of markets and customer problems. Those entrepreneurs who have the ability to recognize meaningful business opportunities are in a strategic position to successfully complete the product planning and development process and successfully launch new ventures.

Finding Business Opportunities in Philippines

Source: https://www.pinoybisnes.com/starting-a-business/how-to-find-business-opportunities-in-philippines/

How to Find Business Opportunities in the Philippines? A professor of Lateral Thinking once said: *"An opportunity is as real as an ingredient in business as raw material, labour or finance but it only exits when you can see it"*.

In business one must draw up an opportunity checklist. In an ***opportunity checklist***, one must first ***identify problems such as***:

- What made you mad today?
- What took too long?
- What was the cause of any complaints?
- What was misunderstood?
- What cost too much?
- What was wasted?
- What was too complicated?
- What is just plain silly?
- What job took too many people?
- What job involved too many actions?
- What inspired you?

Problems are often seen as barriers to a growth of a business when in fact it can be viewed as an opportunity to boost the growth of a business.

To ***identify sources of opportunity one***:

- Must look at his/her business from the perspective of a customer.
- Keep up with the changes in economic, social and political environments
- Look at the mega trends that are happening around them
- Look at the impact of privatization
- Look at the technological developments

- Look at problems faced by others for example the older generation the grey power
- Must have a network of contacts
- Must continuously read newspapers, magazines, journals, advertisements as they tell you more about your competitor
- Must take advantage of local knowledge.

To help you get started in finding business opportunities in the Philippines, visit sources below:

1) Business ideas in the Philippines
2) Aquaculture Business ideas
3) Agriculture Business ideas
4) Livestock Business ideas
5) Food Business ideas
6) Home Business ideas
7) Franchising Business opportunities

Opportunity Assessment

Each and every innovative idea and opportunity should be carefully assessed by the global entrepreneur. One good way to do this is through developing an opportunity assessment plan.

1. Product Planning And Development Process

Once ideas emerge from idea sources or creative problem solving, they need further development and refinement. This refining process—product planning and development process—is divided into five major stages: idea stage, concept stage, product development stage, test marketing stage, and commercialization.

a. Idea Stage

Promising new product/service ideas should be identified and impractical ones eliminated in the idea stage, allowing maximum use of the company's resources. One evaluation method successfully used in this stage is the systematic market evaluation checklist, where each new idea is expressed in terms of its chief values, merits and benefits. Consumers are presented with clusters of new product/service values to determine which should be discarded. Resources are then not wasted on ideas that are incompatible with the market's values.

It is also important to determine the need for the new idea as well as its value to the entrepreneur/company. If there is no need for the suggested product, its development should not be continued. Similarly, the new/product service idea should not be developed if it does not have any benefit or value to the entrepreneur or firm. To accurately determine the need for the idea, it is helpful to define the potential needs of the market in terms of timing, satisfaction, alternatives, benefits and risks, future expectations, price-versus-product performance features, market structure and size, and economic conditions.

b. Concept Stage

After a new product/service idea has passed the evaluation criteria in the idea stage, it should be further developed and refined through interaction with consumers. In the concept stage, the refined idea is tested to determine consumer acceptance. Initial reactions to the concept are obtained from potential consumers or members of the distribution channel when appropriate. One method of measuring consumer acceptance is the conversational interview in which respondents are exposed to statements that reflect the physical characteristics and attributes of the product/service idea. Where competing products (or services) exist, these statements can also compare their primary features. Favorable as well as unfavorable product features can be discovered by analyzing consumer's responses, with the favorable features then being incorporated into the new product/service.

Features, price, and promotion should be evaluated for both the concept being studied and any major competing products by asking the following questions:

How does the new concept compare with competitive products/services in terms of quality and reliability?

Is the concept superior or deficient compared with products/services in terms of quality and reliability?

Is the concept superior or deficient compared with products/services currently available in the market?

Is this a good market opportunity for the firm?

c. Product Development Stage.

In the product development stage, consumer reaction to the physical product/service is determined. One tool frequently used in this stage is the consumer panel, in which a group of potential consumers is given product samples. Participants keep a record of their use of the product and comment on its virtues and deficiencies. This technique is more applicable for product ideas and works for only some service ideas.

The panel of potential customers can also be given a sample of the product and one or more competitive products simultaneously. Then one of several methods—such as multiple brand comparisons, risk analysis, level of repeat purchases, or intensity of preference analysis—can be used to determine consumer preference.

d. Test Marketing Stage

Although the results of the product development stage provide the basis of the final marketing plan, a market test can be done to increase the certainty of successful commercialization. The test marketing stage, provides actual sales results, which indicate the acceptance level of consumers.

e. Commercialization

This last step in the assessment process Positive market test results indicate the degree of probability of a successful product launch and commercialization. You have what seems to be a great idea, but now is the time to see if it is actually a commercial opportunity.

2. E-commerce and business start-up

Throughout the evaluation process of a potential new idea as well as in the development of marketing strategy, the role of e-commerce needs to be continually assessed. E-commerce offers the entrepreneur the opportunity to be very creative and innovative. Its increasing importance is indicated in the continually increasing amount of both business-to-business and business-to-consumer e-commerce sales. E-commerce (Internet spending) continues to increase on an annual basis.

The fastest growing retail e-commerce category in 2011 was digital content and subscriptions, composed mainly of digital content downloads such as music, movies, TV shows, and e-books, at a growth rate of 26 percent. Consumer electronics ranked as the second fastest-growing category in 2011 at 18 percent, driven by low-priced flat panel TVs, tablets, and e-readers; jewelry and watches, which grew by 17 percent.

Factors that facilitated the high growth of commerce on a business-to-consumer or business-to-business basis include widespread use of personal computers, the adoption of intranets in companies, the acceptance of the Internet as a business communications platform, and faster and more secure systems. Numerous benefits—such as access to a broader customer base, lower information dissemination costs, lower transaction costs, and the interactive nature of the Internet—will continue to expand the volume of e-commerce.

Establishing Evaluation Criteria

At each stage of the product planning and development process, criteria for evaluation need to be established. These criteria should be all-inclusive and quantitative enough to screen the product carefully in the particular stage of development. Criteria should be established to evaluate the new idea in terms of market opportunity, competition, the marketing system, financial factors, and production factors.

Table 3. Evaluation Criteria

Stages	Market Opportunity	Competition	Marketing System	Financial Factors	Production Factors
Idea Stage	√	√	√	√	√
Concept Stage	√	√	√	√	√
Product Development Stage	√	√	√	√	√
Test Marketing Stage	√	√	√	√	√
Commercialization	√	√	√	√	√

A ***market opportunity***in the form of a new or current need for the product idea must exist. The determination of market demand is by far the most important criterion of a proposed new product idea. Assessment of the market opportunity and size needs to consider the characteristics and attitudes of consumers or industries that may buy the product, the size of this potential market in dollars and units, the nature of the market with respect to its stage in the life cycle (growing and declining), and the share of the market the product could reasonably capture.

Current competing producers, prices, and marketing efforts should also be evaluated, particularly in terms of their impact on the market share of the proposed idea. The new idea should be able to compete successfully with product/services already on the market by having features that will meet or overcome current and anticipated competition based on an evaluation of all competitive products/services filling the same consumer needs.

The new idea should have synergy with existing ***management capabilities and marketing strategies.*** The firm should be able to use its marketing experience and other expertise in this new product effort. Several factors should be considered in evaluating the degree of fit: thedegree to which the ability and time of the present sales force can be transferred to the new product; the ability to "piggyback" the advertising and promotion required to introduce the new product.

The proposed product/service idea should be able to be supported by and contribute to the ***company's financial well-being***. The manufacturing cost per unit, the marketing expense, and the amount of capital need to be determined along with the break-even point and the long-term profit outlook for the product.

The compatibility of the ***new product's production requirements***with existing plant, machinery, and personnel should also be evaluated. If the new product idea cannot be integrated into existing manufacturing processes, more costs such as plant and equipment are involved which need to be taken into account. All required materials for the production of the product need to be available and accessible in sufficient quantity.

Part 2 – Preparing A Business Plan

Objectives

- Explain the purpose of a business plan
- Describe the types of business plan
- Identify the parts of a business plan
- Understand how to put together a business plan

Purpose of a Business Plan

Creating a business plan could one of the most important things you do in your life. Sot it would only make sense to spend time planning it. Most entrepreneurs initially develop a business plan as a way of describing their business precisely. A business plan is a statement of your business goals, the reasons you think these goals can be met, and how you are going to achieve them.

If you start a business without a plan, you will soon be overwhelmed by questions you haven't answered. A business plan forces you to figure out how to make your business work. A well-written business plan will show investors that you have carefully thought through what you intend to do to make the business profitable. The more explanation you offer investors about how their money will be used, the more willing they will be to invest. Your plan should be so thoughtful and well written that only question it raises in an investor's mind is "How much can I invest?"

A well-written plan will also guide every step of the way as you develop your business. It becomes a decision making tool. An entrepreneur uses the business plan to track whether the company is meeting its goals. From time-to-time, the business plan needs to be revised to keep up with the changing nature of the business.

Type of Business Plan

Business plan have no set format. A plan is developed based on the type of business that is intended. However, it is also based on the audience. Businesses need different types of plans for different audiences. There are four main types of plans for a start-up business.

1. **Quick Summary**

This is a brief synopsis lasting no more than thirty seconds to three minutes. It's used to interest potential investors, customers, or strategic partners. It may seem strange to consider this type of business plan, but it is. In some cases, the quick summary may be a necessary step toward presenting a more fully developed plan.

2. **Oral Presentation**

This is a relatively short, colorful, and entertaining slide show with a running narrative. It is meant to interest potential investors in reading the detailed business plan.

3. **Investor's Business Plan**

Anyone who plans to invest in your start-up business (banks, investors, and others) needs to know exactly what you are planning. They need a detailed business plan that is well written and formatted so all the information can be easily understood. When entrepreneur talk about a business plan, this is typically the type of plan they mean.

4. **Operational Business Plan**

Often a start-up business will develop an operational plan that is meant for use within the business only. This plan describes in greater detail than the investor's business plan how the company will meet its goals. It is also often less formal than an investor's business plan.

Although there is no set format for a business plan, each type of plan will address ***The Three C's.***

The Three C's

1. **Concept**

   What is your product or service and how is it different from similar products or services?

2. **Customer**
   - Who will be buying your product or service and why?
3. **Capital**
   - How will you locate the initial money your business will need? What will be your costs and what kind of profit can you expect?

Parts of Business Plan

In this topic we will be focusing on developing an investor's business plan. Professional investors typically see many business plans each year and make very few investments. Investors are busy people and don't have time to read an overly long business plan. They will immediately reject an incomplete or poorly written plan. Your plan including the financials, should be longer than 20 typed pages (and many much shorter). It should require no more than an hour of reading time.

Most plans will include these seven parts (although the order may differ, depending on the type of business):

1. Business Idea

Not only do your describe your product or service in this part of the business plan, but you also talk about the type of business your will start and the type of business ownership you will use. Recently, in this part of the business plan, the entrepreneurs have begun to describe how their business is socially responsible.

2. Opportunity and Market Analysis

Your description of the market should include and account of the market, its size, its trends and characteristics, and its growth rate. Describe your market research. List your competitors and describe your competitive advantage. Provide your marketing plan, your product and pricing strategies, and your plans for promotion.

3. Financial strategies

This section shows many historical financial data, as well as projected figures including estimated sales and expenses (typically extending for five years). This section also describes any financing required by the business.

4. Organizational structures

In this part of the business plan you discuss the organizational structure of the company. You can provide profiles of key managers and, if appropriate, information about your board of directors. You can also describe how you plan to train and motivate your employees, if appropriate.

5. Legal Structures

In this part of the business plan you describe any intellectual property or contract issues. You also talk about how your business will be protected by insurance, the effect of taxes on your business, and any relevant government regulations that affect the business.

6. Business Management

Describe how the business will be managed (focusing on production, distribution, operations, purchasing, and inventory).

7. Plan for Growth

Here you describe your plans to grow the business and challenges it may face. You may also describe your plans to franchise or license the business, if that is part of its plan for growth.

To ensure that investors understand the key points of your idea, the plan should include an executive summary, a one- or two-page summary of highlights, including the key selling points of the investment opportunity. See the description of an executive summary below:

Executive Summary

- Mission Statement
- Business Name and Location
- Date Business Will Begin
- Owner's Name, Function, & Contact Information
- Opportunity
- Products or Services
- Economics of One Unit (EOU)
- Future Plans

Putting Your Plan Together

You will be putting your plan together your own business plan for investors. In the process, you may discover that what you thought was a good business opportunity is not quite the opportunity you thought. You might need to abandon the idea or tweak it to make it more viable. It is better to discover that business won't work on paper before you invest significant time and money.

Parts of a Business Plan	Key Question
Business Idea	• What skills do I have to start this business? • What factors will influence the demand for my product or service? • What type of business will I start? • What type of business ownership is right for me?
Opportunity and Market Analysis	• Is my idea for a business a real business opportunity? • How should I conduct market research? • Who are my competitors? • What is my competitive advantage?

Parts of a Business Plan	Key Question
	• What is my marketing plan? • What are my product and pricing strategies? • How do I promote my product? • How do I sell my product?
Financial Strategies	• How do I estimate sales? • What are my business costs? • How do I measure the economics of one unit? • How do I develop an income statement and tract cash flow? • How do I develop a balance sheet? • Are my financial ratios good? • What is my break-even point? • What types of financing are available? • Should I obtain financing? • What records should I keep? • What kind of accounting system should I use?
Organizational Structures	• What organizational structure is right for my business plan? • How should I staff my business? • Do I need the help of outside experts? • How do I train and motivate employees?
Legal Structures	• Does my product involve intellectual property rights? • What contracts will my business require? • How will I protect my business by using insurance? • How will taxes affect my business? • How will government regulations affect my business? • How will government regulations affect employees?
Business Management	• How will I manage my business? • How do I manage expenses, credit and cash flow? • How do I manage production and distribution? • How will manage my operations? • How do I manage purchasing? • How do I manage inventory?
Plan for Growth	• How can I plan for business growth? • Where are the challenges of growth?

Parts of a Business Plan	Key Question
	• Can I franchise or license my business? • When and how should I leave my business?

Conclusion

The first and most crucial step in getting started with a business is to find an idea that will make you successful. Make sure to keep in mind the topics that have been discussed above in order to be enlightened and to discover the opportunities that can bring you on the peak of success. Determine what exactly it is that you want and do something in order to have it achieved!

Do not look any further when thinking of a business that you can start. Look inside your room for anything you have made or think about the things that you personally find interesting. If you have personal works, such as a handmade bracelet that made people amazed in the past, this is a good sign that such can make a good business.

You should know how to turn your hobby into cash. The good thing about this is that you already have prior knowledge about one thing and you can use such in order to make the business more successful. More so, because you love what you are doing, you will be more motivated to achieve your business goals.

Lastly, it is also important that you think for the long-term. This brings us back to the importance of finding a need that will be fulfilled rather than riding the trend. Before you venture into something, research about its future and see to it that there is a potential for growth.

By having a forward-thinking attitude, you will not only be one step above your competition, but you can be assured of providing the highest level of satisfaction to your customers. Do not be blinded by high profits, especially if such is only for the short-term. Longevity or business sustainability should be your goal and not simply achieving significant earnings within the first few months of operations.

1. **Research Tasks**
   a. Choose a product or technology. Interview five consumers who bought the that product and ask them what major problems they have with the product (or what major things they dislike about it). Then ask them to describethe attributes of the "perfect product" that would satisfy all their needs and replace existing product.
   b. Interview the representatives of five representatives that offer the product and ask them what they believe are the major problems customers experience with their product.
   c. Come up with a futuristic solutions.

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CHAPTER-08

"Zakat As A Potential Source Of Financial Capital To Enhance SMEs' Resilience Toward Economic Crisis"

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Abstract

The Covid-19 pandemic has hit several economic sectors in Indonesia. It declines the macroeconomic conditions of this country as a whole. So that this impact does not get worse, the Indonesian government took the initiative to provide an economic stimulus in the form of economic incentives for several sectors affected by the pandemic, including the MSME sector. Based on the data that has been collected, the total funds required for the stimulus are 35.5 T. The funds were obtained from budget transfers from several ministries. Indeed, it is detrimental since the stimulus to arise the productivity of affected sectors by the pandemic is obtained by sacrificing productivity in other sectors.

Therefore, the Indonesian government should be more innovative in finding sources of funds to be employed as a stimulus. One of the potential sources of funds is zakat. If zakat funds can be managed optimally, zakat funds can be employed as an alternative source of funding in the future. This paper identifies that through zakat funds as a source of capital financing, at least this mechanism could overcome the classic problems experienced by the financial sector so far, in which, these two main issues have triggered economic crisis in the last few decades. Moreover, the majority of Indonesia's population is Muslim, so the enormous amounts of zakat funds are likely potential in the future.

***Keywords**: Zakat, Financial source, SMEs, Alternative funding, Muslim, Covid-19*

Background

Currently, the covid19 pandemic that has hit several countries globally, including Indonesia, has not entirely resolved. The impact dealt a severe blow to the economic sector; for example, Indonesia's gross domestic product decreased by 5% compared to the previous period. One of the causes is the decline in the number of household expenses. Based on the data from Bank Indonesia, the growth of household expenses in the 1st quarter of 2020 is 2.84%. It is lower, approximately 2.2% than the growth rate at the end of 2019. Moreover, at the same time, the consumption of non-profit institutions fall at minus 4.91%. Indeed, it creates enormous problems for business people, including SMEs' owners, to accelerate and penetrate their market occupation.

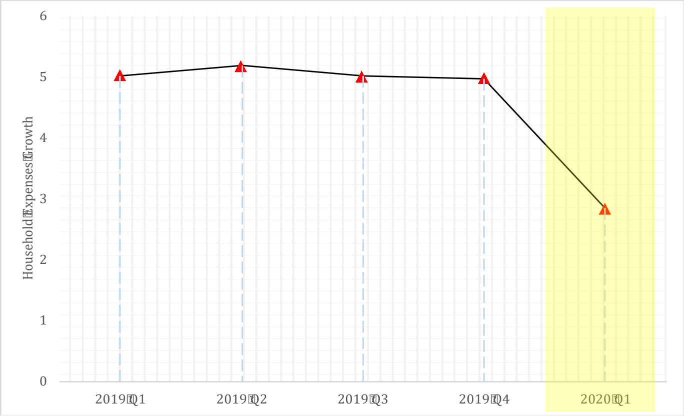

Figure 1. The Growth of Household Expenses

Based on a press release from Kementrian Koperasi & UMKM, the number of business in SME industry which affected by the Covid-19 pandemic is 185,184. This amount is around 0.3% of the total number of SMEs registered at the ministry. Although this evidence is relatively small, it should be noted that in 2018, 116,978,631 workers depended on their income on this industry. *Cateris paribus*, if the SME industry which affected by Covid-19 is 0.3%, then the number of workers prone to losing their income will be 337,455. Remember, the SME industry contributed 57.24% to Indonesia's total gross domestic product in 2018, this has the potential to become a severe problem for the Indonesian economy as a whole.

The Indonesian government moves quickly by formulating a policy to provide economic incentive assistance to the SME sector, such as, tax incentives for MSMEs affected by covid-19, postponement of principal loan installments for MSME players who have loans in banks, and providing subsidies for SME credit loan interest. In addition to these policies, the central government also encourages local governments to pay attention and assistance to

SME owners in their respective regions. Approximately, the amount of government's incentive for economic stimulus affected by Covid-19 is IDR 35.5 T. However, apart of giving appreciation for the government's quick steps to respond to the impact of Covid on the SME industry. The government needs to be given inputs to be more careful in the distribution process. For instance, as the characteristics of the SME industry in Indonesia are complicated. It should be noted that knowing SME's owners' characteristics in detail are essential to prove the government's policy is working successfully. Besides that, as we all know, the large number of incentive funds was obtained from several sources of shifting funds from several other productive sectors, such as reducing the budget of several ministries and delaying project financing. It more being misery if the source of incentive financing is made available through a state debt mechanism. Indeed, it would be a paradox in the development of economic prosperity. Therefore, the government should consider innovatively to encounter these sources of financing.

This work gives spot light on the potential contribution of zakat to enhance financial capital of SMEs. In the first part, this paper elaborates the main reason of why conducting the issues. The second part, it presents recent development of zakat performance, including the regulation of zakat governance in Indonesia. Thirdly, we try to emphazise a pivotal role of zakat for financial capital, and its contribution to economic performance as well. And in last part, this paper conclude and recommend the effective policy to hinder the SME industry in economics crisis trap.

Zakat in Indonesia

1. Zakat as Religiosity Entity

A charitable obligation, generally calculated at 2.5 percent of wealth of certain categories (excluding, for example, fixed equipment, jewelry that is worn, etc) and paid at the end of the Ramadan fast. There are elaborate rules for calculating zakat obligations. Zakat or Almsgiving as a part 5 (five) Pillars of Islam along with Prayer/Shalat, Fasting/Puasa in Ramadhan Month, Pilgrimage/Haji to Mecca and Belief in Allah SWT and His Messenger Prophet Muhammad SAW. Moslem abide by the third pillar of Islam Faith, Zakat which means Purity in Arabic. The Nisab Concept, for every sane of adult Muslim who owns wealth over a certain amount known as the Nisab, that must pay 2,5% of the wealth as Zakat Mal. Eligibility the Receiver of Zakat. There are 8 (eight) categories of people who are eligible to receive Zakat:

a. The poor and needy/Fakir Miskin
b. Administrator of Zakat/Amil
c. Those whose hearts have been recently reconciled into Islam/Muallaf
d. Those who have been enslaved/Riqab
e. Those in debt/Gharim
f. In the cause of God/Fi Sabilillah
g. Travelers including refugees/Ibnu Sabil

Faith and Giving in religiosity concept are intrinsically tied with one another, motivation to give out of a sense of the religious commitment and affiliation with the religious organization or institution whether they are houses of worship or religiously identified organizations. Moslem believe that it is Allah SWT who is the ultimate owner of all things, human beings are only temporary possessors of material wealth. The act of giving zakat alms is a means of purifying one's wealth regarding to their obligation based on the accumulation of their wealth that equivalent to 3oz of gold throughout the year. Basic concept of Zakat, taking form what you've earned and giving it to others who need as a humbling best practice. Islam believes that money is something that needs to be in flow concept from upstream to downstream, it means that money does not belong to the rights of all and must be distributed to 8 (eight) Asnaf who need more money in productive activities.

2. Zakat as Society Entity

Zakat as a tool for sustainable community development among the social communities. This secular and religious project within

Zakat Distribution has funded the valuable impact to the minority communities (Ayuniyyah, Pramanik, Saad, & Ariffin, 2018; Hassan & Ashraf, 2010; Nurzaman, 2010; Yumna & Clarke, 2011). The practice of Zakat defined that wealth is something that is to be distributed among all people in a society. Therefore, to give zakat, on is purifying his/her wealth and ensuring that everyone's basic needs are fulfilled and society engagement achieved. Moslem Communities is the way in which philanthropy binds Moslems to each other. In conceptions of faith and community, possible to building a community through faith and the building of faith through the depending of community. The power of responsibility of each Moslem for every other Moslem, in this context, zakat is not so much an act of piety as it is on of obligation.

3. Zakat as Economic Entity

The crucial problem in economic is inequality, while Islamic Economics as an economic system based on Islamic ways with issue of encourage to multiply the activity of Islamic Philanthropy through Zakat (Alfaizin, Insani, & Herianingrum, 2018; Khasandy & Badrudin, 2019; Malik, 2016). This system brings the distribution of equity between the surpluses of capital to the minimal capital. Distribution of income and wealth equalization. Zakat distribution systems should be an economic empowerment that can be classified into 2 (two): consumptively and productively. Zakat as an entity of consumptively is allocated directly to Mustahik (receiver of Zakat) to be used only for consumption. Zakat as an entity of productively means Mustahik (receiver of Zakat) does not accept Zakat Assets that are used directly for consumption but must first be sought for use in the real sector within by Mustahik and also the zakat institution

Zakat management in Indonesia

Zakat is not just a fundamental pillar of Islam, it also a revolutionary concept with the potential to ease the society suffering around the world. The existence of many formal structure governing zakat operationalization in Muslim-majority societies like Indonesia can perhaps give a mistaken impression that Moslem systematically favor formal institutions over informal ones. Other phenomena about zakat operationalization individually acts are far more likely to be directly exchanged between the giver and recipient rather than funneled through a formal institution, which goes some way toward explaining the development of zakat activity in society. The potential of Zakat Distribution among Muslim in Indonesia has a significant level. On the other hand, the absorption of Zakat potential is not optimal yet. It shown by the large gap between the potential of Zakat with the amount of Zakat collected form several formal and informal institutions and also the issue of government attention in handling Zakat issues in Indonesia. The challenge of Zakat Funding and Distribution systems in Indonesia cannot separated from the awareness individual in large communities against poverty and economic inequality. Giving the understanding to the large communities in Indonesia about transparency and also social orientation about the collection, management and distribution of Zakat. Consider the Government's role in responding to the development of Zakat awareness as a part of efforts to strengthen the Indonesian economy needs to be improve by realizing a shared vision between the Government and Amil Zakat or Zakat institution.

The goverment of Indonesia ratified UU number 23/2011 as the main regulation of zakat management in Indonesia. Consider to this law, the government establishes the central zakat management institution in Indonesia, that is called BAZNAS. It is a non-structural state institution that directly responsible to President through the minister. Although BAZNAS is the only central zakat institutions, consider to the law, society is allowed to initiate Lembaga 'Amil Zakat (LAZ). LAZ is independent zakat management institutions that established by society, but, it ough routinely report their activities as well as performances to BAZNAS. Figure 2 shows the description of the zakat management hierarachy in Indonesia.

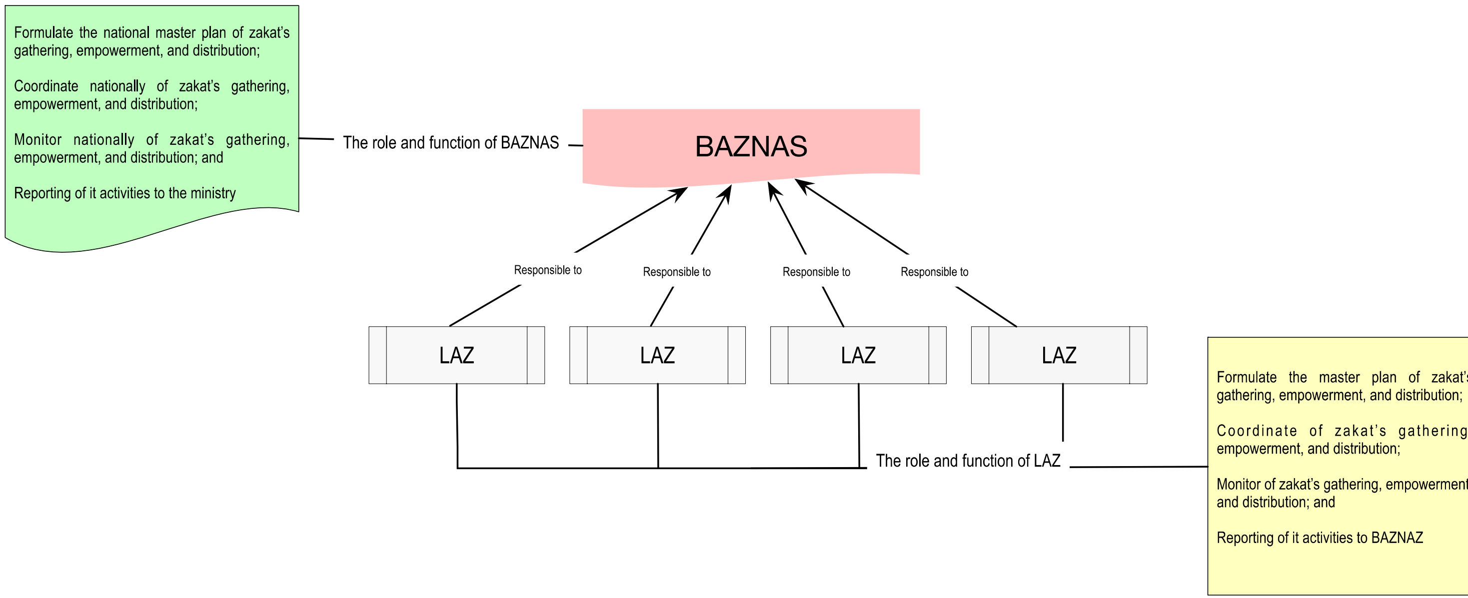

Figure 2. Zakat Management in Indonesia

4. Zakat as financial capital for SMEs

Before discussing the potential mechanism for zakat as an alternative source of capital for SME business, it is necessary to know regarding the conventional mechanism of capital financing that has been carried out by the banking industry.

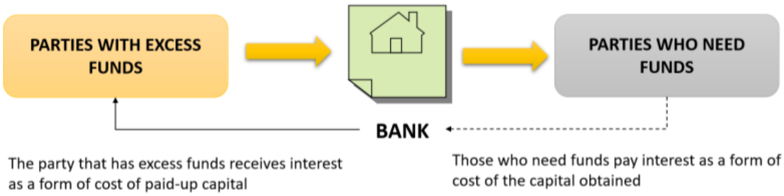

Figure 3. Conventional Financial Capital Mechanism

As illustrated in Figure 3, a banking institution is an intermediary institution that connects parties with excess funds with parties who need funds. Banking institutions benefit from the margin of the loan interest rate at the savings interest rate. The mechanism in Figure 3 is still believed to be the most efficient model in decades. However, empirical facts have proven that this mechanism is vulnerable in several aspects and prone to triggering financial crises. As we all know, the economic crises that have occurred repeatedly in the last few years always originated from the vulnerability of the capital financing mechanism in Figure 3.

It ough to be noted beforehand that the problems occurred in the financial industry cover at least two main problems, namely, (1) *financial inclusion, or the public's accessibility to financial capital*. (2) *a systemic risk that triggers a prolonged economic crisis*. The capital financing mechanism in Figure 3 is prone to these two problems. Referring to the first problem, it is clear that people who are not bankable would encounter difficulty to access the capital. Then, look back at the illustration in Figure 3, if the parties who need the funds are in financial trouble as well as unable to pay back their funds to the banks, this would harm the economic conditions of the parties having excess funds as the banks do not return their deposit funds. With no return of these funds, this means that the party with excess funds loses their wealth. The loss of wealth that has accumulated in large quantities reduces the purchasing power of the people and ultimately leads to an economic crisis. It is what is called systemic risk in the second financial problem.

However, as the times have developed, recently, we are in an era where technology is the prominent commander, that is called the disruption era. It marked by the rapid development and advancement of technology that attempts to complete the shortcomings of the capital financing mechanism in Figure 3 as well. However, it has not been able to solve the fundamental problems in the world of financial financing. Recently, the use of technological developments has only been able to optimally solve the first problem, the problem of financial inclusion and the public's accessibility to financial capital. Meanwhile, the second problem regarding systemic risk has not been resolved until now. Figure 4 is the recent disrupted financial financing model:

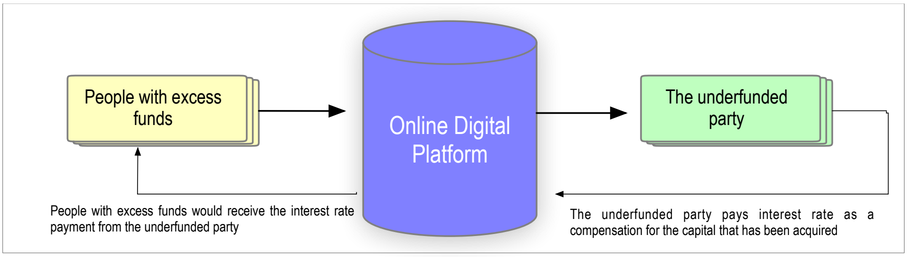

Figure 4. Disruptive Financial Capital Mechanism

Based on the illustration above, the era of disruption eases parties who have excess funds and those who need funds to meet directly on a digital platform without involving banking institutions. In this way, the first fundamental problem related to financial inclusion could be resolved. However, as mentioned at the outset, the second fundamental problem regarding the systemic risk that leads to a prolonged economic crisis when the funds are stuck has not yet been resolved.

Therefore, this paper attempts to propose an alternative capital financing mechanism which, according to the researchers, has the potential to overcome two main problems in the financial industry.

The capital financing mechanism is a financing mechanism using zakat funds. Based on data quoted from the National Zakat Agency (BAZNAS) in the indicator book for mapping potential zakat (IPPZ) in 2019, the potential for zakat in Indonesia is 233.846 trillion. The amount of funds is enormous, and its potential would be even more significant in the future, considering that Indonesia is the largest Muslim population in the world.

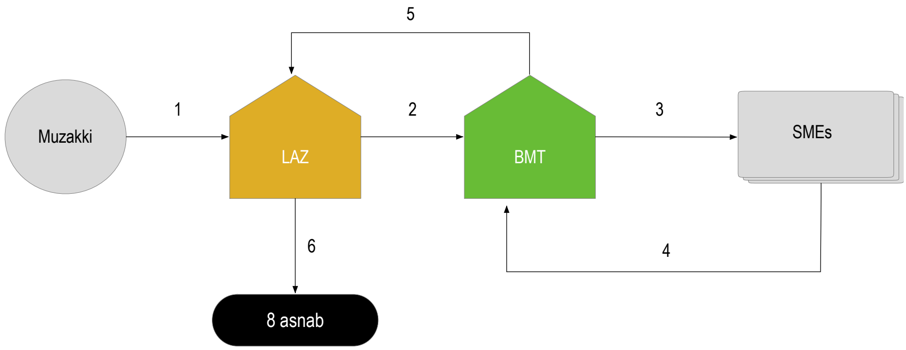

Figure 5. 1st Proposed Financial Capital Mechanism

Figure 5 illustrates the use of zakat as a source of capital for the MSME industry. In this model, there are six main steps, namely:

1. Muzakki gives his zakat funds to LAZ;
2. LAZ then distributes zakat funds to Islamic financial institutions, such as BMT (*baitul maal wat tamwil*);
3. BMT distributes funds obtained from LAZ in the form of *Murabahah*, *Mudharabah*, or *Musyarakah* with lower profit-sharing rate;
4. SMEs return the loan + profit sharing funds to BMT;
5. BMT returns zakat funds from LAZ along with zakat from BMT income performance; and
6. LAZ distributes zakat funds to eight people who are entitled to receive zakat (*8 asnab*).

The mechanism in Figure 5 implicitly shows a mechanism that turns zakat funds into a revolving fund to generate higher economic value added. However, this mechanism requires a supervisory board (beyond the BMT and LAZ supervisory boards) to ensure that any funds flowing from processes 1 to 5 could run optimally as well as effectively. Apart from the mechanism depicted in Figure 5, the following of Figure 6 is the second proposed mechanism of zakat utilization as alternative financial capital:

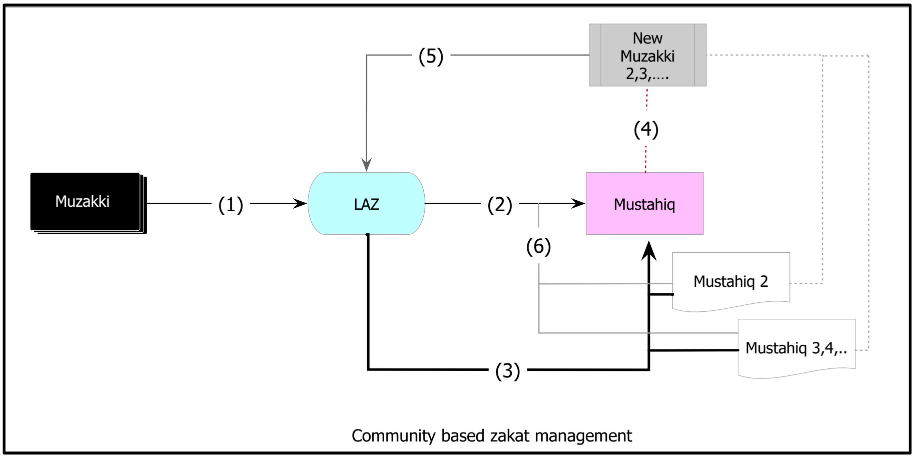

Figure 6. 2nd Proposed Financial Capital Mechanism

Figure 6 delineates the innovative mechanism for employing zakat funds, in which it is a development of the recent conventional zakat distribution mechanism. The difference between the mechanism in Figure 6 and the mechanism in Figure 5 lies in the fund management institution. In Figure 5, zakat funds would be professionally managed by BMT, while in Figure 6, zakat funds are managed by LAZ. The mechanism process in Figure 6 consists of six steps, namely:Muzakki memberikan dana zakat kepada LAZ;LAZ distributes zakat funds to Mustahiq;

1. In the context of this mechanism, zakat funds given to Mustahiq ought to be employed as working capital. Therefore, LAZ ought to regularly monitor and supervise the use of this zakat fund;
2. Mustahiqs who have received zakat funds as capital, then, they transform into new Muzakki in the future. (LAZ necessarily being active to monitor this process);
3. The new Muzakki handed over their zakat funds to LAZ; and

4. LAZ redistributes the received zakat funds, and so the process repeats itself starting from stage 3.

At first glance, the mechanism in Figure 6 looks complicated, however, it is not such as long as LAZ could run it. In other words, LAZ requires highly skilled and professional human resources to ensure the mechanism in Figure 6 runs smoothly. Recently, these human resources are available, considering that several Islamic religious colleges (PTKIN) have zakat and waqf management courses that produce competent graduates who are ready to manage zakat professionally.

The Covid-19 pandemic has hit several economic sectors in Indonesia. It declines the macroeconomic conditions of this country as a whole. So that this impact does not get worse, the Indonesian government took the initiative to provide an economic stimulus in the form of economic incentives for several sectors affected by the pandemic, including the MSME sector. Based on the data that has been collected, the total funds required for the stimulus are 35.5 T. The funds were obtained from budget transfers from several ministries. Indeed, it is detrimental since the stimulus to arise the productivity of affected sectors by the pandemic is obtained by sacrificing productivity in other sectors.

Therefore, the Indonesian government should be more innovative in finding sources of funds to be employed as a stimulus. One of the potential sources of funds is zakat. If zakat funds can be managed optimally, zakat funds can be employed as an alternative source of funding in the future. This paper identifies that through zakat funds as a source of capital financing, at least this mechanism could overcome the classic problems experienced by the financial sector so far, in which, these two main issues have triggered economic crisis in the last few decades. Moreover, the majority of Indonesia's population is Muslim, so the enormous amounts of zakat funds are likely potential in the future.

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CHAPTER-09

"Problems & Solutions for Student Entrepreneursip"

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Universitas Muhammadiyah Magelang

Abstract

This chapter discusses the mentoring program that has been carried out by the Psychology Study Program of the Faculty of Psychology and Humanities, the University of Muhammadiyah Magelang which has a scientific vision of the psychology of entrepreneurship. This program is a program held by the study program as a concrete step in fostering the entrepreneurial spirit of students. Mentoring is done by exploring the main problems of student entrepreneurship and finding solutions as new strategies so that the business can continue to survive and develop. The steps taken are identified the business through indicators which are related to customer segments, competitive advantage, channels, revenue, human resources, customer relationships, activities, partnerships, and cost structures. To find new strategies as solutions, the Psychology Study Program uses a SWOT analysis consisting of the strengths, weaknesses, opportunities and threats of existing businesses. This program is a pilot project that is expected to continue to help and benefit entrepreneurial students, especially in the Psychology Study Program of the University of Muhammadiyah Magelang.

***Keywords**: Students entrepreneur, SWOT, indicator for analysis, business strategy*

Introduction

Currently, the government continues to promote and grow the world of UMKM in Indonesia. The number is increasing every day. Newly Industrializing Countries (NIC) are developing countries that have an economy above other developing countries due to one of the factors being the high competitiveness and export activities carried out. Indonesia still cannot be the top megara in Asia in the NIC category. Many factors cause it, and one of them is the UMKM actors. The number of UMKM in Indonesia has increased from year to year. Figure 1 shows the number of data on UMKM actors in Indonesia according to the cooperative, UMKM, and industry offices (Dinkop).

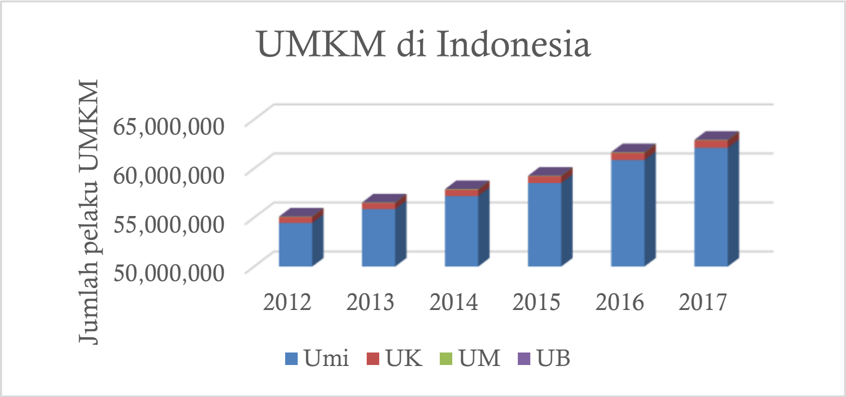

Figure 1. Development of UMKM in Indonesia

Figure 1 shows that entrepreneur, especially micro enterprises in Indonesia, experiences a very significant growth every year. This potential is captured by the government with the development of MSMEs in Indonesia. However, MSME players in Indonesia are not yet competitive because of their limited capital and knowledge. This problem is not simply ignored by the government.

The government continues to strengthen the role of MSMEs because MSMEs are one of the economic pillars of a country (Ruzzier, Antoncic, Hisrich, & Konecnik, 2007). Compared to a large-scale company or business, MSMEs have a smaller risk when an economic crisis occurs. This is one of the reasons why Indonesia wants to strengthen the UMKM sector. Efforts that have been made by the government can be seen from the issuance of law number 20 of 2008 which regulates the development of sources of financing for bank credit and non-bank financial institutions. MSMEs are not only an alternative for those who find it difficult to get a job at a company but now MSMEs have started to become career goals for the community, especially millennials (Ogamba, 2019).

Time freedom, creativity, and innovation factors encourage millennials to further develop careers in the world of MSMEs. No exception for those who are still students. Currently, many students are also UMKM players. They have a lot of passion to try to become entrepreneurs. However, the stage of development of UMKM actors who are still students has unique and more limited problems compared to the potential problems for UMKM players in general. Students who are also UMKM actors at a relatively young age will influence how decisions are made (Alves, Fischer, Schaeffer, & Queiroz, 2019). In addition to the age factor, other factors possessed by student entrepreneurs are economic income, family culture, and knowledge and education (Alves et al., 2019). Entrepreneurial students who know about entrepreneurship in school will have high motivation in interaction in their business (Rembiasz, 2017). They will find it easier to find solutions to existing obstacles. Limited entrepreneurial experience and the absence of financial independence make student entrepreneurs have to be able to make strategies to be able to maintain their business. Once the complexity of the source of the problems that exist in entrepreneurial students is this basic theme raised by the author.

Therefore, the Psychology Study Program is an educational provider that has a curriculum with a scientific vision as the psychology of entrepreneurship. Apart from going through the curriculum, the Psychology Study Program chose an approach in assisting students entrepreneur to find the problems and solutions for the development of their business through the entrepreneurship courses they take. This study will discuss the problems of students as an entrepreneur and how the solutions are to survive and continue to develop through the identified their business according to elements of the canvas model. The last step has analyzed their business and developed the strategy through the SWOT analysis.

Business Description

Eleven Kuliner is a culinary business that sells specialities of the Lombok NTB region, the uniqueness and uniqueness of this Lombok regional cuisine makes many food enthusiasts with this savoury and spicy taste. Eleven Kuliner itself is owned and managed by a student in collaboration with 3-4 other students. In addition to getting additional pocket money, the purpose of running this business is to gain knowledge and skills in entrepreneurship, teamwork, time management and good financial management.

While running this business, some many processes and ups and downs go through, especially decisions and risk-taking that are also chosen even though they often don't produce optimal results. Through low business knowledge, Eleven Kuliner is very far from being a successful business. This is because it was inconsistent in running a business. Limited time and study (completing education) are prioritised. With mentoring and the application of entrepreneurship material, this effort becomes a laboratory for students to apply and practice the entrepreneurship knowledge they have. It is hoped that continuous improvement will be made to maintain and develop this business because seeing the well-known potential of this business so that it has the potential to develop. Figure 2 showed a product image of the Eleven Kuliner Business.

Figure 1. Products and the Eleven Kuliner Logo

Method

The problems of a business must be seen from the root of the existing problems so that strategy can be implemented properly and can be the right solution to finished the problems. Mentoring is done by identifying all the existing aspects with the existing indicators in the canvas business model. A canvas business model is a tool used to identify aspects that can affect the sustainability of a business (Joyce & Paquin, 2016). The use of this canvas business model is an attempt to analyze a business to remain competitive. The canvas business model consists of 3 layers, namely the canvas business model which is oriented to the economy, social, and environment (Joyce & Paquin, 2016). Monitoring that is carried out on student entrepreneur is a canvas business model that is oriented to the economy. This is because student entrepreneurs are in the establishing business phase so that they do not need further analysis related to social and environmental issues. The canvas business model consists of 9 elements, namely 1) customer segments, 2) value propositions, 3) channels, 4) revenue streams, 5) key resources, 6) customer relationships, 7) key activities, 8) key partnerships, and 9) cost structure. The results of each identified aspect will be used in analyzing to determine the existing strategy using SWOT.

Identify the Business

This student business has been running since 2018. The steps taken by the Psychology Study Program are to identify the businesses that have been carried out by student entrepreneur by looking at the 9 aspects previously described. This is because of the weak identification of a business will make the strategies devised to be less precise and not comprehensive.

1. **Partner**

The partners in running the Eleven Kuliner business are traders of the main raw materials in creating products. These traders include vegetable traders, seafood traders, and seasoning traders. This is very important to note because the difference in the quality of the ingredients will affect the quality of the resulting food. Also, when we are unable to find the right trader, we will not get the best price from the offer. This affects the low profit that will be obtained due to expensive procurement costs. Other key partners are online motorcycle taxis that are used to deliver products. this was chosen because at this time, using online service was the most appropriate choice for student status because it was very low cost.

2. **Activity**

For student entrepreneur, sharing of time and energy is very important. This is because they are still students who must prioritize their studies but not neglect their business. This balanced activity is very difficult to achieve if you don't have the motivation and desire. Procurement of raw materials is carried out the day before the delivery day of food products which is a challenge for students because of the limited time they have. Procurement of material on one day before is carried out to keep the quality of the ingredients fresh. Also, team performance affects the food production process because it is a business without permanent assistants or employees. Another factor in the main activity is proper cooking methods, which are related to time and management. The team did not do the food delivery process alone because for students a car was an item that was difficult for them to have because they had not yet got a fixed stage so the best decision was to use an online motorcycle taxi service.

3. **Competitive Advantage**

The uniqueness of this business is that it has different values for consumers. Eleven Kuliner offers alms program to consumers by accepting orders from consumers to be delivered directly to duafa. This really helps consumers to do alms more practically. In addition, menus that can adjust consumer preferences and costs are another advantage of the eleven culinary business. The advantage is made because the main market is academics who have different financial capabilities, namely consumers who have fixed income and those who do not. Another advantage of this business is that the products produced are typical West Nusa Tenggara food, which is food with a very different taste from food in Magelang, Central Java. This breakthrough brings culinary freshness to Magelang, Central Java.

4. **Customer relationships**

Eleven kuliner business is a business that has a very personal relationship with consumers. Student entrepreneurship will offer its products personally to both regular and new target customers. This is done because students have limited resources so that they will really take advantage of the opportunities that can be done with zero budget. Friendship networks are still the main way of doing business.

5. Segments

The segment of this business is the academic community. The characteristic of the academic community is that they need food that has good packaging and good taste because most of the food ordered is for formal activities. In addition, consumers need simple services and ordering. For student entrepreneurship, this consumer desire is quite easy to fulfill because basically the target market and the products created are appropriate.

6. Human Resources

The biggest challenge for student entrepreneurship is due to very limited resources. They are faced with the fact that a business must be run professionally and consistently. On the other hand, they still have the status of students who are busy and focused on education. The human resource (HR) of this business is a group of students consisting of 4 people who they will be with when there is an order and they will return to their respective educational focus when indeed the load on campus is very high. They maintain consistency in their business by continuing to promote and participate in weekly events in Magelang known as car-free days. Capital is also a challenge in itself for student entrepreneurship (Mahmood, Mamun, & Ibrahim, 2020). They set aside the profits they get to be used as capital so that their businesses continue to grow. The high cost of schooling makes them reluctant to ask for capital from their parents. Unlike people who really focus on being entrepreneurs, they can have capital loans for their businesses. However, student entrepreneurship does not have access to be able to borrow capital from banks, so what can be done is to participate in business competitions held by related agencies and universities in the hope that they can get prizes that can be used as additional capital for their business. Apart from that, the capital is also obtained from a joint venture between students who take part in this business. Of course, this joint venture capital is not large because of their status as students. Another factor in key resources is the place of business. When you open a business place, you need a lot of capital. On the other hand, students come from outside the city so they run their business in a boarding house.

7. Channels

Student entrepreneurship's efforts in developing their business are through social media and open boots every week. However, these efforts do not appear to be consistent due to the absence of a mature and structured marketing arrangement. All done with spontaneity or short-term planning.

8. Cost Structure

This fixed cost arises because student entrepreneurship rents a place to sell every day. In addition, there are other costs besides fixed costs, namely electricity costs. This cost is of course very heavy for student entrepreneurship because there is no consistency in doing business every day because of their busy life as students.

9. Revenue

The only income received is from sales. Of course, this has not been able to have a significant impact because of the large fixed costs and income from sales that do not necessarily exist every day.

Analysis and Solutions

Analysis needs to be done in diagnosing a problem and coming up with a solution. The author uses SWOT to analyze and find strategies in finding solutions from culinary eleven. SWOT is a management tool that can be used to enhance a new strategy in an organization (Helms & Nixon, 2010). In carrying out a problem solving from an existing business, an analysis is carried out to find out the weaknesses of a business that students have, their strengths, opportunities, and threats faced through a SWOT. This is necessary because in finding solutions to the problems faced, it must be based on the ability of students to make changes so that the solutions offered are achievable. The results of the internal and external factors that have been described through the canvas business model are analyzed using SWOT and produce an improved model formulation and forming a new business model.

Table 1. SWOT

SWOT DIAGRAM	
Strengths 1. Unique cuisine menu. 2. The taste of food can be accepted by the people of Magelang. 3. Very good packaging. 4. Motivation for student entrepreneur is very high.	**Weakness** 1. Difficulty finding suppliers of cheap and quality raw materials. 2. Marketing is not optimal. 3. Operating hours are only 3 days a week. 4. Divide the time, because the main priority is study. 5. Student entrepreneur have low capital. 6. Low promotion. 7. Fluctuating raw material prices. 8. Low supplies of raw materials.
Opportunities 1. Traditional market operating hours determine the price of raw materials. 2. Getting the courses related. to entrepreneurship 3. The delivery service makes food delivery easier. 4. Many friends who can be invited to complete large orders. 5. There are many student activities at campus that require consumption.	**Strategy (Strengths -Opportunities** 1. Developing a business using entrepreneurial theory and materials as a basis for making business decisions. 2. The food menu is promoted in accordance with the marketing knowledge that has been acquired during college. 3. Increasing the promotion in order to orders come in consistently. 4. Educating trusted friends to learn the secret recipes of cooking.
Strategy (Weakness - Opportunities) 1. Procurement of raw materials when materials are cheap (at night market).	**Threats** 1. Motivation becomes low when there are many college assignments.

SWOT DIAGRAM	
2. Inviting friends to join the business so that operating hours can be consistent every day (building a business network). 3. conduct consultations with entrepreneurship lecturers. 4. Doing free promotions. 5. Submitting special offers and prices for student organizations on campus.	2. Rejection of sudden orders due to missing inventory. 3. Stock of foods unsold. 4. The COVID-19 pandemic has made people reduce their buying behavior, especially food.
Strategy (Strengths - Threats) 1. Promote and maintain the typical behavior of an entrepreneur. 2. Determining suppliers of materials to certain traders so that when there are sudden orders, fulfillment of needs can be done quickly.	**Strategy (Weakness - Threats)** 1. While have many assignments, orders can be delivered to friends who have a low assignment load. 2. Business is designed for PO not ready stock. 3. No need to have a special place / counter to open a business.

Based on the results of the SWOT analysis, it was found that the Eleven Kuliner business model run by student entrepreneurs would be better if it was a purchase order (PO) business model and not ready stock. This departs from the background that entrepreneurs are students who have limited capital and time. PO really helps student entrepreneurs in reducing losses due to products that are not absorbed by the market. Limited capital, human resources, and low time are the main focus of the discussion on student entrepreneurship.

Also, the student status must be maintained and prioritized so that the PO system really helps them in good and proper time management. Expansion of business networks is also very necessary so that student entrepreneurs have spare human resources when they are at a very busy time. This will greatly assist them in completing incoming orders.

Consistent PO will occur in products that are well known to the public. Therefore, the strength of the student entrepreneur in maintaining the continuity of their business is to increase the maximum possible free promotion. This effort is the right way for student entrepreneurs.

Conclusion

Currently, millennials are very entrepreneurial-oriented rather than being an employee of a company with an increasing number of student entrepreneurs each year. This shows that the potential for developing MSMEs in Indonesia is very good. The number of students who have started to learn to become business people is a signal that must be captured by the world of education to be able to produce millennials with good entrepreneurial knowledge so that their enthusiasm and potential can be maintained and continue to develop.

In the end, students not only try to be in the business world but can pursue it with good management strategies and skills. Becoming a student entrepreneur must be the first step for millennial in getting to know the business and in the future when you graduate you will be better prepared to do real business. Assistance is needed for student entrepreneurs so that they can develop more. The main focus that must be held by student entrepreneurs is to apply the knowledge they have from lectures to real business conditions. It is this application that will crystallize the knowledge he gets into an extraordinary experience. This experience is what actually becomes a provision for student entrepreneurs to run a real business after they graduate. So that the strategies taken must be strategies that minimize risk.

The problems faced by student entrepreneurs are different from real entrepreneurs. With strategic changes that are continuously updated by the challenges, strengths, opportunities and threats that exist, they will be honed in reading the opportunities and threats in the future so that they will become winners among business people.

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CHAPTER-10

"Concepts and Issues of Indonesian Education Curriculum Design in the of Covid-19 Pandemic"

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Abstract

Indonesia is a country affected by the COVID-19 pandemic. The education sector is an interesting study in maintaining the quality of education, but what happens is that the online learning model has not become a culture for students in Indonesia. The Ministry of Education and Culture and the Ministry of Religion jointly issued an online learning policy with an emergency curriculum so that the impact on learning targets was not achieved. This article review discusses how the position of the curriculum is an important point in the education system. The studies are the concept of curriculum, complexity of curriculum design, components of curriculum design, curriculum dimensions, reference curriculum design, and the theoretical framework for curriculum design.

Keywords*:Curriculum Design, Education, Covid-19*

Learning Urgency During the Covid-19 Pandemic

Indonesia is a country that has experienced a disaster or has been affected by the transmission of the Covid-19 Virus, thus establishing a non-natural disaster health emergency condition as of March 2020. This policy is in line with the issuance of a Joint Decree (SKB) by the Minister of Education and Culture, Minister of Religion, Minister of Health, and Minister of Home Affairs, as well as involving the Covid-19 Handling Task Force and the National Disaster Management Agency (BNPB). To prevent the spread of Covid-19 and prioritize health and safety, which also has a significant impact on the national education system. The effect was that hundreds of thousands of schools were closed; around 68 million students were carrying out learning activities from home, 4 million teachers were carrying out teaching activities from home to prevent the spread of Covid-19. Distribution data-informed via the covid19.go.id in 2020 ended up 57% in the red-orange zone and 43% in the yellow and green zones.

The education sector is the most crucial level that must be a priority to save the nation's children's fate in obtaining the right to continuing educationto maintain motivation, enthusiasm and ensure the quality of students is maintained. Some of the breakthroughs made were optimizing the Rumah Belajar distance education platform collaborating with various online learning service provider platforms the providing free quota and quota subsidies through cooperation with telecommunications providers, relaxing the use of school operational funds, increasing teacher capacity through Guru Sharing and Webinar series related to distance learning. The Learning from Home program implements through state and private television stations to provide learning education services from home. Regarding policies to maintain the quality of education, the government has issued policy support for education delivery units, including 1) adhering to the national curriculum; 2) to simplify the curriculum independently according to the learning needs of students; 3) provide learning modules for kindergarten and elementary school which are expected to help the learning process from home by including activity-based learning descriptions for teachers, parents, and students.

Concept of Curriculum

The curriculum is a complex concept. This concept can apply to student experiences in certain(Elliot W. Eisner, 2002)classes that usually result in qualifications or national qualifications frameworks. The curriculum is covered over a short period; for example, one module can be applied to several years of study. It can refer to the content, teacher's intentions or plans, the structure of learning activities and assessments, the relationship between these activities and graduate outcomes, formally defined learning outcomes, or changes in skills, knowledge, and abilities experienced by students(Doll, 2008). What is important is that we can distinguish between formally designed curricula and are directly felt and experienced by students (Niculescu, 2009)So those students are motivated by the significance of the assessment and ultimately produce quality qualifications (Nicol & Nicol, 2009), (Colin J. Marsh and George Willis, 2003).The curriculum is how participants can communicate their learning effectively and efficiently to others. (Gosper et al., 2014),(Pratt, 1980).

Curriculum design shows how learning outcomes be achieved by defining curriculum modules that ensure their achievement and establish learning outcomes (MehdiKhosrow-Pour, 2015). In conducting curriculum design, one should use critical concepts, organizing principles, and disciplinary structure to look at the facts, theories, generalizations, laws, and skills that are most important for the field of study and choose the most appropriate grade level. Why it is, because students will most likely retain and explore knowledge and skills when the curriculum is focused on some of the core ideas at the heart of the discipline, tangentially, but over time, students should see where the domain fits within the larger body of knowledge and where came.(Stephens, 2016),(J. Galen Saylor, William M. Alexander & Lewis, 1981)

Complexity of curriculum design

a. Curriculum education and proper curriculum design can eliminate ignorance.
b. A well-designed education and curriculum can supply all the knowledge needed to manage society and the planet.
c. Curriculum education enhances human kindness: well-designed curricula impart wisdom.
d. The main aim of education is to enable students to move upward and be economically successful(Ornstein & Hunkins, 2018).

Complexity can be described as a collection of theories, dispositions, and conceptual tools that have evolved in different disciplinary fields to accommodate complex problems better and realities studied(Ovens & Butler, 2020).

Components of curriculum design

a. To design a curriculum, we have to consider how the parts are related. Thinking about the "shape" of a curriculum plan, or "gestalt," and the arrangement of its sections addresses the essence of curriculum design.
b. In designing curricula, we must consider philosophical and instructional theories to determine whether our design decisions conform to our fundamental beliefs about people, what and how they should learn, and how they should use the knowledge they acquire.
c. Curriculum design considerations must also be guided by essential questions of a political, economic, social, and cultural nature. Some educators may also recommend asking questions directed to the spiritual world. However partial, answers to these questions will influence the various steps and actions taken in curriculum design.

The curriculum design components are divided into two as follows:

a. Verticalization refers to the order of curriculum elements. Locating "family" in first-class social studies and "community" in second class social studies are examples of vertical organization. The curriculum is often structured so that the same topic is discussed in different classes, but in increasing detail and at an increasingly high level of difficulty. For example, the set in mathematics was introduced in first grade and reviewed each following year in the primary curriculum.
b. Horizontal organization blends the curriculum elements, for example, by combining historical, anthropological, and sociological content to create courses for contemporary studies or by integrating mathematics and science content(Ornstein & Hunkins, 2018).

Curriculum dimensions

a. Scope dimension; when considering scope, we must consider the cognitive, affective, and psychomotor domains of learning and add moral or spiritual fields. We have to determine what to cover and what details in each part. We also have to decide which domains to emphasize the most. Traditionally, the cognitive domain, drawing in the field of knowledge, has been highlighted the most. At the secondary school level, we often use disciplines and their key concepts to define the curriculum's scope. However, the affective domain (dealing with values and attitudes) and the psychomotor domain (dealing with motor skills and coordination) receive increasing attention.

b. Sequence dimension; a framework for sequencing content and experiences (or activities) and linking expectations with students' cognitive levels. Most school districts consider students' thinking stages in formulating curriculum goals, content, and experiences based on grade level.

c. Integration Dimension; integration refers to linking all types of knowledge and experience in a curriculum plan. It connects all parts of the curriculum so that students understand learning as a unit and not atomization. Integration emphasizes the horizontal relationship between topics and themes from all knowledge domains. Curriculum theorists and practitioners tend to disproportionately emphasize integration, advocating for an interdisciplinary curriculum, which is essentially a curriculum that would not be characterized as standard curriculum content. In some ways, curriculum integration is a design dimension and a way of thinking about school goals, curriculum resources, and the nature and use of knowledge.

d. Articulation dimension; articulation refers to the vertical and horizontal linkages of various aspects of the curriculum, that is, through the curriculum components that occur later in the program's course concerning those previously. For example, a teacher might design an algebra course to relate algebraic concepts to the fundamental concepts presented in a geometry course. Vertical articulation usually refers to sorting content from one grade level to another. Such articulation ensures that students receive the necessary preparation for the system. Horizontal expression (sometimes called correlation) refers to the simultaneous relationship between elements, such as when curriculum designers develop a link between eighth-grade social studies and eighth grade English.

e. Continuous dimension; when considering sequencing, curricular look for curricula that promote cumulative and continuous learning. The curricular must also decide how can be built it content and experiences on what happened before. This continuity ensures that students revisit essential concepts and skills. For example, becoming a skilled reader requires multiple encounters from time to time with different reading material types.
f. The balance dimension; when designing the curriculum, educators try to give appropriate weight to each design aspect. Within a balanced curriculum, students can acquire and use knowledge in ways that advance their personal, social, and intellectual goals. Maintaining a balanced curriculum requires continuous refinement and balance in learning philosophy and psychology (Ornstein & Hunkins, 2018).

Reference curriculum design

a. Subject-centered design includes subject design, disciplinary design, broad-field design, correlation design, and process design;Subject design:
   1) The subject's division increases in number and sophistication with the explosion of knowledge and specialization generated in various fields of expertise. For example, history is now dividing into cultural, economic, and geographical history. English can divide into literature, writing, speech, reading, linguistics, and grammar.
   2) Broad field design: Students who become fluent in disciplinary inquiry mode master the content area and can continue their learning independently in the field. Such students do not need teachers to present information continuously. Proponents of this design want students to

function as minor scholars in the school curriculum's respective areas. When studying mathematics, students are new people mathematicians. When looking at history, they use the historiography method. The disciplinary design aims to cultivate student thinkers who can utilize information to generate knowledge and understanding.

3) Correlation design: Currently, some teachers use a correlation design, perhaps because it requires them to plan their lessons cooperatively. Correlation is somewhat challenging because teachers have independent classes at the primary level and often do not have time for such collaboration. At the intermediate level, teachers organized into separate departments, which tend to encourage isolation. Teachers must also meet time schedules set by certain classes to have less time to work with other teachers on team teaching. Also, most class schedules do not allow a sufficient block of time for students to study meaningfully correlated subjects. Modular scheduling and flexible scheduling, which allow for this, are not yet widely accepted.
4) Process design emphasizes procedures that allow students to analyze reality and create a framework for organizing the knowledge acquired. Often organizational frameworks differ from the way the world might appear to the casual observer. There is a lot of dialogue about engaging students in their learning and empowering them to become significant players in the class. However, there is much debate as to the nature of the process to be emphasized. Some postmodernists criticize process design that prioritizes the scientific method and implies an entirely objective reality. Students must realize that the practice of inquiry produces a world in which, to some extent, they construct.

b. Learner-centered design identifies child-centred design, experience-centred design, romantic/radical design, and humanistic design.

1) Learner-centred design: a theme emerges that students are

designers, makers of what they experience. Teachers can not create experiences only provide opportunities for potential experiences. Still, actual incidents only occur and develop when teachers allow and allow students to, as Doll (2008) notes, "dive into the subject matter, to see, feel, and experience aesthetic qualities - to explore the spirit of the subject.

2) Child-centred design: The emphasis on the child shifts the focus on the subject matter. When the subject matter is presented, it is no longer separated into narrow divisions but integrated around units of experience or social problems. The idea that solving problems requires methods and materials from several fields of study are inherent in a child-centered and experience-centered curriculum.
3) Experience-centered design: In experience-centered curricula, the design emphasis is not on teaching or learning but activities. As Doll (2008)argues, Dewey views learning as something natural to human activity. One does not need to teach and learn formally. Put the children in a place that interests them, and they begin to comprehend. They became nascent investigators, investigators. They govern their environment; they reflect. "Production, knowledge, learning are only byproducts of an active process of inquiry." Learning comes naturally.
4) Radiacial / Romantic Centered Design: Radicals assume that today schools use their curriculum to control students and indoctrinate rather than educate and liberate. Students in "possess" societies are manipulated into believing that what they have and will learn is excellent and fair. In contrast, students in "protective" organizations formed to accept their subordinates' positions happily. The curriculum is structured to foster trust in students and a desire for a shared culture that does not exist and to promote intolerance of differences.
5) Humanistic design: Abraham Maslow's concept of self-

actualization greatly influenced humanistic design. Maslow lists the characteristics of self-actualized people: (1) accepting oneself, others, and nature; (2) spontaneous, simple, and natural; (3) problem-oriented; (4) open to extraordinary experiences; (5) empathy and sympathy for the less fortunate; (6) sophisticated in interpersonal relationships; (7) supports democratic decision making; and (8) have a sense of humor.

6) Problem-centered design: focuses on real-life problems of individuals and communities. Problem-centered curriculum design is intended to strengthen cultural traditions and meet the unmet needs of society and society. They are based on social problems.

c. Problem-centered design considers life situations, core designs, or social problem/reconstructionist designs.

1) Design life situations: integrate subject matter, cut separate subjects, and center on related social life categories. It encourages students to learn and apply problem-solving procedures. Linking subject matter to real situations increases the relevance of the curriculum. Emphasize activities that (1) support life; (2) improves life; (3) assistance in raising children; (4) maintaining personal social and political relations; and (5) increase leisure time, assignments, and feelings.

2) Construction design: The main objective of the social reconstruction curriculum is to engage students in a critical analysis of local, national, and international communities to address humanitarian problems attention paid to the political practices of business groups and government and their impact on the workforce. The curriculum encourages industrial and political change(Ornstein & Hunkins, 2018).

The theoretical framework for curriculum design

a. Modernization-influenced design perspective construction: we live in modern times. Most of us approach and interact with our times with a modernistic mindset; how we approach curriculum design and the curriculum is influenced by this intellectual attitude. Most of the curriculum designs presented in this chapter have modernistic foundations and assumptions.

b. Design, influenced by postmodernism's constructive perspective: Certainty, or the struggle for certainty to believe that can obtain, is a hallmark of modernism. According to (Doll, 2008)showing what distinguishes postmodernism from modernism is how individuals use doubt and the process of inquiry. One of the authors of this book wrote a paper that doubts and suspicions are its goals.

c. Hidden curriculum design; shadow curriculum exists because it is a human product. Educators make decisions about what content to teach and what experiences contribute to the total development of students. The teacher makes several decisions without understanding all the consequences of those decisions. Students complete a decision too: whether to accept or reject the content presented or the experience provided. Students are influenced in many ways by their home environment, their family culture, and their previous educational experiences. Many factors influence the actions of all actors in educational dramas. Curriculum students need to study the "shadow" curriculum within the focus of curriculum design. A tree is on the hillside, and its shadow is cast. We have to explore the tree, but perhaps more can learn if we focus on shadows (Ornstein & Hunkins, 2018).

Situational-based curriculum during the pandemic

After the non-natural disaster Covid-19 from March 2020 to the New Year 2021, Indonesian education will face the education system's condition towards a "new normal." This revelation originated from the economic sector's restlessness to defend world economic policies, including Indonesia, given the form of confidence from economists that the industrial economy will return to normal after the recession(Mohamed A. El-Erian, 2010). This term has been used in different contexts to mean that something which was previously atypical becomes distinctive. The meaning of "new normal" is a situation after some intense change has occurred. N replaces the accepted, habitual, usual state after certain events occur (Cahapay, 2020).

This policy will impact the education system, especially in the curriculum sector, which must adapt to a situation that does not aggravate the pandemic's learning situation. The Ministry of Education and Culture has issued a decree on implementing curriculum in education units in special conditions (Kemendikbud, 2020a)equipped with a pocketbook for learning guides during the pandemic(Kemendikbud, 2020b).

The determination of the new regular curriculum must aim at emphasizing the development of preparedness competencies among students (Sudrajat, Komarudin, Ni'mawati, & Zakiah, 2020). In terms of curriculum content, there are challenges about whether to integrate or reduce. On the other hand, the instructional approach, which mostly shifts to online modality, must consider various factors. Concerning instructional evaluation, several concerns related to learning assessment present a reassuring reminder for educators (Cahapay, 2020). Its implementation is a situation-based curriculum policy in the new normal condition that must also innovate with three essential points. Its quality is maintained, namely the objectives, content, and learning materials. This curriculum innovation plays a strategic role because it will directly contact various parties, especially students(Bondi, 2014). This curriculum innovation implies a series of changes made by curriculum developers to adapt to environmental developments.

Learning effectiveness from home

Learning is a change in a person's behavior or character, which is permanent due to experience and training, not due to a process of growth or maturity (Sakti et al., 2020). Education is a medium for achieving prosperity for all humankind(Mustaghfiroh, 2020). Learning in pandemic conditions provides a significant change in students' learning culture, affecting internal and external motivation and mental health. The Covid-19 virus outbreak has psychosocial impacts, for example, character-building, that must be evaluated gradually (Cao et al., 2020). According to (Duan et al., 2020)found a level of anxiety and depression that currently affects students' emotional distress during an epidemic. So that must do handling by involving multidisciplinary, especially mental problems of students in getting a better education(Colin J. Marsh and George Willis, 2003)The development of educational technology is a priority solution for the quality of teaching and learning process services. By involving multiple platforms with a Learning Management System (LMS) synchronize (zoom, google meet, Whatups Group video, etc.), unsynchronized (Google classroom, Schoology, WordPress, etc.). Online learning is one way to stop the transmission of the Covid-19 virus outbreak. Its negative impact for teachers and students is the unpreparedness of human resources, internet networks, geographic location, and adjustment of learning time from home for parents who must position themselves as learning facilitators. Students and the positive impact is that the efficiency of student learning time can be done anywhere, anytime, students can learn independently (Sakti et al., 2020).

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CHAPTER-11

"Pandemic Impact : Consumer's Behavior and Producer's Strategic Changes" Case Study : Food and Beverages Sector in Indonesia"

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Abstract

This chapter will discuss the impact of Covid-19 Pandemic on changing the consumer behavior habits and producers' strategies. The sector that will be discussed in this chapter is F&B sector, why? Because in this pandemic era, F&B industries that increase in GDP and growth about +/- 3% in 2020. These chapters discuss how changes in habits and behavior of consumers in this Pandemic such as being more concerned with health and hygiene, the way in having financial transaction, and lifestyle. With that changes, F&B industry also create new strategies in order to meet the consumer's expectations. The strategy undertaken includes health and food safety protocol procedures in the production and distribution process, also communication strategies to the consumers. Shifted in the way of transactions, there are many start-up growth that have emerged who don't want to be left behind to participate in enlivening the F&B industry in this Pandemic era. The important .No less important, the F&B sector can still exist and grow because of the role of the Government of Indonesia in making policies that ease industrial players at this time.

***Keywords**: Gross Domestic Product, Consumer Behavior, Marketing Strategic, Start-Up Business*

Introduction

Food and beverage industry is one of the economic growth pillars in Indonesia (Industrial Ministry, 2019) and consistently contributes 34% to the gross domestic product (GDP) of the non-oil and gas category in 2018.Therefore, many strategics are made by the Government every year to spur competitiveness in order to be able to compete globally. Effort that that have been taken include industrial development through the application of safety standards and product innovation until the emergence of the Covid-19 pandemic in Indonesia at the end of February 2020. Statistics Indonesia (2020) said that food and beverage industry contribute grew thin around 1% from Quarter I / 2020 and to 2.03% at the end of Quarter II / 2020. A significant change in 2020 is due to the

Covid-19 pandemic which is still happening today. The interesting ones is that F&B sector is one of the sectors that continues to grow positively even though it is under heavy pressure in the pandemic era because food and beverages are a necessity that must be fulfilled by all levels of society (Figure 1).

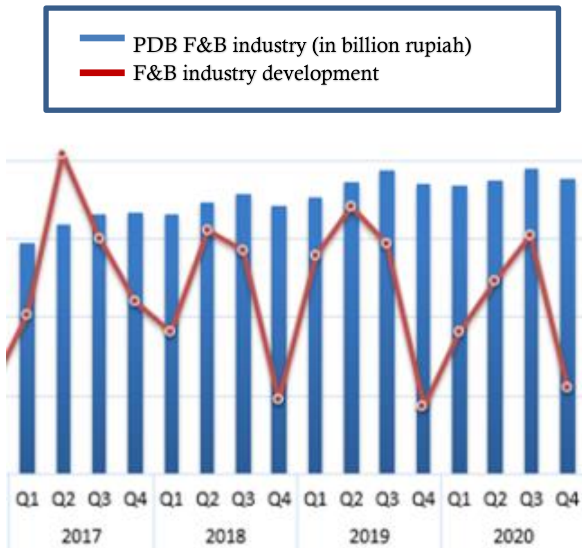

Figure 1. The development of food and beverages industry in 4 years (2017-2020)
Source: Data industry research (data processed from BPS and BI) 2020

Based on Figure 1, it can be said that the food and beverage industry remain that the catchy ones for investors in this pandemic era, even though the pandemic conditions change the consumption pattern of the community, for example people who are habitually shopping at markets or supermarkets, began to change using online delivery services, then people those who are usually eating food in restaurants change to take away or place orders through online delivery services. With this change in consumer behavior patterns, it requires the food and beverage industry to actively develop innovations and marketing strategies to make it easier for people to consume products and maintain product hygiene while maintaining health procedures. The most appropriate way is to use technology as a media for delivering products from producers to consumers. Therefore, the industry 4.0 concept is appropriate during this pandemic. Marketing that was change into online marketing that previously used conventional marketing, the emergence of the concept of contactless logistics means a system that reduces interaction between people so that consumers feel safe, processed food technology or what is known as frozen food makes food products more durable and easier to process at home, product diversification of the form of functional food, namely food products that increase the body nutrition and body power, is a strategy for food and beverage industry players.

At a time when many industrial sectors was decline and even died because they could not survive this pandemic, the food and beverage industry became the largest contributor to GDP in Q3/2020 and provided the highest export value in the January until November 2020. So in this pandemic era, many new players in F&B industries have grow up in Indonesia, goods delivery service companies, and increasing social media facilitators in buying and selling F&B products. This is supported by data from the Industrial Ministry of the Republic of Indonesia which states that the increasing of investment in the food and beverage industry significantly by IDR 40.53 trillion for the period February to September 2020 (Arief, 2020) and many startups that are engaged in the food and beverages industry have started to emerge in Indonesia because this is considered sexy industry and will develop rapidly in the future. Technological advances have had a major influence on society. The application of the go-digital step offers solutions to various problems facing the community, especially in this pandemic.

The development of start-ups in Indonesia is the fifth largest number start-ups in the world and the majority is food and beverage sector (Evandio, 2021). New startups that are echoed by teenagers and youth are technology innovation-based in food and beverage business startups, because food and beverage is a basic human need. With creative ideas, young people connect the current pandemic conditions, technology, and also market needs to start a business. This act is also supported by government policies for the development of young entrepreneurs, such as Indonesian business competitions which are competed by university students, entrepreneurship seminars and training, and mentoring in the development of young entrepreneurs. In order to compete and to continue the development, it should be done with more innovative and marketing strategy using social media. One example of a food and beverage startup strategy to deal with the Covid 19 pandemic is by expanding the target market and acquiring new customers who accommodate food and beverage needs at home and food safety. Besides that, additional delivery services were also made.

Discussion

This part will be divided into 3 (three) section; the first about how consumers habit and behavior changes, second about how producers and industry changes their strategic to produce, deliver, and also sell the product to the consumers, and the last one is about the Indonesia's government support their economy especially on Food and Beverages Industries during the Pandemic era. We will discuss how the food and beverage industry must adapt to changes in consumption behavior and consumer habits due to the pandemic that has been going on for the last 1 year. During this pandemic, there are community movement emerged to start thinking about cleanliness and health, including on various safety access about material of the food packages and reducing interactions between individuals.

1. Consumers Habit and Behavior Changes

Consumers are very important in the development of the holistic marketing concept because consumers are the main determinants of companies in making and innovating products. Consumers will respond positively to a product that same with its concept and culture (Sirgy, 2018). During the Covid-19 Pandemic, new habits emerged in the community, such as changes in spending priorities, health needs became the main thing for the community (Fauzan, 2020), there was a change in the way of shopping transactions from offline to online, and the lifestyle about social distanding. The majority of people today prefer to stay at home rather than going outside their house. In the Azmy (2020) almost 90% of generation Z has changed their daily habits, different compared with previous generations such as generation Y (baby boomers) 75%, and generation X. Vallasis research (2020) that drawed in Figure 2 said that during this pandemic there was a change in online shopping habits to avoid physical contact with other people, especially in the purchase of food and beverages. This is reinforced by the finding of the uses of social media and TV streaming has increased.

Figure 2. Consumer habits in Pandemic

The pandemic that has been going for 1 year, a new habit rises that is about self-caring, how to pamper them self and avoiding feel bored at home by making new recipes for healthy foods. This act has led with increase the local businesses. Because of the Government's rule regarding social distancing, almost all activities are carried out to online system. Interestingly, online shopping transactions that were originally dominated by Generation Z, slowly spread to other generations.

2. Industry Strategic Changes

The impact of the Covid-19 Pandemic is not only changing consumer habits and behavior but also changing the marketing strategies carried out by companies, especially the food and beverage industry, where this industry is relatively marketed offline and must be turned into online system. This technology developments should be utilized by business actors to expand markets and develop marketing strategies. In Consumer Culture Theory (Arnould & Thompson, 2005) states that consumers are part of the value co-creation process, therefore consumer culture is one of the anchors in the company's strategy. Many SMEs carry out online transactions to get consumers (Burhan, 2020). Likewise, start-up businesses must survive and grow in this pandemic. The main strategy implemented is to change the business model by optimizing the use of digital technology. In general, there are several business model strategies, including changing the products or services, changing the selling mechanism, changing gift card promos, changing the margin strategy, as well as the unlimited pay strategy. This changes in business model is known as the pivot. A pivot is a business development activity that is carried out by changing the business model itself while maintaining the vision you have (Utami, 2020). This strategy is carried out as an effort for entrepreneurs to survive in the current uncertain conditions.

During this pandemic, many food and beverage industries changed their marketing strategies, including: 1) preparing many strategies to ensure business continuity through health, sanitation and food safety protocol procedures throughout the production process until distribution, 2) Formulating strategies in good communication with consumers and customer relationship management to state that the food and beverage products produced are a health procedure, and 3) prepare safe online delivery services. Companies should focus and understand the market conditions. Companies can collaborate with SMEs to work together in meet the consumer needs and expectations, such as producing paper bags or reusable bags to reduce transmission of the spread of viruses, running a retail business, and so on. Although many opportunities in online transactions, so many companies are competing to create new startups to meet consumer needs, such as **Hangry, Haus, Kopi Kenangan,** and **Mangkokku**, which have received large funding to develop their businesses during this pandemic.

Figure 3. F&B Start-up

This online shopping trend was captured by culinary startups by providing a consistent, quality, fast and scalable serving concept. During this time, food and beverages has a large market share and a standard business concept. Even during the current pandemic, the food and beverage sector is required to quickly adapt to changing the conditions consumer's habits. Besides that a lot of competition, companies must be able to diversify their products, make sure their business models, the customer segmentation, and other strategies. Start-ups must also be smart in taking advantage of the growing digital path. Another opportunity that can be exploited today by the food and beverage start-up industry is the subscription business model (Figure 4). With the increasing number of ordering frequencies, it becomes a more cost-effective alternative. The company can make ordering alternatives, for example for daily necessities, the company can offer weekly or monthly packages for ordering and payment. It also makes it easier for consumers to buy with a single checkout.

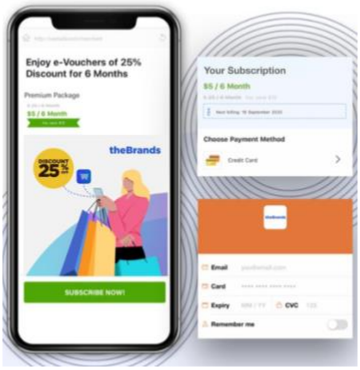

Figure 4. Subscription business model

Another strategy taken is to provide safety education for products ordered through messages on applications, social media, or written on product packaging. This develops the company's image really maintains the safety and hygiene of the product. The company also offers payments through non-cash transactions such as through QR Code scans or through digital wallets such as OVO, Shoppe pay, Klik, and so on. This also makes it easier for consumers make transaction more practically, safely, and efficiently.

Figure 5. Example of Digital Education

Besides start-ups, home food and beverage businesses have also emerged during this pandemic which are marketed locally through social media such as Instagram and Whatsapp. Many of which have risen up, such as vegetable businesses, are SayurOnline, Vegetable, HappyFresh, and others. This culinary business is most popular because it sells raw materials for daily needs in the form of frozen food or ready-to-eat and cook food. This is because of the changes of the people's culture today who are afraid about Corona-19 virus, so that is why they change their habits to buy fresh and health products.

These opportunities need to be captured by young entrepreneurs by utilizing existing platforms. Dare you to the position in the marketplace and don't have to worry about changing trends, because digitalization is a must so that the network is getting closer to getting more consumers. In addition to having the courage position themselves in the marketplace, young entrepreneurs should make mature designs, expand networks such as building a business community, be creative, and also be consistent with the quality of their products. This includes food and beverage entrepreneurs. They have their own website, so they can connect directly with consumers, open a marketplace platform to make it easier to meet end-customers.

3. Government Policy

During the Covid-19 Pandemic that has been going for 1 year, there have been several Government policies made, in order to maintain the stability of the Indonesian economy, especially SMEs. One of that policies which is for food and beverage sector businesses, namely providing micro-business productive capital assistance (BPUM) to whom which is not received credit from the bank and the second, as an extension of the National Economic Recovery, each business receives IDR 2.4 million between August and September 2020. Although the Government has provided productive capital assistance for micro businesses, many business actors, especially start-up entrepreneurs, expect other assistance in the form of tax abolition and reduction of electricity costs. This is very meaningful, especially for young entrepreneurs who are just starting out their business.

Conclusion

During this pandemic, which has been going for 1 year, it has made changes to the patterns of consumption habits and consumer lifestyles. It's follows by the strategy changes of the companies, how the company can exist in marketing their products. This Covid-19 pandemic, gives a positive impact on the food and beverage industry, because the sector can still grow and survive. This is proven from the increasing number of companies in the food and beverage sector as well as startups. Many new entrepreneurs especially younger entrepreneur appear in this industry by using digital technology strategy. In addition, support from the Indonesian Government also very important related to financial support for SMEs so that the Indonesian economy continues to grow.

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CHAPTER-12

"Business Creativity and The Covid Pandemic 19"

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Abstract

William Plomer said, "Creativity is the power to connect things that seem unrelated." These words have a strong influence on every entrepreneur in realizing his wishes and aspirations to become a big entrepreneur. One of the current conditions and realities is the occurrence of the outbreak of Corona (CO), Virus (VI), Disease (D) or in short, Covid 19. This condition has actually dragged business actors to share in the losses, and it has an impact starting from business small or UMKM to conglomerate entrepreneurs. In this chapter, we will discuss how business creativity is related to the conditions of the Covid 19 pandemic, as well as what kind of mindset one must have to become an entrepreneur.

***Keywords**: Business creativity, Early retirement, Financial distress, Home-base business*

Definition of Entrepreneurship and Creativity

Entrepreneurs are those who connect creative ideas with certain actions and business structures [1]. The term that is so popular for an entrepreneur is that an entrepreneur thinks to make decisions and makes decisions by thinking, in other words an entrepreneur is those who take action. Every thought that is built places a unique side, something that is considered by others is simple, so in the eyes of an entrepreneur it becomes something extraordinary.

Various creative ideas appear when he sees a problem not being resolved, because the basic meaning is that every problem there has a selling point when we can provide a solution to the problem.

Creativity is the ability to develop new ideas and to find new ways of seeing problems and opportunities.[2] "Think to do something different," an entrepreneur is invited to think differently. That is different from most people, because if he thinks the same as many people there is no unique value that can be sold. A product will be purchased if there is a unique value, and that uniqueness is built on analysis to provide satisfaction to consumers.

Spirit of Business Creativity

For a true entrepreneur, building a business is not just for the sake of obtaining financial benefits, but more than that. Building and growing a business is a proud achievement and it is more than money. Indeed, profit is one of the targets of the work to be achieved, but inner satisfaction will be felt when the product is valued and liked by consumers.

Says one business researcher, "What keeps entrepreneurs moving forward are things that are more complex - and sublime - than just money. Entrepreneurship is more about doing what you want yourself. About the seemingly impossible. "[3]

The history of the birth of Sosro Bottle Tea and Aqua mineral water can be considered as an example of evidence when unyielding creativity has produced tangible results. Teh Botol Sosro was created by Mr. Sosrodjojo, he started his business since 1940 before Indonesia's independence and in 1953 his business went to Jakarta.[4] And in 1974 he founded PT Sinar Sosro which was the first bottled tea company in Indonesia.[5] At that time perhaps No one has yet thought of making and drinking bottled tea, but the optimism and strong belief of Pak Sosrodjojo has broken the perceptions of many people.

Eka Tjipta Widjaja is a businessman who started from scratch. Currently he has various types of businesses such as mining, banking, property, plantation, and various other businesses. In the history of his life, he started from a position as a poor man who left for Makassar in 1932 with his mother, at that time life was very difficult.[6] When he entered Indonesia, he rose again by selling various types of daily necessities such as flour, sugar, chicken, and others.[7] When he was selling sugar, the price of sugar went down and he suffered a big loss, but his enthusiasm never went out. Only during the New Order era did he feel cool in doing business and at that time Tjiwi Kimia, Bank Internasional Indonesia, and several other types of companies were owned. He suggested, if you want to become a big entrepreneur, learn to control money. Don't make a profit of only Rp. 100, spend Rp. 90. And if the profit is only Rp. 200, don't try to spend Rp. 210, "Waahhh, that's true cilaka," he said.[8]

In fact, the concept of thrifty life belongs to business people, they are used to working hard, efficient and creatively in various conditions and pressures of life. Creative nature describes a spirit that wants to continue in various lives. Often someone is discouraged and even stressed because the spirit of his life has been lost, so for an entrepreneur who wants to become an entrepreneur, he must always maintain that spirit.

To raise the spirit of an entrepreneur, there are many other success stories that are owned by big businessmen in this world. One outstanding example is what was done by Andrew Carnegie (1835-1919) a poor man who later became king of steel in America (U.S. Steel). And what is remarkable about Andrew Carnegie when he donates a lot of money for the benefit of the general public, this is the generous nature of an entrepreneur. Indeed, there is a concept that is often held by business people that if they often give alms and pay attention to fellow humans, the fortune will continue to increase, because part of the fortune we get belongs to other people. And the nature of charity will certainly provide many benefits to many people, especially those who have been living in various disadvantages.

Business Creativity and the Covid Pandemic 19

At the end of 2019 the world began to be hit by the spread of the Covid 19 outbreak, and in 2020 the whole world also experienced an even spread, it can be said that almost no country has not been infected by the virus. And the party who is most affected by this epidemic is the business world.

So that a special strategy is needed to anticipate how to reduce the value of losses and also maintain the business in these difficult times. There are several strategies that can be applied by entrepreneurs such as maximizing the innovation side of products, products with natural raw materials, making college assignments a business idea, starting a business from layoff severance pay, building a franchise business, opening a marriage advisory consultant, and others. The explanation of each of these points can be read below, which in turn can be used as a driving force for the spirit in building and developing a business.

Product Innovation

For an entrepreneur, product innovation is an absolute must. Every new idea and thought often fails, but a true entrepreneur is taught to see all of this as part of the process. Filtering of ideas is necessary and it is only natural that some ideas are rejected on the grounds that they are not applicable. This means that the concept of innovation chooses the best from these various ideas.

Entrepreneur-owned businesses are tools for self-statement and self-actualization.[9] They know that the only limit to their success is that everything is determined by their own creativity, enthusiasm and vision. [10]

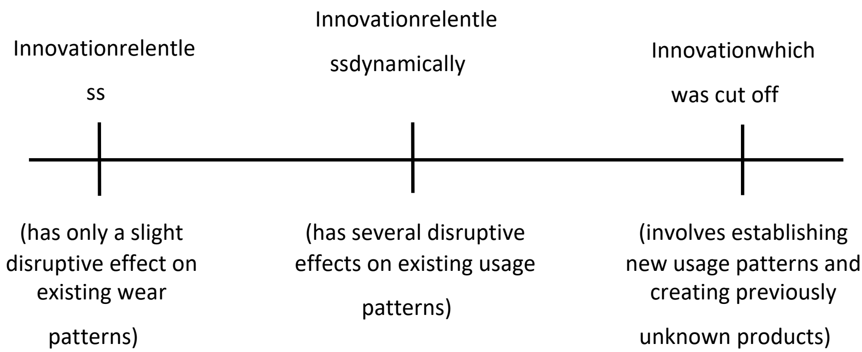

Figure 1. Continuum for Classifying New Products
Source: [11]

A well-known and successful innovator and entrepreneur builds a big business, generally they are not the bearers of the risk, but they try to define the risks they have to face and they minimize the risks.[12] If we succeed in defining risk then limit it, and they can systematically analyze various opportunities, as well as exploiting them, they will be able to gain the benefits of building a big business.[13] Indeed, risks are not to be avoided, but risks must be learned because by studying risks, people are taught slowly to be able to manage these risks.

There is a prevailing adegium in the world of innovation that something that is called today is a new thing, so tomorrow it is called an old thing. This means that innovation is not limited to today but must continue to work and continue to work. Daniel Tumiwa, Country Manager of PT Multiply Indonesia firmly said, "Consumers are more advanced than brands," he said.[14]

Schumpeter's Theory of Business Creativity

Schumpeter, one of the Nobel Prize winners in the field of economics, said that building creative traits and attitudes is very good and has a positive value for a country. China can be considered as a real example of applying Schumpeter's theory, where Chinese people are very creative in trying and creating a variety of creativities. So there is a term in Chinese families that all family members have to work, no one does not work.

Of course, it is our responsibility to slowly change and realize Schumpeter's theory. Indeed, optimism must be built, especially if all Indonesian citizens have such high optimism in building and working for the progress of the nation and state.

In running a business, creativity is needed, including those that prioritize efficiency, and one way to implement efficiency in doing business in the early stages is to start a business from home (home-base business). Some of the factors that cause many entrepreneurs to choose a house as their first choice location are: [15]

- Running a business from home minimizes upfront and operating costs.
- Home business establishments allow the owner to maintain a flexible lifestyle and work style. Many home business entrepreneurs enjoy being part of the "open-collar workforce."
- Technology, which turns many ordinary houses into “electronic villas,” allows entrepreneurs to run a wide variety of businesses from their home.

Currently doing business and working at home is no longer something that is considered strange or less prestigious. In the hustle and bustle of traffic jams everywhere, this has caused this to be one of the reasons why someone does business at home. This condition and situation was caught by the developers, namely by establishing a home office (house and office).

Currently, an employee at work is not only tasked with completing office work but more than that. Between his service hours, he will spend time looking for and building business opportunities. This is as stated by Eileen Rachman and Sylvina Savitri[16] that, "As many as 64 percent of employees do office tasks from home and 75 percent of people use office computers not only to do office tasks, but also for personal needs." Attitudes and actions of employees like this can be considered a type of creative employee. In the past, people said that office problems should not be brought home and home problems should not be brought to the office. [17]

People are now mingling in work, and they are forced to be able to manage their time properly. As well as being able to complete both office and home affairs together.

It must be admitted that the use of a mobile phone connected to the internet causes a father to make business decisions and payment transactions while on vacation with his family. "Where it may" is a term that sticks in their minds or wherever decisions can be made. We call this the positive effect of the rapid development of technology.

Currently, people should not have a relaxed nature and character. Work is a part of modern society, and women are also fully involved in building creative businesses. The level of education and creativity does have a big influence in shaping an entrepreneur.

"Everyone can be a winner." Everyone has the same chance to become a winner, because now is the era of free market, where boundaries and distances are no longer barriers. In a room of modest size a product can be marketed. A financial advisor or marriage advisor can work by providing advice to each consumer, and each of this advice affects the flow of funds into the account he has. And of course if he wants to be involved in buying and selling shares by connecting all of them to the stock market.

Starting a business after being laid off

When the company decides to downsize employees, this becomes a scary thing for the employee, but actually it is the starting point when he decides to start a business that has only been on his mind. The conditions that make a person affected by layoffs (Termination of Employment) actually decide to start a business due to various reasons, namely:

- If he is looking for a new job it is very difficult to find him because he is no longer young.
- He is afraid that if he works in a new place, he may be laid off again.
- Since a long time ago, he had a dream of wanting to have a business, where he became the leader of the business, and would get unlimited income compared to his position as an employee.

In general, there are various reasons for someone to be laid off. In general there are 2 (two) causes, namely:

- The company went bankrupt, so employees had to be laid off
- The company wants to do cost efficiency, so it is downsized by laying off a number of employees.

In the first case it is difficult for employees affected by layoffs to get severance pay, because the company itself is experiencing financial distress (financial difficulties) and can even be said to be bankrupt. In the second case, the employee who was laid off is still possible to get severance pay because he was issued respectfully, or in more gentle terms he was "early retirement."

From the experience of those who built a business after layoffs, most of them built a business that was not much different from the business model and style like the last place they worked, because the knowledge and experience gained during their work were so mature. So it is very good if an entrepreneur when he is working in a company, he spends all his time learning all the rules and mechanisms for how business is going on in the company.

Products with Natural Raw Materials

Indonesia is famous for its abundant natural raw material resources. This opportunity is captured by many Indonesian entrepreneurs in starting and developing their businesses. Estie Budiutami is a businessman who uses natural raw materials to make boxes of pandanus, and various other natural raw materials.[18] Ayaman pandanus, for example, is made from Serang pandanus, while mendong is made from a type of grass or reeds.[19] Mending dry given color and dried again, then woven like weaving cloth.[20] A long sheet measuring 90 cm wide is created which is ready to be processed into boxes.[21]

Currently the products of the pandanus weaver have been marketed to various cities and even has penetrated the markets of Germany, Japan, Korea and Spain.[22] When it has penetrated the international market and is ordered by various countries in the world, it is clear that the product means that it has high value and competitiveness. This is clear evidence if one is concerned with building a business with the concept of a professional management approach.

College Assignments That Become A Business

An entrepreneur does have a high level of seriousness in starting and running a business. This happened to three students who studied at the Marketing and Finance Department at Prasetiya Mulya Business School, namely Stephen Khrisna, Ivan Ariwibowo, Yossi Permana, Oktavianus Andika, and Aradea Respati.[23] They developed the leather goods business - fashion products made from leather.[24]

Before starting their business, these 24-year-old young people conducted research in Bandung, Garut, Yogyakarta and Malang to find craftsmen who could work on the products they wanted.[25] Not only that, they also admitted that they had difficulty finding vegetable tanned cowhide leather, namely special leather as the main material for voyej products such as wallets, key chains, belts, and bracelets.[26] The products they sell are in the category of quality and expensive products so they sell to the upper middle class, because the price of a wallet alone is Rp. 800 thousand to 1.8 million, while belts cost Rp. 500 thousand [27] Within a month these five young people were able to make an average turnover of Rp. 60 million.[28] Even on certain days and times their sales increased, such as before Eid al-Fitr, Christmas, and so on.

Turn A Hobby Into A Business

Many businesses start out as hobbies. A job that is done because a hobby often makes us feel less under pressure, stress levels are also considered to be smaller. Because it is a job that we choose should not be forced, usually the factors that cause stress are caused by the decision to choose a job, not because we love the job but there is compulsion.

Examples of entrepreneurs from a hobby finally owning a business and being able to open up jobs such as Ferry Unardi (Traveloka), Ahmad Zaky (Buka), Nadiem Makarim (GOJEK), Andre Darwis (founder of KASKUS), Ni Luh Ary Pertami Djelantik (founder of Ni Luh Djelantik, Mark Zuckerberg created a site called Facebook, Tiger Wood (world golf player) and others.

Franchise Business

Franchise business is a form of business where a person uses the trademark of a well-known company, then a marketing branch is opened elsewhere. One of the terms of the agreement in the franchise business is the receipt of patent fees or benefits for the brand holder company. One type of business that is currently growing in franchising is in the food sector, such as Ayam Wong Solo, Loose Chicken, Mrs. Suharti's Soft Bone Chicken, Dunkin Donuts, KFC, CFC, Pizza Hut, Starbucks Coffee, and so on.

In general, there are various forms of wara. The current form of franchising is,[29]

a. Product franchising. A producer of a type of product gives an entrepreneur the right to distribute their product to the market. For example, the sale of books published by Alfabeta, car tires from the Bringstone brand, Good Year, and so on.
b. Business franchise. Like opening Starbucks Coffee, Wong Solo, Pecel Lele Lela, Mister Baso, Papa Rons pizza, and so on.
c. Factory franchise. Requesting the right to open a factory to produce products using their brand name. Such as coca cola, pepsi, aqua, bottled tea, and so on.
d. Franchise management. Opening a management consultancy, such as American Idol, and so on.
e. For someone who is interested in opening a franchise business, he can see which products have the most potential and profitable side. And then contact the brand owner and make an agreement agreement.

Questions to Discuss

1. Explain the meaning of creativity, and why an entrepreneur needs creativity. Provide answers with examples.
2. Describe product innovation. Why is product innovation needed and what is the impact if an entrepreneur has low product innovation. Provide answers with examples.
3. Explain why Schumpeter advocates creativity. What is the further impact on a country where people have a high level of creativity in doing business. Provide answers with examples for conditions that have occurred in Indonesia.

Final Notes

1. Thomas W. Zimmerer and Norman M. Scarbrough, 2005,

Entrepreneurship and Small Business Management, Jakarta, Erlangga, (translation). P. 42.

2. Thomas W. Zimmerer and Norman M. Scarbrough, op. cit., P. 40.
3. Chantelle Ludski, “A Day in the Life: Entrepreneurshi, “mba.com, www. mba.com1NR/exeres/4ECE6033-C16C-4DC4-816E-B04DEDEAA021A3.frameless.htm; “Gogetter Goes Back to School, “The Daily Mail, April 25, 2002, www.thisismoney.com/ 20020422/sb47233.htm; Tricia Bisoux, “Brave New Vebtures, “BizEd, May/June 2002, pp - 27-34. In Thomas W. Zimmerer and Norman M. Scarbrough, op. cit., P. 5.
4. This paper is taken and extracted from various sources including from http://www.sosro.com/sejarah-bisnis.php.
5. Source: http://infoumumkita.blogspot.com/2012/11/story-s Success-eka-tjipta-wijaya.html#ixzz1Am5rwo7d.
6. Source: http://infoumumkita.blogspot.com/2012/11/story -s Success-eka-tjipta-wijaya.html#ixzz1Am5rwo7d.
7. Source: http://infoumumkita.blogspot.com/2012/11/ story-s Success-eka-tjipta-wijaya.html#ixzz1Am5rwo7d.
8. Thomas W. Zimmerer dan Norman M. Scarbrough, op. cit., P. 7.
9. Thomas W. Zimmerer dan Norman M. Scarbrough, ibid.
10. In Robert D. Hisrich, Michael P.Peters, and Dean A. Shepherd, 2008, Entrepreneurship, 7th Edition, Jakarta, Salemba Empat, (translation). P. 196.
11. Buchari Alma, 2008, Entrepreneurship for Students and the General, Bandung, Alfabeta. P. 24.
12. Buchari Alma, 2008, Entrepreneurship for Students and the General, Bandung, Alfabeta. P. 24.
13. Buchari Alma, 2008, Entrepreneurship for Students and the General, Bandung, Alfabeta. P. 24.
14. Magazine of SWA, XXVIII, December 6 - 19, 2012. Pg. 44. In the language, the author has made a few changes but still does not lose its original value, only makes it more flexible to be easy to read and understand.
15. Thomas W. Zimmerer and Norman M. Scarbrough, op. cit., P. 20.
16. Eileen Rachman and Sylvina Savitri, Work Life Mix, in

Kompas Daily Newspaper dated 11 August 2012, page 33.

17. The author's opinion is inspired by the thoughts of Eileen Rachman and Sylvina Savitri, Work Life Mix, in the Kompas Daily Newspaper dated August 11, 2012, page 33. However, it also comes from various other sources that are considered to have a high level of relevance to this topic.
18. DNoor Craft; Tinkering Box, Noor Magazine, No. January 01, 2011. Pg. 46. Here the writer writes concluding with the aim of making it easier for readers to understand but still not eliminating the basic essence of his writing.
19. DNoor Craft; op. cit., p. 47
20. DNoor Craft; ibid.
21. DNoor Craft; ibid.
22. Noor Craft; op. cit., p. 46.
23. SWA Magazine, XXVIII, 6 - 19 December 2012, "The Task of the Campus of Five Friends Who Become Money," p. 141. Here the writer has changed the structure of the language to make it easier to understand, but still does not eliminate the basic concept of the original writing.
24. SWA Magazine, ibid.
25. SWA Magazine, ibid.
26. SWA Magazine, ibid.
27. SWA Magazine, ibid.
28. SWA Magazine, XXVIII, 6 - 19 December 2012, "The Task of the Campus of Five Friends Who Become Money," p. 141.
29. The Task of the Campus of Five Friends Who Become Money, "p. 141. http://www.bundainbiz.com/jenis- types- business-business- franchise.html. And various other sources that are considered relevant, and the author's language is made with a model that is simpler and easier to understand by various parties.

Editor Profile

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Professor Hardy is Chair of Intercultural Relations and founding Director of the Centre for Trust, Peace, and Social Relations at Coventry University (CTPSR); twice honoured in the UK with the OBE in 2001 for his peace-building work in the Middle East, and appointed a CMG: Companion of Honour of St Michael and St George, 2010 for his work internationally in Intercultural Dialogue. Mike is a member of the International Advisory Group for ICESCO, The Islamic World Educational, Scientific and Cultural Organization a specialised organization that operates under the aegis of the Organization of Islamic Cooperation (OIC). Hi is Board Chair of the International Leadership Association, a visiting scholar at Yale University's International Leadership Centre and a trustee of The UK Faith and Belief Forum. At Coventry University, Mike directs Coventry's RISING Global Peace Forum. Before joining the University in 2011, with diplomatic and advisory roles with UK Government, Mike was a senior Director with the British Council with responsibilities for the Council's global cultural relations programme for intercultural and interfaith dialogue, youth engagement and global strategic partnerships; his diplomatic work included overseas postings, in Egypt, East Jerusalem and Indonesia.Mike completed a major review of literature on Cohesive Societies for the British Academy (2019). His prize winning co-edited volume Muslim Identity in a Turbulent Age: Islamic Extremism and Western Islamaphobia was published in 2017.

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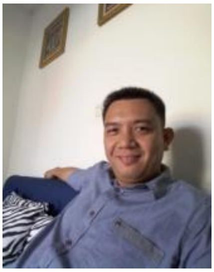

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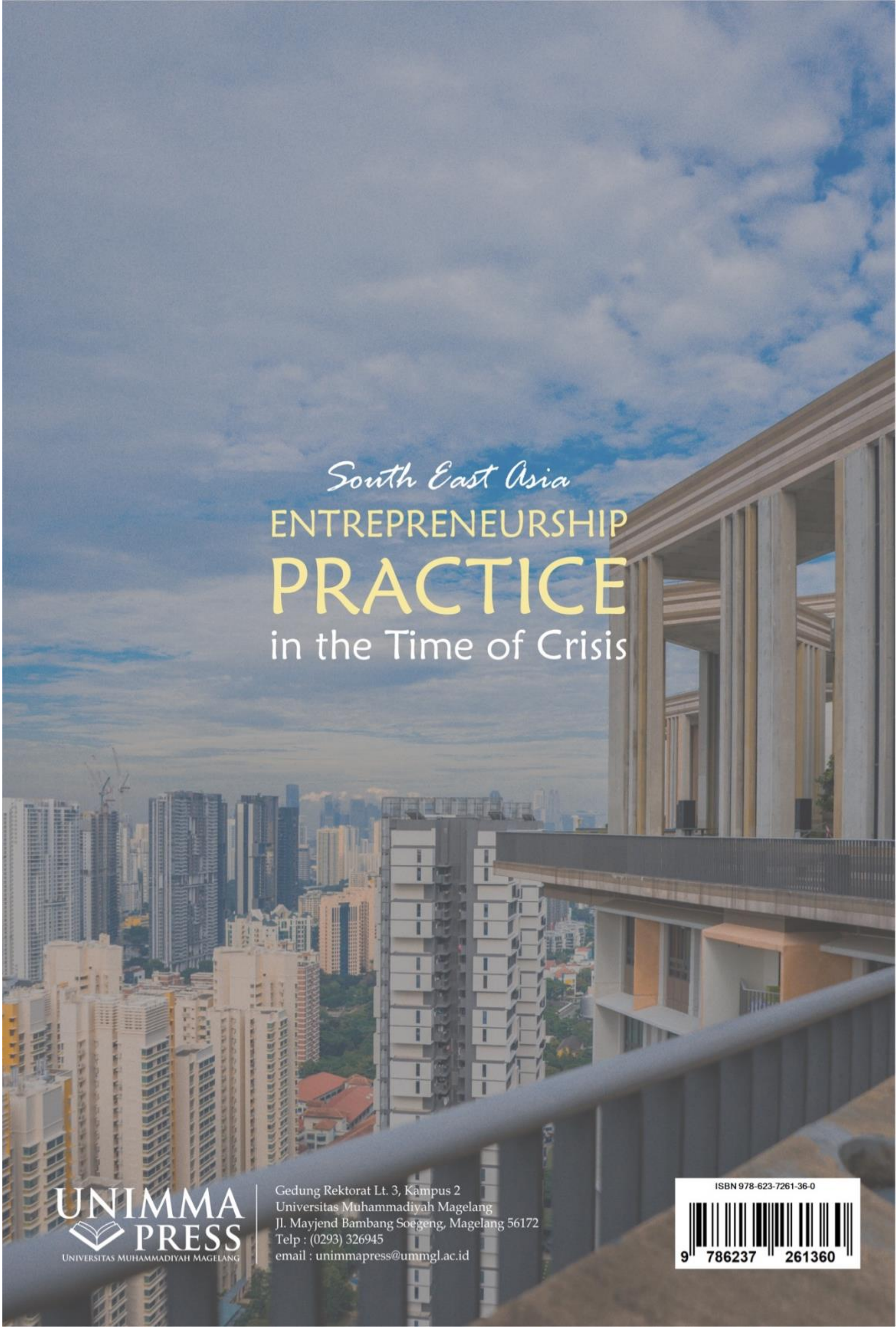

South East Asia
ENTREPRENEURSHIP
PRACTICE
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UNIMMA PRESS
UNIVERSITAS MUHAMMADIYAH MAGELANG

Gedung Rektorat Lt. 3, Kampus 2
Universitas Muhammadiyah Magelang
Jl. Mayjend Bambang Soegeng, Magelang 56172
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ISBN 978-623-7261-36-0