

Development of Micro, Small and Medium Enterprises (MSME) to Strengthen Indonesia's Economic Post COVID-19

Emi Suwarni

Universitas Teknokrat Indonesia, Bandar Lampung, Indonesia

Maidiana Astuti Handayani

Universitas Teknokrat Indonesia, Bandar Lampung, Indonesia

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Abstract

This study aims to find the strategy of developing MSMEs based on potential and opportunities in the period of covid-19. The research object is the MSME unit in Bandar Lampung City, especially MSME banana chips. This study used qualitative descriptive analysis with SWOT analysis. Based on the results it is known that the position of MSMEs is in quadrant I. The strategy of developing MSMEs is to increase the potential and take advantage of opportunities. One of the strategies is the utilization of information technology and social media in the development of MSMEs of the region's flagship banana chip products. The results of this research are expected to be useful as consideration for MSMEs to develop their businesses even during the COVID 19 pandemic. Likewise, for the government to actively socialize the use of digital media for MSMEs so that MSME development will increase. The limitation of this research is that it has not quantitatively calculated the role of social media and information technology in MSME development. This could be an opportunity for further research

Keywords: MSMEs, Potentials, Opportunities, SWOT analysis

1. Introduction

Micro Small and Medium Enterprises have an important role to play in the economic structure of Indonesia. MSMEs play a large role in alleviating poverty and unemployment. MSMEs have a high degree of flexibility in the face of market changes, so even amid in economic turmoil MSMEs are still able to survive. The success of MSMEs as the backbone of the economy is

unquestionable, both in terms of labor absorption and the ability to contribute to GDP. This has been proven at a time when Indonesia faced an economic crisis in 1997 (Suci *et al.*, 2017). After the economic crisis in 1997-1998, the number of MSMEs did not decrease, it increased steadily, even able to absorb 85 million to 107 million workers until 2012 (Hamza & Agustien, 2019). Data from the Ministry of Cooperatives and Small and Medium Enterprises (UMKM, 2018) shows that in 2018 there were 64,194,057 MSMEs in Indonesia (or about 99 percent of the total business units) and employed 116,978,631 workers (or about 97 percent of the total workforce in the economic sector) (UMKM, 2018).

The current COVID 19 pandemic will inevitably have an impact on various sectors of the economy. Similarly, the existence of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia. Where this impact is not only on the total production and trade aspects but also on the amount of labor absorbed in MSMEs. As an industry that absorbs a lot of labor. The reduction of MSMEs during the Covid-19 pandemic caused many workers to lose their jobs. The diminish in turnover of MSMEs and cooperatives due to COVID-19 is exceptionally note worthy since its appearance at the conclusion of 2019. The tourism industry is one of the businesses influenced by the spread of this infection. Diminished exercises within the tourism division have a domino impact on the MSME division. Based on information handled by P2E LIPI, the affect of tourism decline on MSMEs locked in within the small scale nourishment and refreshment commerce come to 27% (Amri, 2020).

The part of MSMEs is exceptionally vital within the economy, but the tight competition, particularly confronting expansive enterprises and other cutting edge competitors has put MSMEs in an unfavorable position. In Indonesia, most MSMEs run their businesses in conventional ways, counting in generation and showcasing. In any case, the problem faced by MSMEs isn't since of their estimate, but more since of the confinement that hinders MSME get to to markets, data, capital, mastery, and regulation bolster (Werastuti, 2014)

The business world in Lampung Province is currently dominated by Small and Medium Enterprises (MSEs). From the results of the 2016 Advanced Economic Census (BPS, 2018) the number of businesses reached more than 770 thousand businesses or 99.17 percent of the total nonfarm business in Lampung. The business is also able to absorb a workforce of more than 1.67 million people or about 87.81 percent of the total nonfarm workforce. MSEs proved to stand firm as other major businesses fell.

The excellence of MSEs in surviving crises for a variety of reasons. First, generally, MSEs produce consumer goods and services that are close to the needs of the community. Second, MSEs do not rely on imported raw materials and make more use of local resources in terms of human resources, capital, raw materials, or equipment. Third, generally, MSEs businesses use relatively low capital. With these advantages, MSEs are not particularly affected in the event of a global crisis.

Despite its advantages, MSMEs also have limitations that make this business unable to thrive. These limitations include a lack of banking access; low human resources capabilities and knowledge; simple management of businesses; limited use of technology (UMKM, 2018). External barriers faced by SME owners in the creative industries sector in determining business development strategies are imperfect market information and lack of access to capital. While the internal problems faced by each SME are human resources that are low competent (Purwaningsih & Kusuma Damar, 2015).

The covid 19 pandemic situation presents both challenges and opportunities to maintain the existence of MSMEs. The challenge is defined, the need for short-term solutions to help

MSMEs and workers who are incorporated in it. Opportunities are defined, short-term solutions need to be continued with long-term solutions, especially if associated with the era of industry 4.0 which requires the availability of digital technology to support economic activity. Currently, a business development strategy is needed that is appropriate for MSMEs through a potential approach and opportunities. So that efforts to increase people's income and economic growth can be achieved.

The analysis used to analyze MSME development strategies is SWOT Analysis (strengths, weaknesses, opportunities, threats). SWOT Examination may be a solid approach to assessing the qualities and shortcomings of an organization with an internal point of view. This approach too takes into consideration openings and dangers from an outside point of see. These highlights make SWOT a commonly utilized approach in key administration (Büyüközkan & Ilıcak, 2019). SWOT analysis can also be used to design MSME marketing development strategies to increase production efficiency and marketing effectiveness (Suparjo, 2016).

Similarly, research conducted by Anis (Nur et al., 2018), using SWOT analysis. The results showed that SWOT analysts helped SME owners decide to adopt ICT as a strategy to move forward the company's commerce execution, particularly in overseeing every day operations and keeping up the commerce.

2. Literature Review

2.1 Strategy Management

Management is "An ongoing and repetitive process that is directed towards the maintenance of an organization as a unit that is in line with its environment to achieve a sustainable competitive advantage (Purwanto, 2006)". In determining the strategy some important things must be considered so that the company's goals can be achieved efficiently.

Forces affecting Industrial Competition

Elements that directly affect the company include competitors, customers, and suppliers. The state of competition in an industry depends on 5 (five) underlying strengths of competition among others (David, 2011): (1) Threat of newcomers, It can be interpreted that the possibility of a company entering an industry will be faced with two factors namely an obstacle to entering industry (barriers to entry) and a reaction from an existing company; (2) Threat of replacement products, the threat of replacement products will be a strength if consumers are faced with switching costs and if the replacement product has a cheaper price or the same quality is even higher than the products of industry; (3) Buyer's bargaining power, In these conditions the buyer will minimize the cost by trying to ask for higher product quality, better service, and cheaper price. These conditions will lead to strong competition among companies in the same industry; (4) Bargaining power of suppliers, Suppliers can put pressure on companies in an industry by raising prices and lowering the quality of the products they sell. If the company is unable to cover its rising costs through its pricing structure, then the company's profit capability may decrease due to the actions of the supplier; (5) Among companies in the industry, This can happen because one or more competitors feel pressure or see an opportunity to improve their position.

2.2 SWOT Analysis

The analytical tool used to compile the strategic factors of the company is the SWOT analysis. SWOT Analysis (Strength, Weakness, Threats) is an analysis of the strengths, weaknesses,

opportunities, and threats that the company has so that based on the analyst can be formulated the right strategy.

Strength is positive internal factor that play a role in the ability to achieve mission, goals, and organizational goals (Zimmerer & Scarborough, 2008). The definition implies that the company has factors that support the company to achieve its goals. These factors should be completely known so as not to be mistaken in designing strategies for achieving the company's vision.

Weakness is a negative internal factor that hinders the company's ability to achieve mission, goals, and organizational goals. The company's weakness should be minimized because if weakness is more dominant than strength, it will reduce the company's ability to compete and grow the business.

Opportunity is a positive external option that the company can use to achieve the company's mission, goals, and goals. Opportunity is a corporate environment, so companies can't eliminate or create opportunities. The Company can only search for information about existing opportunities.

The important thing for the company is to have relatively more power than competitors. (Rangkuti, 2013) states that SWOT investigation is the distinguishing proof of different variables systemically to define techniques, this examination is based on a rationale that can maximize quality and openings, but can at the same time minimize shortcomings and dangers has. The SWOT investigation takes under consideration inner qualities and shortcomings natural variables as well as the outside environment openings and dangers they confront. SWOT investigation compares inner and outside variables so that from that examination can be taken a vital choice. Essentially, elective techniques taken ought to be coordinated at endeavors to utilize qualities and rectify short comings, take advantage of openings, and expect dangers. The matrix of external strategic factors will be known by compiling EFAS (external strategic factors analysis summary), while the internal strategy factor matrix can be known by compiling IFAS (internal strategic factors analysis summary). The analysis stage can be started after strategic factors are known through EFAS and IFAS, then SWOT matrix are arranged.

There are two kinds of approaches in SWOT analysis, namely: Qualitative Approach of SWOT Matrix. The qualitative approach of the SWOT framework as created by Kearns shows eight boxes, of which the beat two boxes are outside calculate boxes (Openings and Dangers) whereas the two cleared out are inner components (Qualities and Shortcomings). The other four boxes are boxes of key issues emerging as a result of the assembly point between inner and outside variables. Furthermore, the qualitative SWOT analysis will be developed in numbers through a balance scorecard model. SWOT Analysis calculation from Balance Score Card Model can be known exactly the real position of an organization.

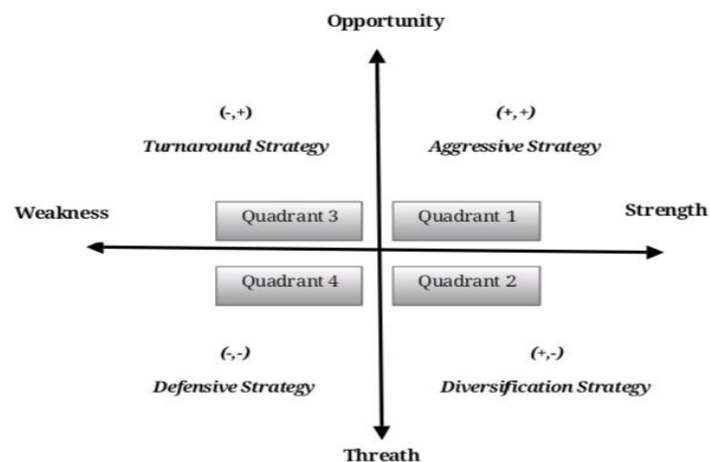


Figure 1. SWOT Quadrant Scheme

(Rangkuti, 2013)

Quadrant I (positive, positive)

In this quadrant, the value of the distinction between qualities and shortcomings and openings and challenges is positive. This position means a solid and opportunity organization, the methodology proposal stipulated is Dynamic, meaning the organization is in best condition and steady so it is conceivable to proceed to grow, increment development and accomplish greatest advance.

Quadrant II (positive, negative)

In this quadrant, the difference between strength and weakness is positive, but the difference in value between opportunity and challenge is negative. This position means a solid organization but faces awesome challenges. The technique proposal stipulated is Technique Enhancement, meaning the organization is in a steady condition but confronting a few number of serious challenges so it is anticipated that the wheels of the organization will have trouble keep turning in case it as it were rests on the past methodology. Because the organization is advised to immediately expand its tactical strategy.

Quadrant III (negative, positive)

This position implies a powerless but exceedingly likely organization. The methodology suggestion stipulated is Alter Procedure, meaning organizations are prompted to alter the past technique. Since long-feared procedures are troublesome to capture existing openings whereas progressing the execution of the organization.

Quadrant IV (negative, negative)

This position means a frail organization and faces major challenges. The procedure proposal stipulated is the Survival Methodology, meaning the inside condition of the organization is in a predicament. In this manner, organizations are exhorted to utilize cautious techniques, controlling inside execution so as not to urgeoiled. This strategy is kept up whereas always attempting to make strides it self.

3. Methods

This research is a qualitative study by conducting observations, interviews, and documents. The method is used to describe all the facts related to the development of MSMEs and the right strategy by using the approach of potential and opportunities in the COVID-19 period in Bandar Lampung City.

The number of MSME owners of banana chips who become informants is four business owners with business experience for 3-12 years. Following Law No. 20 of 2008 on Micro, Small and Medium Enterprises (MSMEs), a business is said to be small if it has a net worth of more than 50,000,000-500,000,000 IDR (Purwaningsih & Kusuma Damar, 2015). Banana chips MSMEs studied are those that have a profit value between 150,000,000 to 220,000,000 IDR each year. The value of the profit is obtained from the investment value issued by the owner of banana chips MSMEs excluding land and buildings.

The data collection techniques in this study are observation, interview, documentation, and filling out score card questionnaires to respondents. Furthermore, the research instrument is a tool used to measure natural and social phenomena observed (Sugiyono, 2017). The research instruments in this research consist: (1) Researcher. The researcher is the main instrument (instrument guide) where researchers serve as planners, data collectors, analysts, data interpreters and reporters of research results; (2) Interview Guide is a list of interviews as guidelines that help direct researchers in exploring research-related data from respondents in the field; (3) SWOT Score Card Questionnaire. Namely, the attachment of researcher data in the field to fill weights and ratings to stakeholders as a means of scoring in SWOT balance scorecard analysis; (4) Field Note is a research instrument in the form of notes from interviews in the field and also a researcher's interpretation of the conditions obtained by researchers in the field; (5) Research supporting devices, consisting of cameras as a tool to document real images of researched objects and tape recorders to make it easier for researchers to remember and understand the exposure of information from respondents.

The analysis method used in this research is the SWOT analysis method with Score Card. Rangkuti (2013) clarified that SWOT investigation is the recognizable proof of different components methodically to define organizational methodologies. This investigation is based on the rationale that can maximize qualities and openings, but at the same time minimize shortcomings and dangers. SWOT investigation is an expository apparatus to create commerce advancement methodologies based on the qualities, shortcomings, openings, and dangers that a commerce has (Harrison, 2010). This analysis is used to achieve research objectives that are about the development strategy of MSMEs based on potential and opportunities in the COVID-19 period.

4. Results

Referring to the concept of development strategies according to (Phadermrod et al., 2019) is a pattern of asset allotment that empowers organizations to preserve indeed move forward their execution. A great technique could be a technique that neutralizes dangers, and seizes existing openings by profiting the accessible qualities and disposing of or redressing ingesting shortcomings by benefiting the available strengths and eliminating or correcting ingesting weaknesses (Harrison, 2010). In the development of MSMEs of banana chips flagship products in Bandar Lampung City, there are still some problems such as limited capital issues, the provision of banana raw materials, limited human resources, and problems in product marketing.

The strategy of developing MSME products leading banana chips based on potential and opportunities will be analyzed using SWOT analysis. In this SWOT analysis model will be known the condition of MSMEs and the right strategies to develop them. Furthermore, researchers will create a qualitative SWOT analysis table model to design a strategy that will be used in the development of MSMEs of banana chips flagship products in Bandar Lampung City. Here is the scheme of mapping the opportunities, challenges, strengths, and weaknesses of MSMEs of banana chips flagship products in Bandar Lampung:

Internal factors (Strengths and weaknesses)

There are several internal factors identified as the strength of MSME development strategies, namely banana chips a superior product that is a snack food typical of the Lampung region. The products offered are quality products. The government encourages small businesses to improve the quality of products by adjusting their products by the Indonesian National Standard (SNI-Indonesian National Standardization). Halal is one aspect of quality (Ab Talib & Hamid, 2014), especially in food and beverage products, which are considered in Indonesia because most Indonesians are Muslims (Novia et al., 2020). The average banana chips product offered by MSMEs already has halal and P-IRT certificates. The average price of banana chips products is 15,000 IDR per pack weighing 250 grams, this price is affordable for buyers. Raw materials in the form of bananas are very easy to obtain in the Lampung area because bananas are one of the agricultural products that become the regional flagship. Variable strategic place and convenience play a role in the marketing mix to make consumers come (Handika et al., 2018). MSME location is strategic and easy to find by buyers

There are several internal factors are weaknesses in MSME development strategies. (1) Generally, the development of MSMEs is still facing various problems and has not fully run as expected. The problem that until now is still a weakness in the development of MSME business is the limited capital owned and the difficulty of MSMEs accessing capital sources (Kementrian Perdagangan, 2013). The problem that many MSMEs faces is the lack of capital both in number and source (Indriastuti et al., 2015). Although in the era of Industry 4.0, it makes many changes in the industry, one of which is FinTech as an innovation in the financial sector. However, concerns about the quality of information and services online have an impact on the intention of MSMEs to use this online loan facility (Lina & Nani, 2020); (2) lack of knowledge of MSME actors on managerial knowledge and operational skills. Some of the problems faced by MSMEs in addition to capital are knowledge of managerial knowledge and operational skills (Suci et al., 2017); (Yulia, Pratiwi, et al., 2019); (Cahyono& Kunhadi, 2020); (3) The ability to manage finance is important in the development of MSMEs (Hatta et al., 2019). Meanwhile, the problem faced by MSMEs is the lack of ability in financial management; (4) Distribution and marketing channels have not been optimally marketed only around the city. (Amri, 2020) ; (5) Social media has been utilized by large, small companies and MSMEs in their businesses. However, not many MSMEs use this social media in their marketing strategies. Some factors that encourage MSMEs to use social media to promote their products, among others, are compatible variables, cost-effectiveness, and interaction(Lina & Permatasari, 2020)

External Factors (Opportunities and Threats)

The number of tourist attractions in the Lampung area; Lampung province has tourism potential, especially marine tourism. This is because Lampung mostly has a coastal area that has the potential as a leading tourist destination. The tourist attractions are also very supportive of the sloping beach conditions, dolphin attractions, coral reefs, and other attractions both

natural and artificial (Abdillah, 2019). Until now, the Lampung area is still the main destination for local and domestic tourists who want to enjoy the beach atmosphere, especially for people around Sumatra.

Being one of the typical foods of Lampung province, banana chips have always been the target as a souvenir food typical of Lampung. The prospect of the banana chips business in Lampung province is quite good. Lampung province is one of the centers of banana chip production in Indonesia. The existence of banana chips industry continues to grow and become one of the contributors of regional income and absorbent labor in Lampung Province (Indriastuti et al., 2015).

Government programs in supporting regional flagship products. The support of the central and local governments to develop the tourism industry becomes an opportunity for the development of MSMEs (Abdillah, 2019). The development of social media and the internet for promotion and sales becomes a great opportunity to develop micro-enterprises in this digital economy era (Suwarni et al., 2019). Other factors are business location. The business location factor has a significant and positive direct influence on business strategy (Hermanto, 2011). The more strategic the business location, the more supportive the implementation of business strategy. Strategic location determination greatly influences the development of MSME business (Yulia, Bahtera, et al., 2019)

The threats faced by MSMEs in their development

In developing its business, BANANA CHIPS MSMEs face competition with products in the same industry. With this competition, MSMEs must implement strategies, one of which is by using marketing mix elements (Yuniarti et al., 2014). Micro, Small, and Medium Enterprises, the exchange segment is right now confronted with the issue of declining deals, trouble in getting crude materials, blocked generation and dissemination, capital troubles, need of data innovation information and commerce arrange limitations (Fitriyani, 2020)

SME growth barriers, including finance and institutions bureaucracy, taxation, informal economy, and lack of trust (Bartlett et al., 2002). MSME procedures for obtaining bank funding are complicated. The financial literacy level of MSMEs (Micro, Small, and Medium Enterprises) is only 15.68% and a majority of the actors are unbanked (Widiyati et al., 2018)

The distribution system is hampered since the COVID 19 pandemics. Decreased Turnover of MSMEs due to covid-19 is very significant Since its appearance at the end of 2019 (Amri, 2020). The tourism sector is the sector most affected by covid-19. The Indonesian Institute of Sciences (LIPI) projects that one of the affected in the tourism sector is Micro, Small, and Medium Enterprises (MSMEs) especially in food and beverage business units (Kusumastuti, 2020). The decrease in tourists visiting since the COVID 19 pandemics is a threat to the development of MSMEs.

From the results of the mapping, SWOT matrix is created to know the position of MSMEs of the flagship products of banana chips area by weighting each component. The SWOT matrix can be seen in table 1. on the following page.

Table 1. SWOT Matrix from the research results (2021)

No.	Strengths	Weight	Rating	Weights x Rating
1.	The number of tourist attractions in Lampung area;	0.129	4	0.516
2.	The product already has halal and P-IRT product certificate;	0.097	4	0.387
3.	The price of products can compete on similar products;	0.097	3	0.290
4.	Raw materials are easy to obtain;	0.097	3	0.290
5.	Strategic location.	0.129	4	0.516
Total				2
No.	Weakness	Weight	Rating	Weights x Rating
1.	Lack of Capital	0.097	2	0.194
2.	Lack of managerial knowledge and operational skills;	0.064	2	0.129
3.	Lack of knowledge in financial management	0.064	3	0.194
4.	Distribution and marketing channels have not been optimally marketed only around the city;	0.097	3	0.290
5.	Few MSMEs use information technology for sales promotions.	0.129	3	0.387
Total				1.194
No.	Opportunity	Weight	Rating	Weights x Rating
1.	The number of tourist destinations in Lampung;	0.129	4	0.516
2.	The prospects of the banana chips business are good;	0.097	3	0.290
3.	High public interest in shopping for regional chips;	0.097	4	0.387
4.	Government programs in supporting regional flagship products;	0.097	4	0.387
5.	Increasing rule of social media and the internet for promotion and sales.	0.129	4	0.516
Total				2.097
No.	Threats	Weight	Rating	Weights x Rating
1.	There is competition in the crisps industry;	0.065	2	0.129
2.	Increase in The Price of Raw Materials;	0.065	2	0.129
3.	Bank funding procedures are complicated;	0.097	2	0.194
4.	Distribution system hampered by covid-19 pandemic	0.129	3	0.387
5.	Decrease in tourists visiting since the covid-19 pandemic;	0.097	3	0.290
Total				1.129

Based on the results of SWOT analysis with scorecard approach can show the location of MSMEs of banana chips flagship products. From the weighting result based on the SWOT items, it can be obtained a value that describes the position of MSMEs in the location. The X is

derived from internal factors which are the difference between strengths and weaknesses. The Y value is derived from external factors which are the difference between opportunities and challenges.

The calculation results show that the value $X = 2 - 1.193548 = 0.806452$ and the value

$Y = 2.096774 - 1.129032 = 0.967742$. This result highlights the position of MSMEs of banana chips' flagship products in the positive quadrant of one. The position represents a strong position and a chance. The strategic recommendations given to industries in this position are progressive. This means that the organization, in this case, is the MSME of the flagship product of banana chips in Bandar Lampung City in prime and steady condition so it is possible to continue to expand, enlarge growth and achieve maximum progress.

Furthermore, by looking at the data above, the right strategy in the development of MSME banana chips flagship products in Bandar Lampung City is the SO Strategy (Strength and Opportunity). In the SO (Strength and Opportunity) strategy based on the formulation of the qualitative matrix of SWOT analysis that has been carried out, then there are four progressive strategies in the development of MSMEs of banana chips flagship products in Bandar Lampung City, as follows:

1) Utilizing a Strategic Location

Location is the location or place where the business is run. According to Kotler (Kotler & Armstrong, 2018), One of the keys to success is location, starting with choosing a strategic location that is easily accessible to consumers. This decision is highly dependent on the potential for economic growth and stability, competition, and so on (Widharta & Sugiharto, 2013). Location greatly affects sales figures for superior products of banana chips in Bandar Lampung. The closer to the main road, the greater the opportunity for a business to develop. There is still high public interest in buying banana chips as souvenirs from the Lampung area, so a location that is easily accessible and seen by the community, such as on the side of the road, will be very helpful. Likewise, during a pandemic like this time, a strategic location will make it easier for consumers to reach it.

2) Maximizing Government Support on the development of MSMEs and regional flagship products

The government is also responsible for the sustainability of small and medium-sized micro-enterprises. This is in line with some experts' opinions, as stated by (Tocher et al., 2012) that the development of MSMEs is essentially a shared responsibility between the government and the community. Capital issues are a common problem faced by most MSMEs in Indonesia. However, there have been many efforts made by the government in strengthening capital in MSMEs (Chittithaworn et al., 2011). The ease of obtaining capital assistance can be in the form of facilities in the application of obtaining People's Business Credit (KUR). But in reality, there are still many MSMEs who have not been able to understand and follow the procedure for applying for such funding.

3) Innovate and variety of products

The number of competitors that are emerging encourages the need for innovation and product variation (Ratela & Taroreh, 2016). This is necessary to maximize sales and attract customers (Wibowo et al., 2015). This innovation is to increase the variety of products offered. The focus of MSMEs is to offer new value through product development and enhancing good relationships with customers. A product development strategy is a strategy that seeks to

increase sales by improving or modifying current products/services (David, 2011). The product development strategy that can be carried out by MSMEs for superior products in the Lampung Banana Chips area is to diversify banana chips with chocolate flavors, durian fruit flavors, strawberries, blueberries, and others by continuing to test the taste. Addition of shape variants, for example, banana chips in the shape of hearts, triangles and small circles. Addition of packaging variants starting from the size and type of packaging, for example, plastic, paper, or aluminum foil. Improving good relations with customers and maintaining partnerships with gift shops by providing discounted purchases and return services, maintaining communication by increasing the use of social media accounts and websites.

4) In today's challenging and competitive environment, data and communication innovation (ICT) is vital to be embraced in conducting commerce exercises, particularly in Smaller scale, Little, and Medium Ventures (MSMEs). The integration of ICT in MSME exercises makes a difference trade proprietors to extend efficiency and at the same time be able to oversee businesses within the right way. Appropriation of ICT makes a difference move forward the company's business performance, particularly in overseeing day by day operations and to preserve the trade. Restricted knowledge and mo capital for ICT framework are a few of the reasons to create appropriation in ICT troublesome (Nur et al., 2018).

Utilization of information technology and social media in conducting intensive promotion and sales. By promoting more aggressively through the benefit of information technology, MSMEs of banana chips flagship products can overcome the weaknesses of distribution lines that have not been optimal, as well as weaknesses that have not been done by using information technology (Ravichandran, 2018). So that with the promotion will further maximize the development of the business in addition to utilizing the potential of the strategies location. The development of sales promotion through social media today is an opportunity that must be utilized (Febriyantoro & Arisandi, 2018). The use of social media and the internet in terms of promotion and sales is also one of the alternative solutions in this pandemic period. In addition to using the website, the use of social media is also very helpful in promoting the product (Marhadi et al., 2019). Currently, in addition to Facebook, the use of WhatsApp groups, as well as Instagram, is a medium that is quite strategic as a means of promoting products, especially the flagship products of banana chips area.

Four strategies for developing MSMEs of banana chips flagship products in Bandar Lampung City above, it is hoped that MSMEs of the flagship products of banana chips will develop with and continue to survive during this covid-19 pandemic. The creation of the climate of MSMEs development and superior products is also one form of support for regional development. As expected, Bandar Lampung city government on its economic development plan, one of which is the development of the tourism sector and small and medium industry.

5. Discussion

In the development of MSMEs, the flagship product of banana chips in Bandar Lampung city, capital problems, human resources, as well as product marketing factors is still a problem to be considered. Based on the results of SWOT analysis (Strength, Weakness, Opportunity, and Treats) with the scorecard approach, it can be known that the formulation results related to the strategy of developing MSMEs of banana chips flagship products in Bandar Lampung City are in the first quadrant.

Being in the first Quadrant means MSME flagship products of banana chips area still have a great opportunity to be developed and the organization is in good condition and steady so it is possible to continue to expand, enlarge growth and still have great opportunities to achieve

maximum progress. Therefore, the right strategy in the development of MSMEs of the flagship products of banana chips area is the SO (Strength and Opportunity) strategy. This strategy is still possible to be implemented even in the pandemic period as it is today. The success of the development of MSMEs of banana chips flagship products in Bandar Lampung City is not separated from the role of the government, in this case, is the Cooperative Office and MSMEs Bandar Lampung, as well as the Industry and Trade of Bandar Lampung city and its stakeholders.

The results of this research are expected to be useful as consideration for MSMEs to develop their businesses even during the COVID 19 pandemic. Likewise, for the government to actively socialize the use of digital media for MSMEs so that MSME development will increase. The limitation of this research is that it has not quantitatively calculated the role of social media and information technology in MSME development. This could be an opportunity for further research.

6. Conclusion

Four strategies need to be done for the development of MSMEs based on the potential and opportunities in the COVID-19 period according to the results of this study, namely: 1) Utilizing Strategic Location 2) Maximizing Government Support for the development of UMKM and regional superior products 3) Innovating and product variety 4) use information & communication technology (ICT) in carrying out business activities. The strengths of the results of this study are to provide an overview of suitable business development strategies for MSMEs through potential approaches and opportunities. The weakness of this research is that there has not been a quantitative calculation of the role of social media and information technology, so that more objective, accurate, and complete research results can be obtained. The Researcher's recommendation from the results of this study is an SO strategy that takes advantage of the strengths of the company (MSME), especially banana chips in the city of Bandar Lampung to seize and take advantage of opportunities that can be done as much as possible. In addition, the use of social media and internet information technology through the Facebook, Whatsapp, and Instagram applications can be done with the support of training provided by relevant stakeholders.

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