
REVITALIZATION OF SMALL AND MEDIUM ENTERPRISES (SMEs) BASED ON POTENTIAL LOCAL RAW MATERIAL PRODUCTS IN KALIMANTAN

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Abstract

Revitalization of small and medium enterprises (SMEs) based on potential local raw material products in Kalimantan is a strategic step to optimize the abundant natural resources in the area. SMEs have an important role in the local economy, but often face various obstacles such as limited access to financing, lack of skills, and challenges in product marketing. This study aims to explore the potential and challenges faced by SMEs in Kalimantan and to formulate an effective revitalization program. Through qualitative and quantitative approaches, data were collected from in-depth interviews, focus group discussions, and surveys of SME actors. The results of the study indicate that although SMEs have great potential in utilizing local raw materials, they still need support in terms of skills training, technology access, and digital marketing. The recommended program revitalization includes increasing access to financing, skills training, developing partnership networks, and effective marketing strategies. By implementing these recommendations, it is hoped that SMEs in Kalimantan can increase their competitiveness, contribute to local economic growth, and preserve local culture and natural resources. This study is expected to make a significant contribution to development policies that support SMEs in Kalimantan.

Keywords: Access to financing, Desire, Digital marketing, Kalimantan, Local potential, Raw materials, SME revitalization, Skills.

INTRODUCTION

Small and Medium Enterprises (SMEs) play a vital role in the Indonesian economy, including in Kalimantan. SMEs not only contribute to job creation, but also serve as drivers of local economic growth and cultural preservation. Kalimantan, with its wealth of natural resources and abundant raw material potential, has great opportunities to develop superior products that can compete in national and international markets.

However, SMEs in Kalimantan face various obstacles that hinder their growth and competitiveness. Problems with access to financing, limited human resources, and lack of understanding of modern marketing are significant challenges. Therefore, revitalizing SMEs based on local potential raw material products is an important step to overcome these problems.

Through an integrated approach, including skills training, increasing access to technology, and digital marketing, it is hoped that SMEs can optimally utilize local potential. This approach will not only increase SME income but also contribute to sustainable and inclusive economic development in Kalimantan. Thus, it is important to identify the right strategy to support SME development and increase their competitiveness in the era of globalization.

RESEARCH METHOD

This research focuses on the utilization of local raw materials in Kalimantan for the revitalization of small and medium enterprises (SMEs). The research materials include various available natural resources, such as wood from meranti and ironwood species, agricultural products such as rice and ginger, and handicraft products such as weaving and carvings. The research respondents were SMEs that were active in utilizing local raw materials, with selection criteria including relevant types of businesses, a minimum operational period of two years, and success in marketing products.

The research method used is a combination of qualitative and quantitative approaches. For the qualitative method, in-depth interviews were conducted with SME owners, workers, and other stakeholders to explore the challenges and opportunities faced. Focus group discussions (FGDs) were also held to gather perspectives from several SMEs in one session, thus facilitating discussions on common issues.

In the quantitative approach, a survey was conducted by distributing questionnaires containing questions about business conditions, market access, and training and technology needs. The data obtained will be analyzed using statistical software to identify patterns and relationships between influential variables.

SWOT analysis was applied to evaluate the strengths, weaknesses, opportunities, and threats faced by SMEs in Kalimantan. The results of this analysis will be used to formulate appropriate revitalization strategies. In addition, several SMEs that have succeeded in utilizing local raw materials will be used as case studies. An in-depth analysis of the best practices and success factors of these SMEs is expected to provide useful insights for the development of SMEs as a whole.

With this approach, the study aims to provide a comprehensive picture of the condition of SMEs in Kalimantan and to develop applicable recommendations to support their sustainable growth.

RESULTS AND DISCUSSION

The results of this study show several significant findings related to the use of local raw materials in the revitalization of small and medium enterprises (SMEs) in Kalimantan.

- 1) Analysis of respondents shows that most SMEs have succeeded in utilizing local natural resources, such as wood and agricultural products, to produce diverse products. However, despite the great potential, many SMEs still face obstacles in terms of access to resources and technology.
- 2) From in-depth interviews and focus group discussions, a number of challenges experienced by SMEs were identified, including limited capital, lack of skills training, and low understanding of digital marketing. Respondents expressed the need for training programs that are more focused on marketing and the use of technology to increase competitiveness.
- 3) The survey results show that most SMEs have difficulty in reaching a wider market. Although they have quality products, the lack of effective marketing strategies and limited distribution networks hinder business growth.
- 4) SWOT analysis reveals that the strength of SMEs lies in the diversity of products and the quality of local raw materials. However, existing weaknesses, such as lack of innovation and access to market information, need to be addressed to capitalize on existing opportunities, such as the growing demand for local products.

Finally, case studies of several successful SMEs show that a collaborative approach between the government, the private sector, and local communities can improve business success. Best practices from these SMEs include the use of online marketing strategies, partnerships with educational institutions for training, and innovation in products based on local cultural richness.

Overall, the results of this study highlight the importance of greater support for SMEs in Kalimantan, both in terms of access to capital, skills training, and marketing strategies, to ensure the sustainability and future growth of their businesses.

Discussion

This discussion focuses on the interpretation of research results on the use of local raw materials for the revitalization of small and medium enterprises (SMEs) in Kalimantan. The main findings show that although SMEs have great potential, they still face a number of challenges that need to be overcome to improve competitiveness and business sustainability.

- 1) The diversity of products produced by SMEs from local raw materials shows great potential in creating superior products. However, many SMEs have not fully utilized the wealth of available natural resources. This indicates the need for further education and training so that business actors can optimize the potential of existing raw materials. Training that focuses on product innovation and modern production techniques can help SMEs create added value and product differentiation in the market.
- 2) The results of the analysis of the challenges faced by SMEs, such as limited capital and access to technology, reflect the urgent need for financial support and resources. Many SMEs have difficulty gaining access to adequate financing, which is often due to a lack of collateral and understanding of the loan process. Therefore, government programs that provide easier access to financing, such as unsecured loans or grants, need to be improved.
- 3) Low understanding of digital marketing is an obstacle for SMEs in reaching a wider market. In today's digital era, the ability to utilize online platforms is essential. Therefore, training in digital marketing and developing effective marketing strategies should be a priority. Collaboration with private institutions to provide training and guidance on digital marketing can help SMEs expand their market reach.
- 4) The SWOT analysis shows that although there are many opportunities for SME development, they also have to face threats from increasingly tight market competition. Therefore, it is important for SMEs to build brand awareness and improve the quality of their products. A strong branding strategy can help SMEs stand out in the market and attract a wider consumer base.

Finally, the best practices identified from the case studies show that collaboration between the government, the private sector, and local communities can produce better results for SMEs. Strategic partnerships can create synergies that support the growth and development of SMEs in a sustainable manner. Therefore, it is important to encourage this collaboration through programs that involve all stakeholders.

Overall, this discussion emphasizes the need for a comprehensive approach that includes training, access to financing, and marketing strategies to support the revitalization of SMEs based on local raw material products in Kalimantan. With the right support, SMEs can contribute significantly to local economic growth and cultural preservation.

CONCLUSION

This study shows that small and medium enterprises (SMEs) in Kalimantan have great potential to grow through the use of local raw materials. However, they face various challenges, including limited access to financing, limited skills, and low understanding of digital marketing.

From the analysis, the importance of skills training and product innovation becomes very clear. Support programs from the government and the private sector are needed to improve the ability of SMEs to optimize existing resources. In addition, effective marketing strategies, including the use of digital technology, must be introduced so that SMEs can expand their market reach.

The SWOT analysis shows that the strength of SMEs lies in the diversity of products and the quality of local raw materials, while weaknesses such as lack of access to information and market competition must be addressed. Best practices from successful SMEs highlight the importance of collaboration between various stakeholders in supporting business growth and sustainability.

Overall, to achieve SME revitalization based on local potential, an integrated and comprehensive approach is needed. With the right support, SMEs can not only increase their competitiveness but also contribute significantly to local economic growth and cultural preservation in Kalimantan.

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