

The Business Sustainability Strategy of Micro, Small, and Medium Enterprises During the COVID-19 Era in Lampung

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Abstract

This article aims to explore, identify, explain, and analyze the business strategy of MSME business sustainability as one of the sectors greatly affected by the spread of COVID-19. This research includes field research conducted in 2022 on MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market in maintaining and increasing their income during the Covid-19 pandemic. The primary data used are observations and interviews, strengthened by documentation in articles, books, and other academic sources. The study results show that MSME actors in the research location have utilized technology to expand their business reach so that the community can demand it. The introduction and knowledge of business actors towards digital marketing must be further improved to encourage more effective and efficient promotion and marketing activities.

Keywords: Business strategy, MSME Sustainability, COVID-19, Lampung

Strategi Keberlanjutan Usaha Usaha Mikro, Kecil, dan Menengah di Era COVID-19 di Lampung

Abstrak

Artikel ini bertujuan untuk mengeksplorasi, mengidentifikasi, menjelaskan, dan menganalisis strategi bisnis keberlanjutan usaha UMKM sebagai salah satu sektor yang paling terdampak oleh penyebaran COVID-19. Penelitian ini meliputi penelitian lapangan yang dilakukan pada tahun 2022 terhadap pelaku UMKM di Pasar Tulang Bawang Unit II, Pasar Metro, dan Pasar Bambu Kuning Bandar Lampung dalam mempertahankan dan meningkatkan pendapatannya selama pandemi Covid-19. Data primer yang digunakan adalah observasi dan wawancara, diperkuat dengan dokumentasi berupa artikel, buku, dan sumber akademis lainnya. Hasil penelitian menunjukkan bahwa pelaku UMKM di lokasi penelitian telah memanfaatkan teknologi untuk memperluas jangkauan usahanya agar dapat diminati oleh masyarakat. Pengenalan dan pengetahuan pelaku usaha terhadap pemasaran digital perlu ditingkatkan lebih lanjut untuk mendorong kegiatan promosi dan pemasaran yang lebih efektif dan efisien.

Kata Kunci: Strategi bisnis, Keberlanjutan UMKM, COVID-19, Lampung

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A. Introduction

Micro, Small, and Medium Enterprises (MSMEs) are the most strategic national economic sector and become the backbone of the national economy.¹ Data from the Ministry of Cooperatives and Micro, Small, and Medium Enterprises in 2019 stated that the number of MSMEs in Indonesia was 64.2 million, or 99.99% of the number of business actors in Indonesia.² So it is natural that MSMEs have a significant role in providing jobs and reducing unemployment in Indonesia.³

MSMEs are also the largest group of economic actors in the economy in Indonesia and have proven to be the key to securing the national economy during financial crises and becoming drivers of post-crisis economic growth.⁴ When the storm of the monetary crisis hit Indonesia in 1998, MSMEs managed to contribute around 60% of GDP (Gross Domestic Product) and create jobs for the community.⁵

At the time of Covid-19 (Coronavirus Disease 2019) as a pandemic due to the virus that hit the world in 2019-2022,⁶ It impacted the government's regular implementation of regional quarantine, social distancing, Large-Scale Social Restrictions (PSBB), and the Implementation of Community Activity Restrictions (PPKM) against all social elements.⁷ The impact was around 39.9% of MSMEs reducing their stock of goods during large-scale social restrictions, 16.1% of MSMEs chose to reduce employees, and some closed stores.⁸

Because of the vast number of MSMEs, they are one of the sectors that have been greatly affected during the pandemic.⁹ Bank Indonesia data shows that 72.6%

¹ Satriaji Vinatra, 'Peran Usaha Mikro, Kecil, dan Menengah (UMKM) dalam Kesejahteraan Perekonomian Negara dan Masyarakat', *Jurnal Akuntan Publik* 1, no. 3 (2023): 01-08, <https://doi.org/10.59581/jap-widyakarya.v1i3.832>.

² Bachtiar Rifai, 'Efektivitas pemberdayaan Usaha Mikro Kecil Menengah (UMKM)', *Jurnal Sosio Humaniora* 3, no. 4 (2012): 21.

³ Wan Laura Hardilawati, 'Strategi UMKM Bertahan di Tengah Pandemi Covid-19', *Jurnal Akuntansi dan Ekonomika Universitas Muhammadiyah Riau* 2, no. 1 (2020): 23.

⁴ Rio Laksamana et al., 'Strategi UMKM Dalam Menghadapi Pasca Pandemi COVID-19', *JAAKFE UNTAN (Jurnal Audit dan Akuntansi Fakultas Ekonomi Universitas Tanjungpura)* 11, no. 2 (2022): 51, <https://doi.org/10.26418/jakfe.v11i2.59005>; Alexander Michael Tjahjadi, 'Assessment Role of Youth in Financial Inclusion: ASEAN Context', *Jurnal Studi Pemuda* 7, no. 1 (2019): 59, <https://doi.org/10.22146/studipemudaugm.39263>.

⁵ Fauziah Afriani, 'Peluang Usaha Kecil dan Menengah (UKM) dalam Ekonomi Indonesia', *ECONOMICA SHARIA* 1, no. 2 (2016).

⁶ World Health Organization, 'Corona Virus', 2020, https://www.who.int/healthtopics/coronavirus#tab=tab_1.

⁷ Keputusan Presiden (KEPPRES), 'Penetapan Bencana Nonalam Penyebaran Corona Virus Disease 2019 (COVID-19)', n.d., <https://peraturan.bpk.go.id/Home/Details/135718/keppres-no-12-tahun-2020>.

⁸ Rahmi Rosita, 'Pengaruh Pandemi Covid-19 terhadap UMKM di Indonesia', *Jurnal Lentera Bisnis* 9, no. 2 (2020): 110, <https://doi.org/10.34127/jrlab.v9i2.380>.

⁹ Andi Amri, 'Dampak Covid-19 Terhadap UMKM di Indonesia', *Jurnal Brand* 2, no. 1 (2020): 126-28.

of MSME actors experienced decreased income during the pandemic. The Asian Development Bank (ADB) survey, as of September 16, 2020, also showed that 48.6% of Indonesian MSMEs went out of business due to the pandemic.¹⁰ This data is exacerbated by the lack of information technology knowledge and the limited business network of most MSME actors. This situation has added to the problems of MSMEs in the COVID-19 pandemic.¹¹

Departing from a background where many MSME actors were affected by the policies implemented during the COVID-19 era, this article intends to analyze the strategies of MSMEs in building the ability to survive in the pandemic era, which incidentally makes their business more difficult. Still, it allows them to survive and continue their business strategy so that they can market their production goods.

B. Literature Review

1. Business Continuity Strategy

The word 'strategy' comes from the Greek word *strategos*, a term used to define the art of the general in the army. A strategy generally explains how short-term or long-term objectives will be achieved. However, there is no consensus on the definition of strategy or of the strategy concept about its use in various settings, whether in business, government, sports, or civic society.¹²

Meanwhile, business strategy is a tool to achieve long-term goals.¹³ Business strategy can occur at the product line level and focus on improving the company's competitive position.¹⁴ The level of business strategy varies from the level of business units in the form of strategies at the level of subsidiaries, divisions, product links, or other profit centers with their own business management rights.¹⁵

A sustainable business building strategy is an approach that considers the long-term environmental, social, and economic impacts of a business. One of the key aspects of this strategy is the implementation of environmentally responsible

¹⁰ Candra Fajri Ananda, 'UMKM dalam Pusaran Pandemi', 2021, <https://feb.ub.ac.id/umkm-dalam-pusaran-pandemi.html>.

¹¹ Harnida W. Adda et al., 'Strategi Mempertahankan UMKM Selama Pandemi Covid-19 Di Kecamatan Bungku Tengah Kabupaten Morowali', *Abdi Dosen: Jurnal Pengabdian Pada Masyarakat* 4, no. 4 (2020): 390.

¹² Jabulani Dhlamini, 'Strategy: An Understanding of Strategy for Business and Public Policy Settings', *Journal of Contemporary Management* 19, no. 2 (2022): 108–34, <https://doi.org/10.35683/jcm21073.161>.

¹³ Fred R. David, *Strategic Management* (Salemba Empat, 2011).

¹⁴ Ricky W. Griffin and Ronald J. Ebert, *Business* (Erlangga, 2006).

¹⁵ Muchlis Catio and dkk, *Manajemen Strategi* (Indigo, 2021).

business practices, such as efficient use of resources, waste reduction, and the use of renewable energi.¹⁶

2. MSMEs

Micro, Small, and Medium Enterprises (MSMEs) are productive businesses owned by individuals or business entities that meet business criteria with a relatively small number of employees, business scale, and turnover, and are generally established with minimal or limited capital. MSMEs in Indonesia play a vital role in the economy. Although during COVID-19 many MSMEs suffered losses, since 2021, MSMEs have begun to rise slowly.¹⁷

Data from the Ministry of Cooperatives and Small and Medium Enterprises (2020) shows that the percentage of MSMEs in Indonesia has reached 90% and only 10% are large businesses. Although MSMEs are not big businesses, the role of MSMEs in driving the country's economic sector cannot be doubted. MSMEs have significantly driven economic growth in Indonesia, where 60% are MSMEs.¹⁸ Atsna Himmatul Aliyah's research shows that the existence of micro, small, and medium enterprises (MSMEs) is vital in improving people's welfare. Thus, the higher the people's welfare, the better the country's economic growth and development.¹⁹

C. Research Methods

This research includes *field research* and uses a qualitative approach. The researcher will explore, identify, analyze, and explain various conditions related to the business strategy of MSME business sustainability during the COVID-19 pandemic between 2020 and 2022 at the Yellow Bamboo Market, Metro City Market, and Tulang Bawang Unit II Market, Lampung.

The primary data sources are observations, documentation, and interviews. While digging up data, the researcher involved many research objects and resource persons, namely, traders at the Yellow Bamboo Market, Tanjung Karang Pusat,

¹⁶ Tri Auri Yanti, *Strategi Membangun Usaha Berkelanjutan Studi Kasus MW Cafe*, 9, no. 1 (2023); Afifah Rida Salsabila and Hilda Rossieta, 'Strategi Keberlangsungan Bisnis Dalam Menghadapi Pandemi Covid-19', *Owner* 7, no. 2 (2023): 1124–36, <https://doi.org/10.33395/owner.v7i2.1415>.

¹⁷ Yulya Ammi Hapsari et al., 'Analisa Peran UMKM Terhadap Perkembangan Ekonomi di Indonesia', *Jurnal Manajemen dan Ekonomi Kreatif* 2, no. 4 (2023): 53–62, <https://doi.org/10.59024/jumek.v2i4.464>.

¹⁸ Fitriani Saragih Fitriani et al., 'Perkembangan UMKM Di Indonesia : Peran Pemahaman Akuntansi, Teknologi Informasi dan Sistem Informasi Akuntansi', *Owner* 7, no. 3 (2023): 2518–27, <https://doi.org/10.33395/owner.v7i3.1427>.

¹⁹ Atsna Himmatul Aliyah, 'Peran Usaha Mikro Kecil dan Menengah (UMKM) untuk Meningkatkan Kesejahteraan Masyarakat', *WELFARE Jurnal Ilmu Ekonomi* 3, no. 1 (2022): 64–72, <https://doi.org/10.37058/wlfr.v3i1.4719>.

Bandar Lampung. The Yellow Bamboo Market is one of the icons of Bandar Lampung City, which is the result of the development of PT. Mount Pesagi in 1989, then continued by PT. Senjaya Rejeki Mas. The Yellow Bamboo Market is located at Jl. Imam Bonjol, Kelapa Tiga Village, Central Tanjung Karang District. The Yellow Bamboo Market sells dry necessities or finished goods such as clothes, bags, gold, clocks, etc. There are 189 stalls at the Yellow Bamboo Market and several supporting buildings, namely the Market UPT office, Public Toilet, Musholla, Waste TPS, and Generator Room. Business actors in this market who have pioneered their businesses for 5-20 years have experienced a decrease in turnover of 30 c/o. There are even some MSMEs whose turnover has decreased by up to 60% due to the Covid-19 pandemic. This decrease in turnover has caused several MSME actors to lay off temporary employees or even go out of business.²⁰

The researcher also made several other markets in Lampung Province as research objects, including the Metro City Market. This traditional market sells necessities such as Metro City rice, wheat, sugar, salt, vegetables, onions, chilies, fish, and chicken. The advantage of this type of traditional market is that the products are sold at prices set by the people, so that the price is cheap for the community and the function of the market in general.²¹

D. Results and discussion

1. Sustainability Strategy of MSME Actors in Increasing Income

a. Capital

Before the Covid-19 pandemic, some MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market used personal capital and capital from a combination with partners or business partners at the beginning of starting a business. Some MSME actors in Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market obtained business capital through business capital loans at banks. According to MSME actors, they have difficulty maintaining their businesses during this pandemic due to limited capital.

The existence of MSMEs during the Covid-19 pandemic is a group that is very vulnerable to bankruptcy, which economic shocks can cause. Therefore, the government disburses many funds to the community through social assistance for

²⁰ Siti selaku kepala UPT Pasar Bambu Kuning, 'Interview', 29 September 2021.

²¹ *Pasar Metro Lampung*, n.d., accessed 3 October 2021, <https://idalamat.com/alamat/183812/pasar-metro-metro-lampung>.

households and MSME actors. Capital assistance or financial assistance distributed by the government is in the form of Micro Business Productive Presidential Assistance (BPUM) funds, Direct Cash Assistance (BLT), intended for MSMEs affected by the Covid-19 pandemic.

The Minister of Cooperatives and Small and Medium Enterprises Regulation No. 6/2020 explains that BPUM is part of the Ministry of Cooperatives and SMEs program to overcome the national economic downturn during the Covid-19 pandemic. According to the data of the Lampung Provincial Cooperatives and SMEs Office, as many as 94,432 MSME actors in Lampung Province have received the Presidential Productive Assistance for Micro Enterprises or BPUM. The government assists with 2.4 million to maintain the sustainability of MSMEs during the Covid-19 pandemic so that MSME actors can continue to support and develop their businesses during the Covid-19 Pandemic.

b. Marketing

Marketing is a process and management that allows individuals or groups to get what they need. To achieve all planned goals, individuals or organizations must offer and exchange valuable products to other parties, or all activities related to the delivery of products or services from producers to consumers. In addition, marketing is also an activity carried out by a company to promote a product or service. Marketing activities are advertising, sales, and delivery of products to consumers or other companies.²²

The success of MSME marketing, according to data from the Ministry of Cooperatives and Small and Medium Enterprises, over the last five years, has seen the contribution of the MSME sector to the Gross Domestic Product (GDP) increase from 57.84 percent to 60.34 percent. Similarly, there was an increase in labor absorption, from 96.99 percent to 97.22 percent. The increasing number of workers being absorbed impacts increasing people's income. This indicates that MSMEs can play a fundamental role in reducing poverty and unemployment.²³

The marketing strategy carried out by traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market is to use social media such as Facebook, TikTok, and Instagram as reliable marketing media. Some

²² Renyarosari Bano Seran et al., 'Strategi Pemasaran yang Unik: Mengoptimalkan Kreativitas dalam Menarik Perhatian Konsumen', *Jurnal Mirai Management* 8, no. 1 (2023): 206–11.

²³ Gesty Ernestivita and Subagyo, 'Media Promosi Produk UMKM dengan Menggunakan EPIC Model', *Efektor* 7, no. 1 (2020): 1–14, <https://doi.org/10.29407/e.v7i1.14336>.

even use the marketplace as a chain store to sell their products. The results are quite an effective alternative in marketing MSME products.

c. Promotion

Promotion is a communication activity carried out by a person or company with the broader community, where the aim is to introduce something (goods/services/brands/companies) to the community and, simultaneously, influence the wider community to buy and use the product. Purchasing decisions are a process where consumers choose and evaluate products or services. Often, consumers consider various things that suit their needs in the purchase decision process.²⁴

Gesty Ernestivita's research measured the effectiveness of using Instagram as a medium for promoting MSME products using the EPIC model. It turned out that Instagram was the most effective medium, with an average score of 4.14.²⁵

Before the Covid-19 pandemic, MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market carried out direct promotions, namely by offering the products they sold only to market visitors, traders at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market were not very familiar with internet media as a promotional medium. So this makes the marketing reach not expand.

Based on the results of research during the Covid-19 pandemic, MSME actors at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market carried out direct and indirect promotions, promoting directly by offering products sold directly to visitors to the market.

It is known that the most impactful traders are clothing traders, slippers, household appliances, and accessories traders. Therefore, during the COVID-19 pandemic, clothing, accessories, and household furniture traders began using internet media as a promotional medium. Some have started to get to know social media as a promotional medium by promoting it using WhatsApp, Facebook, Instagram, and other e-commerce applications. They carry out promotions using internet media because during the Covid-19 pandemic, it makes market visitors quieter, and people prefer to shop from home.

²⁴ Ningrum et al., 'Pengaruh Promosi terhadap Keputusan Pembelian Pakaian pada Toko Qolsa Metro Tahun 2022', *Journal of Student Research* 1, no. 1 (2023): 394-403, <https://doi.org/10.55606/jsr.v1i1.1067>.

²⁵ Ernestivita and Subagyo, 'Media Promosi Produk UMKM dengan Menggunakan EPIC Model'.

In this era of the COVID-19 pandemic, traders at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market must be technologically literate because it will help them market their products widely. During the current COVID-19 pandemic, digital media or the internet must be used in doing business. One of the efforts to make products that consumers can know about is through digital marketing because the current digital era is unavoidable in the Covid-19 pandemic, and traders in the market must be literate in technology as a promotional medium.

The government also helps encourage MSME actors in the market to develop a modern MSME business model by building digital technology to sustain MSME activities. Strengthening digital technology to support the economic activities of MSMEs is a form of sustainability strategy efforts so that a business can continue to grow.

In the sustainability strategy, digital technology must be the leading platform in the MSME business process. In the future, MSMEs can use digital technology to carry out production processes, promotions, and determine potential product markets.

d. Pricing Strategy

Price is the value of a service or goods, which is measured by the amount of money the buyer spends to obtain a series of combinations of goods or services. A price is called appropriate if it is in accordance with the quality of the product, which is also in accordance with consumers' perception of the value of the price.²⁶

Pricing from a sharia perspective is not too complicated; the basis for pricing rests on the price value of a product, which is not determined by multiplying the production costs. This shows that the concept of price from the perspective of Sharia is not based on profit factors alone, but also on aspects of people's purchasing power and the benefit of the people.

The price strategy carried out by traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market is based on bargaining between traders and consumers. If a set price has been agreed upon between traders and consumers, then consumers can purchase the products.

During the Covid-19 pandemic, traders at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market also often set prices by

²⁶ Anggi Pratiwi Sitorus, 'Mekanisme Penetapan Harga (Price) Dan Kebijakan Penentuan Keuntungan (Profit) Ditinjau Dari Perspektif Ekonomi Islam', *ATTANMIYAH: Jurnal Ekonomi dan Bisnis Islam* 1, no. 1 (2022).

selling products and providing discounts so that products can be in more demand, so that they run out quickly.

e. Production and Operational Strategy

Traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market always maintain the quality of their products. When a trader has good quality merchandise, a buyer will certainly buy the merchandise needed because of its quality, especially when the goods are for consumption, such as vegetables and fruits, or other ingredients for cooking needs.

In addition, the way that can be done to keep attracting buyers' interest is to improve service and quality. When the commodity goods sold by the sword have good quality, the buyer will undoubtedly decide to make the store a reference place for shopping. One of the reasons is that the merchandise sold is of good quality and at a lower price. Therefore, maintaining the quality of merchandise is the key to a trader's success; this can also be used as the most effective survival strategy for traders to survive and sustain their trading business during the COVID-19 pandemic.

In carrying out their business, MSME actors at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market implement health protocols to avoid the spread of the coronavirus as recommended by the government through the Indonesian Ministry of Health and the Covid-19 Handling Task Force.

MSMEs must strictly implement health protocols when carrying out their economic activities. As is known, facing the *new normal* period, the government has allowed the market to continue operating with several terms and conditions, including the strict implementation of health protocols by providing handwashing facilities, *hand sanitizers*, body temperature checks, restrictions on the number of visitors, and restrictions on operating hours.

Based on the results of the observation of the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market itself, they have made new policies for traders and visitors at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market, namely implementing health protocols by constantly washing hands, wearing masks and gloves, and practicing *social distancing* with other traders and visitors at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market. Therefore, to continue their business operations during the Covid-19 pandemic, traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market follow the government's regulations to implement these health protocols.

f. Service Strategy

Service is also one of the marketing strategies that is very influential for merchants to attract customers, because good service will increase consumer loyalty. Customer satisfaction is consumers' response after their need for a product is met. So that consumers get a sense of comfort and happiness because their expectations have been met.

During the Covid-19 pandemic, MSME actors should not only focus on attracting new customers but must also maintain products and existing customers, build customer satisfaction, and gain buyer loyalty. Loyal customers will not switch to other merchants because they already trust the products sold by their merchants.

One way MSMEs can survive declining business activities is to establish marketing relationships with buyers. It is a marketing strategy concept designed to develop long-term customer relationships, i.e., to build a strong and mutually beneficial relationship between merchants and buyers.

Based on the results of the research, traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market provide good service to consumers by offering their products to consumers in a friendly manner and expressing honestly and clearly the quality of the products sold, traders do this to attract customers as well as so that customers are happy and can continue to shop in their place.

During the COVID-19 pandemic, some traders began implementing product delivery services directly to their customers. This is because, during this pandemic, most consumers chose to shop from home *online*. This was applied by one of the traders at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market, Mr. Hendra, a seller of household appliances, who can deliver goods purchased directly by his customers. According to one of the traders at the Tulang Bawang Unit II Market, Mr. Hendra, a household appliance trader, said:

The quality of this service is essential because it will directly impact the image of my business. I provide good quality service because it will make a profit for my business. By providing good service quality, I will get a positive value in the eyes of consumers, then these consumers will give good feedback and can even make them my loyal customers.²⁷

²⁷ Hendar Fahmi, 'Interview', 2022.

g. Technology

Developments and technology have had a significant impact on many organizations. The power of technology describes the main opportunities and threats that must be considered in formulating a strategy. Technological advances can create a more powerful competitive advantage than existing advantages.

In the midst of the COVID-19 pandemic, direct sales generally decreased due to the pattern of people staying at home more; besides that, many MSMEs chose not to open their stores or businesses due to restrictions on operational hours or the implementation of large-scale social restrictions (PSBB) in some areas. One of the ways that traders continue to run their businesses during the pandemic is by reaching more consumers and expanding market share by utilizing sales through e-commerce platforms.

During the Covid-19 pandemic, the number of social media users continues to increase in line with the PPKM/PSBB policy that allows people to carry out activities online. Therefore, social media is quite effective in developing MSMEs, especially in marketing activities. These social media include Instagram, Facebook, Twitter, WhatsApp, etc.

The government also supports this in the process of MSME activities, namely, consumers no longer need to leave the house to buy a need, which is supported by delivery services such as Gojek, which can deliver purchased goods directly to consumers' homes.

Using online platforms like this provides good prospects to increase the sales of MSME products, because digital marketing offers an online buying and selling platform that makes it easier for consumers to interact with MSME owners, even though they are not face-to-face.

Based on the research results before the Covid-19 pandemic, there are many MSME actors whose level of understanding and use of digitalization is still low, making it difficult to access technology in running their businesses online. Especially the MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market market their products directly by offering the products they sell to visitors in the market only, this makes the reach of the marketers less wide, plus during the Covid-19 pandemic, market visitors became quiet, so that their income decreases every day.

During the Covid-19 pandemic, MSME actors in Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market began to be technologically literate by marketing their products through social media such as

Instagram, Facebook, WhatsApp, and Shopee. Because it will help them to sell their products widely in the market, during the current Covid-19 Pandemic, internet media must be used in doing business, and one of the efforts to make products known to consumers is by selling and promoting products digitally.

The government also helps encourage MSME actors in the market to develop a modern MSME business model by building digital technology to sustain MSME activities and strengthening digital technology to support the economic activities of MSMEs, where this effort is a form of sustainability strategy, so that their business can continue to grow. In the sustainability strategy, digital technology must be the leading platform in the business process of MSMEs. In the future, MSMEs can use digital technology to carry out the production process, promote, and determine potential product markets.

During this pandemic, changing the business model to a modern one is supported by various technological developments, such as financial technology is a combination of technology with financial services that has finally developed towards a business model from conventional to all-online, namely that initially in paying must be face-to-face by bringing a certain amount of money to pay, now you can make long-distance transactions by making payments that can be done in seconds just.

Financial technology is constantly innovating, such as developing flexible products and better ways to overcome the problems MSME actors face. Financial technology has evolved quite significantly today and is one of the solutions for business actors' transactions. The existence of non-cash payment platforms other than m-banking, such as Ovo, Gopay, Dana, and Doku, can be easily accessed by sellers and buyers.

h. HR/ Workforce

Labor is vital for business actors to gain an advantage in competition. Before the Covid-19 pandemic, MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market had a workforce, namely two or more employees, to help the product sales process in offering and serving consumers.

However, during the Covid-19 pandemic, the condition of MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market experienced a decrease in sales so that their income decreased very drastically, therefore most MSME actors in the Tulang Bawang Unit II Market, Metro

Market, and Bandar Lampung Yellow Bamboo Market severed their employment relationships with their employees as an effort to maintain their declining business and reduce expenses from employee wages and production costs of MSME actors at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market.

During the COVID-19 pandemic, there was a change in consumer and producer behavior. Consumers' dependence on internet access has become stronger since the Covid-19 pandemic. So it has become a must and obligation for MSMEs to enter the digital realm and change the strategy of approaching consumers through digital systems.

2. Analysis of Sustainability Strategies of MSME Actors during the Covid-19 Pandemic

a. Islamic Views in Facing the COVID-19 Pandemic

The current coronavirus outbreak has occurred under almost the same conditions as the time of the Prophet, so the handling is the same. Therefore, one must implement quarantine or isolation for sufferers to overcome the epidemic. Just as it was then, the Apostle commanded not to go near or see lepers. Thus, the quarantine method has been applied since the time of the Prophet to prevent infectious disease outbreaks from spreading to other regions. The Prophet built a wall around the plague area to ensure the government was implemented. The Prophet also warned his people not to approach the area affected by the plague; on the contrary, if they are in a place affected by the plague, they are forbidden to go out. Quarantine and special isolation policies are enforced in residential areas in the event of an outbreak of infectious diseases.

Indonesia also takes a lockdown policy for areas heavily affected by the coronavirus outbreak, prohibiting its people from entering or exiting the area. The handling of the lockdown is indeed considered faster. However, the lockdown has had a significant impact, especially on the economy. Because of the lockdown event, economic activities are completely paralyzed, there is no activity, and most Indonesian people are informal workers who mostly earn income daily.

State policies in the process of handling coronavirus cases, should indeed refer to the policies of the Prophet PBUH, then applied in the current context, moreover the Indonesian people, who are majority Muslims, will accept more than reject it, it just needs to be adjusted and prepared starting from the Structure, Substance and Culture, so that the Indonesian people can take the policy—for example, involving

religious leaders in socializing social distancing policies or social restrictions, restricting activities with the community to provide greater benefits than the mudharat.

Islam teaches every Muslim that life in the world is *daar al-bala* (where humans are tested). Trials in life are sometimes with good and sometimes with dire calamities. There is no life except in it, a person to be rotated to get blessings or calamities as a test in life; therefore, tests are a necessity of life, without tests, there is no achievement.

Most humans tend to choose to be tested only with kindness, even though few pass in dealing with it. Ideally, the ugliness test seems so scary, even though many have successfully passed it.

One of the ugliness test manifestations is the test with outbreaks and infectious diseases, such as the coronavirus, that are currently affecting humans worldwide. Allah says in the Quran Surah Al-Anbiya' verse 35

كُلُّ نَفْسٍ ذَاقَهُ الْمَوْتُ ۖ وَنَبْلُوكُمْ بِالشَّرِّ وَالْخَيْرٌ فِتْنَةٌ ۖ وَإِلَيْنَا تُرْجَعُونَ

"Every soul will feel death. We will test you with evil and good as a test. And to Us alone will you be returned."

The above verse explains that the emergence of various diseases, which are a test of life, is Allah SWT's will. The best attitude that must be presented when a disaster strikes is to continue to strengthen piety, faith, worship, and pious deeds that are done as well as possible (*ihsan*), so that there is no thought of how to seek personal gain, selfishness, and ignore others.

Islam also does not want harm to its people. Therefore, every harm is legally obligatory to be eliminated, so preventing things that cause harm is prioritized rather than attracting a benefit. Including preventing the spread of the coronavirus, it must be done with all efforts, including taking less dangerous risks to avoid greater danger. Thus, lockdown policies and social distancing are one way to prevent the mafsat (ugliness) caused by the coronavirus outbreak, which has become a global pandemic.

More than that, Islamic teachings are full of guidance to have a healthy lifestyle, both physically and spiritually. Starting from the teachings to avoid illness and immediately seek treatment if sick, patience and a lot of *istighfar* when you get a disaster, never give up, and take care and treat people who are ill in a good way.

If a disaster hits you, you are ordered to be patient a lot while trying to maintain yourself from various disasters and diseases that threaten you; all of these

are very important to do and be carried out in daily life as one of the efforts to stop the spread of the virus.

b. Islamic Economics' View on the Sustainability Strategy of MSME Actors during the Covid-19 Pandemic

Since the time of the Prophet PBUH, Muslims have been engaged in the business world and have succeeded. Many of the companions became prominent businesspeople and developed their business networks beyond the territorial boundaries of Mecca or Medina. Based on Sharia economics and Islamic values, they built their business life. No exception in terms of transactions and trade relations, in terms of company management, they are also guided by Islamic values.

MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market, while running their businesses, have Islamic characteristics by not only looking for worldly aspects (material), but also how the company can be a means of getting closer to Allah SWT. Of course, everyone who runs their business is legitimate and uses various strategies, but they must never forget Allah's rules and not ignore them.

1. Operating Strategy

MSME actors at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market sell various kinds of products, so the store sells multiple variants in business. The product price from the store is adjusted to the target market and does not take a significant profit, namely, the profit is between 10% and 15% of the store's selling price.

In terms of products, MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market try to follow the ways and characteristics of the Prophet Muhammad (saw) in doing business, namely:

a) Siddiq

This honesty is very much needed because the product that is marketed must be based on honesty; the product must be a really new material, halal to be used, products with good quality and profitable for consumers.

Based on the research results, MSME actors in Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market prioritize product value or sound quality when selling their products.

Related to products, especially the application of honesty to traders at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market, can be described according to the results of observations from interviews

with several informants, namely, according to one of the clothing traders, Aida Sulaspri, who said that:

In increasing sales, we always refer to the best role model, the Prophet Muhammad (saw), who is a very honest trader. Therefore, this store uses segmentation and targeting practiced by the Prophet Muhammad (saw) when he traded in the Land of Sham, which pays attention to Islamic positioning. This marketing mix includes products with new and quality ingredients.²⁸

b) Trust

Product strategy is a form of effort by MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market in determining the right products for the target market, so that they can satisfy their consumers and, at the same time, increase the profits of business actors.

The product strategy that MSME players have implemented in the Kangsung market is to display unique and quality products as offered, have a precise size and quality in each product, and accept orders according to the demand and specifications desired by consumers, both in shape, design, color, or pattern, according to the original. According to the author's analysis, Ridaka has implemented a product strategy as recommended in Islam.

c) Fathanah

Smart in the sense that the product has a lot of creativity and innovation that can make it different from other cake shops, but still maintain quality, especially in terms of taste. Regarding products, especially in terms of innovation, it can be described based on research results that MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Yellow Bamboo Market are innovative in developing their businesses by improving the quality of their products.

2. Workforce Strategy

The human resource strategy developed by the Prophet PBUH includes planning and attracting quality human resources, developing human resources to be of quality, assessing the performance of human resources, providing motivation, and maintaining quality human resources.

Human resource management activities revolve around the procurement, use, and maintenance of human resources themselves. In procuring employees, MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market prefer to recruit their own employees based on needs. The

²⁸ Aida Sulaspri, 'Interview', 2022.

most important thing is that prospective employees must have basic skills and good behavior.

Business owners also have their own way of maintaining good relations with their employees, namely by requiring employees to perform dhuhur and ashar prayers in congregation and taking the time to stay in touch with fellow employees on Eid al-Fitr.

According to the author, this small thing will create charity in employees and superiors. This condition will cause lower employee turnover intentions, enabling MSME actors to maintain the sustainability of their business.

First, because his business activities do not interfere with worship activities.

Second, getting the most out of the friendship, as mentioned in the hadith: "Whoever wants his sustenance to be facilitated and his life to be prolonged, should continue the friendship".

3. Financial strategy

It generally revolves around three things: how the company obtains capital, allocation, and working capital management, including profit sharing. To help overcome capital problems, the government has designed a strategy for the Regulation of the Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia, namely in Law No.07/Per/M.KUKM/VII/2015, one of which is by increasing access to financing and expanding financing schemes, through the development of financing institutions/cooperative banks and MSMEs, as well as optimizing non-bank financing sources.

Regarding capital before the Covid-19 pandemic, MSME actors used capital rather than financing from banks and non-banks, because MSME actors in Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market are worried about falling into usury.

Although MSME actors in Pasar Unit II Tulang Bawang, Pasar Metro, and Bandar Lampung Yellow Bamboo Market still use conventional banks, they are only used for money storage and transactions (transfers) to buyers. Traders try not to use the proceeds from the bank's interest.

4. Marketing Strategy

MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market certainly have strategic goals to increase income. Regarding this, during the Covid-19 pandemic, traders at the Tulang Bawang Unit II

Market, Metro Market, and Bandar Lampung Yellow Bamboo Market carried out sales promotions in two ways, namely in terms of media and venue. Regarding media, traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market began promoting through social media such as Instagram, WhatsApp, and Facebook.

In addition, the traders carry out direct promotions on the spot by offering directly to consumers at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market, or the community around Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market.

From the strategies that have been implemented, traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market can increase product sales, as shown by the increase in turnover every month, according to the results of the researcher's interviews with traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market. This means that the promotional strategies implemented by traders at Knagkung Market can develop well and will be more advanced in the future.

Traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market do not apply convoluted strategies in promoting goods to be marketed. Because traders believe that if one consumer becomes a regular customer, they will bring in new customers. So, traders prioritize customer satisfaction and maintain customer trust to automatically convey their satisfaction with the products sold to friends, family, and the wider community. According to the researcher, sales promotions carried out by traders at Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market can increase consumer traffic so that the settlement is slowly becoming more stable and growing.

c. Obstacles experienced by MSME actors during the COVID-19 pandemic

Based on the survey results during the COVID-19 pandemic, traders experienced problems with capital because their income continued to decline and was not proportional to the capital spent.

Before the Covid-19 pandemic, some MSME actors in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market used personal capital and capital from a combination with partners or business partners at the beginning of starting a business. Some MSME actors in Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market also obtained business capital through business capital loans at banks.

Based on the research results, traders in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market also received capital assistance from the government. Still, not all Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market traders received this capital assistance.

For traders such as Mrs. Rusminah in the Unit II Tulang Baang market and Mrs. Hartini, traders in the Metro market, usually their capital is their own capital, because it is adjusted to their ability to make relatively not so large profits, if their business is hereditary like Mrs. Rusminah in the Yellow Bamboo market, the capital is also hereditary, this capital continues to grow and develop along with the profits obtained from year to year until now so that it can be sufficient need for business capital. Mrs. Rusminah, "Her own capital that is hereditary", Mrs. Hartini, "everyone's own capital".

As for traders with large-scale capital, some come from themselves and from borrowed capital, borrowing from financial institutions, namely banks, with an annual loan period based on the amount of funds borrowed. Still, besides borrowed capital, there are entrepreneurs whose capital comes from investment capital obtained from financiers.

In addition, based on the observation of some traders at the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market, to obtain business capital from bank loans, during this pandemic, they find it difficult to pay credit due to their income that is not as stable or has decreased during the Covid-19 Pandemic. Therefore, the government provides leeway for traders with business capital loans from banks. The government issued this policy for actors who cannot afford to pay their credit installments. The government gives a one-year credit. This makes the finances of MSME actors stable during the current COVID-19 pandemic.

E. Conclusion

Based on the results of the research and discussion that have been described, the conclusion that can be drawn is that MSMEs in the Tulang Bawang Unit II Market, Metro Market, and Bandar Lampung Yellow Bamboo Market need to maintain and increase their income during the Covid-19 pandemic:

In carrying out a sustainability strategy, they maintain, improve, and develop their business through strengthening business management in marketing, finance, human resources, and operations. MSME actors use technology to expand their

business reach and be of interest to the public. Strengthening digital technology to support MSME economic activities as a continuation of the short-term strategy. In the long-term plan, digital technology must be the leading platform in the MSME business process to carry out production processes, promotions, and determine potential markets for their products.

The sustainability strategy of MSME actors also emulates the practices and traits of the Prophet Muhammad (saw), in running his business, namely Siddiq (honest, true), Amanah (Trustworthy), Fathanah (Smart), and Tabligh (communicative), and obeying the rules of Islam, namely not selling or producing prohibited goods, being transparent in pricing, and providing friendly and polite service to customers.

The obstacle experienced is that most of the MSME business actors increase their capital from bank loans on credit. During the pandemic, the decline in their income made it difficult for them to pay the bank credit they applied for. Therefore, the government provides leeway for traders who have business capital loans at banks.

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