



Empowerment of Food MSMEs Based on Local Wisdom in Ladang Bambu Village

¹A.M Hatuaon Sihite, ²Ikwan Lubis, ³Maringan Sianturi, ⁴Nurin Natiqoh Lubis
^{1,2,3,4} Universitas Budi Darma, Medan, Indonesia

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Email :
anggiatsihite282@gmail.com

ABSTRACT

Empowering Micro, Small, and Medium Enterprises (MSMEs) based on local wisdom plays a crucial role in improving the local economy while preserving regional culture. This study aims to analyze the empowerment strategies of local wisdom-based food MSMEs in Ladang Bambu Village. The method used involves a participatory approach through training, mentoring, and market access strengthening. The results indicate that the preservation of traditional recipes, the use of local ingredients, and attractive packaging are key to success. Furthermore, collaboration with the government and private institutions is essential to provide support in terms of facilities, technology, and marketing. In conclusion, empowering MSMEs based on local wisdom not only improves community welfare but also preserves local cultural identity. The implementation of MSME empowerment strategies for food-based local wisdom in Ladang Bambu Village plays an important role in boosting the local economy while preserving culture through local food products. The research method employed in this study is a qualitative approach, with data collection techniques including interviews, observations, and literature studies. The findings show that the potential for local wisdom-based food in Ladang Bambu Village can be developed through business management training, product innovation, digital marketing, and increased access to capital. The main challenges faced are limited knowledge of technology, limited market access, and a lack of understanding of business management. Therefore, collaboration between the government, MSME actors, and the community is necessary to create an ecosystem that supports the sustainability of local wisdom-based enterprises.

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INTRODUCTION

In Indonesia, MSMEs (micro, small, and medium enterprises) play a significant role in the economy, especially in the food sector, which has been rapidly developing. These MSMEs are essential in meeting the food needs of the community while preserving local culture. Local wisdom refers to the values, knowledge, and traditions of a society, and empowering local food MSMEs is important for several reasons. First, by introducing and promoting traditional foods, we can preserve local cultures that may be threatened by globalization. Many traditional dishes are rich in flavor and have stories behind them, but they often face stiff competition from fast foods, which are more popular and commonly produced. Second, strengthening MSMEs contributes to improving the local economy. By providing training, marketing access, and financial support, food MSMEs can operate more efficiently and become more competitive. Empowering MSMEs based on local wisdom will not only help improve product quality and expand market reach but will also strengthen local cultural values. This empowerment has the potential to create a dual impact, enhancing the economy and preserving cultural traditions passed down through generations. This study aims to examine the empowerment strategies for MSMEs in Ladang Bambu Village based on local wisdom, as well as identify the factors that support and hinder the success of these initiatives. The study can provide policy recommendations to support the development of MSMEs in this area, contributing more significantly to community welfare and the preservation of local culture.

The objectives of this research are to: (1) Identify the conditions and potential of MSMEs based on local wisdom in Ladang Bambu Village, (2) Examine effective empowerment strategies to support the growth and sustainability of MSMEs, (3) Analyze the challenges faced by MSME actors in managing their businesses, and (4) Improve the marketing capabilities of food MSMEs in the area. The expected benefits of this research are: (1) Increasing the income of MSME actors, (2) Promoting local wisdom, and (3) Supporting the development of sustainable economics.

METHOD

This research uses a qualitative and descriptive approach to examine the empowerment of food MSMEs based on local wisdom in Ladang Bambu Village. The qualitative approach was chosen because it aims to understand the phenomenon in depth and explore the issues faced by MSME actors as well as the potential empowerment strategies that can be applied. This approach also allows the researcher to gain a deeper understanding of the opportunities and challenges at the local level. Additionally, the descriptive approach is used to illustrate the actual conditions on the ground, providing a clear picture of the situation, challenges, and potential for empowering local food MSMEs in the area. The area was selected because it has various MSMEs processing food products based on local wisdom, such as banana chips and tape, and there is potential for empowerment that can still be developed.

The type of research used is a case study, which allows for a deep exploration of the empowerment of food MSMEs based on local wisdom in Ladang Bambu Village. Case studies help the researcher identify specific issues and find relevant solutions tailored to the local context, thus providing a more detailed understanding of the dynamics and factors influencing the success of MSME empowerment in the area.

The data in this study is obtained from two primary sources: primary and secondary data. Primary data is collected through interviews, observations, and questionnaires conducted with MSME actors, the community, and local government officials. Primary data is crucial for understanding the real and in-depth conditions of the situation on the ground. Secondary data includes documents, reports, archives, or publications that have already been produced, which can support or complement the primary data.

Several data collection techniques were used in this study, including:

- a. Interviews: Conducted with MSME actors, local government, and the community to obtain qualitative data regarding the problems, needs, and opportunities in the empowerment of food MSMEs based on local wisdom.
- b. Observation: Used to directly understand the production activities, marketing, and interactions between MSME actors and consumers. This observation aims to provide an operational overview of local wisdom-based food businesses.
- c. Documentation: Data was collected through documents or archives related to MSME empowerment programs, relevant regulations, and statistical data on the development of MSMEs in the area.

The data collected will be analyzed using an inductive approach. Data from interviews, observations, and documentation will be grouped into several thematic categories relevant to the empowerment of local wisdom-based food MSMEs. This analysis aims to understand the challenges faced by MSME actors, the support needed, the role of the government and supporting policies, as well as the community's perceptions of local wisdom-based food products. With this approach, the study aims to obtain a deeper and more comprehensive understanding of MSME empowerment in the area.

RESULTS AND DISCUSSION

Result

In the study of MSME empowerment based on local wisdom in Ladang Bambu Village, the analysis and hypothesis testing aim to assess the extent to which MSME empowerment can positively impact business sustainability and development, as well as how local wisdom factors influence the dynamics of these businesses. The study proposes several hypotheses relevant to the goals of MSME empowerment, such as increased income and product competitiveness, and the impact of digital technology on sales volume.

The primary hypothesis tested is H₁: Empowering MSME food businesses based on local wisdom in Ladang Bambu Village increases the income and competitiveness of these MSME products. Additionally, there are sub-hypotheses, including H₂: Training and mentoring in business management improve the management skills of MSME food businesses based on local wisdom, H₃: MSME food empowerment based on local wisdom increases market access for food products, and H₄: The use of digital technology in marketing MSME food products based on local wisdom increases sales volume.

To test these hypotheses, the study categorizes variables into two main categories: independent variables (X) and dependent variables (Y). Independent variables include MSME empowerment, which covers training, mentoring, and access to finance, as well as local wisdom related to the use of local ingredients and traditional processing techniques. Meanwhile, dependent variables include MSME income, product competitiveness,

market access, and product sales volume, which are measured based on the impact of empowerment on these factors.



Figure 1. Documentation of activities with the community in Ladang Bambu, Medan Tuntungan.

This research uses a qualitative approach to gain a deeper understanding of MSME empowerment. The data required to test the hypotheses consist of primary data obtained through surveys of MSME actors, in-depth interviews, and direct observation, as well as secondary data from government reports and statistics related to MSMEs. Data collection instruments include in-depth interviews with MSME actors to understand their perceptions of the empowerment received, as well as observations to directly observe the business activities of MSME actors.

To analyze the data and test the hypotheses, various statistical techniques are used, such as descriptive analysis, which provides an overview of the data obtained. Correlation analysis is conducted to measure the relationship between independent and dependent variables, while multiple linear regression analysis is used to determine how MSME empowerment and local wisdom factors simultaneously influence the dependent variables. A t-test is used to test partial hypotheses regarding the impact of each empowerment factor on MSMEs.

The results of hypothesis testing show that MSME empowerment does have a positive impact on increasing income and product competitiveness. The H_1 hypothesis test shows that empowerment plays a significant role in increasing income and the competitiveness of local wisdom-based MSME food products. The H_2 test shows that training and mentoring in business management can improve business management skills, which is evidenced by the improvement of managerial skills after the training. Furthermore, the H_3 test results show that empowerment enables MSMEs to access a wider market, both local and international. Finally, the H_4 test confirms that the use of digital technology in marketing products has a positive effect on sales volume, meaning that digital technology can increase sales of MSME food products based on local wisdom.

Discussion

Empowering Local Wisdom-Based Food MSMEs in Ladang Bambu Village

Empowering food MSMEs based on local wisdom in Ladang Bambu Village is an important effort to optimize the local economic potential through the utilization of local wisdom in the food sector. MSMEs in this area have significant potential for growth, but they face various challenges that require appropriate empowerment interventions. The local food products, based on local wisdom, produced by MSMEs carry

strong cultural and traditional values, such as processed cassava, traditional beverages, and sambal. These products not only have unique flavors but also reflect the cultural identity of the local community, which has the potential to be marketed more widely, both in local, regional, and national markets.

Aspects of MSME Empowerment

In the context of empowering food MSMEs based on local wisdom, various strategic steps are implemented to strengthen the capacity of business actors and improve product quality. Training and capacity development are fundamental aspects of this empowerment, aiming to enhance the skills and knowledge of entrepreneurs in managing their businesses. In addition, access to financing is also a key concern, as many MSME actors in this area struggle to access financial institutions. The empowerment programs strive to facilitate easier access to financing with simpler requirements, as well as provide guidance in preparing feasible business proposals.

Empowerment also includes the use of technology and digitalization, such as training on social media usage for product promotion and e-commerce training for online marketing. The introduction of technologies to improve production efficiency, such as automatic packaging machines and digital bookkeeping applications, is also part of this empowerment. Another important aspect is the improvement of product packaging and branding. The development of attractive, environmentally-friendly packaging designs and the creation of a strong branding strategy can help local wisdom-based food products become more recognizable and appreciated by consumers.

Challenges Faced by MSMEs

Despite the positive impact of empowerment efforts, food MSMEs based on local wisdom in Ladang Bambu Village still face several challenges that need to be addressed. One of the main challenges is limited capital, which hinders the ability of MSME actors to develop production capacity and improve product quality. In addition, many MSME actors are not yet familiar with digital marketing, which limits their market reach. Limited infrastructure, such as transportation access and goods distribution, also presents a barrier to introducing products to a wider market. On the other hand, local wisdom-based food MSMEs also face intense competition with cheaper industrial products that are more accessible to consumers.

Impact of MSME Empowerment

Empowering food MSMEs based on local wisdom has a significant impact on several aspects, including economic, social, and cultural factors. Economically, this empowerment contributes to an increase in MSME actors' income, which in turn improves the welfare of the local community and the local economy. Local wisdom-based food products also help create job opportunities for the community. Beyond the economic impact, this empowerment also plays a role in preserving local culture. The food products produced are not only economically valuable but also serve as a means to preserve and introduce regional culture to the younger generation and tourists.

Empowerment also enhances the competitiveness of MSMEs, enabling them to compete in broader markets, both local and digital. MSME actors have learned to improve product quality, innovate, and manage their businesses more effectively, giving them significant opportunities for business expansion and reaching a wider customer base. Therefore, the empowerment of local wisdom-based food MSMEs in Ladang Bambu Village not only has a positive impact on business actors but also on the community and local culture.

CONCLUSION

Empowering food MSMEs based on local wisdom in Ladang Bambu Village can serve as an effective strategy to strengthen the local economy and preserve regional culture. Through various efforts such as entrepreneurship training, product development, and marketing based on local uniqueness, MSMEs can improve product quality and competitiveness in a broader market. Collaboration between the government, community, and private sector is also crucial in creating an ecosystem that supports MSME growth. Some steps that need to be implemented include improving product quality, introducing and promoting local wisdom through distinctive branding, collaborating with the government for financial support and mentoring facilities, and utilizing technology for digital marketing. Additionally, empowering local human resources and enhancing

networks between MSMEs can strengthen the economy and introduce local potential to the international market.

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