

## How Indonesian Women Micro and Small Entrepreneurs Can Survive in Covid-19 Pandemic?

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**Abstract:** *This article aims to analyze the conditions and success tips of micro and small women entrepreneurs during the covid-19 pandemic. This article is the output of community service lecturers at Mercu Buana University. The method used is socialization for micro and small women entrepreneurs assisted by the North Meruya Village, West Jakarta, Indonesia. Moreover, the article method uses descriptive data supported by primary data collected from eight micro and small women entrepreneurs who participated in the socialization. The result of this socialization activity is that it is known that the sales turnover of micro and small entrepreneurs during the COVID-19 pandemic has decreased significantly. However, there are tips for micro, and small women entrepreneurs who can survive and increase their sales turnover through e-commerce in promoting, marketing, and selling their products and services. This study implies that micro and small women entrepreneurs need to innovate in running their businesses and maintain their sales turnover by switching to the business transaction process supported by digital applications.*

**Keywords:** *Covid-19 pandemic; e-commerce; micro and small enterprises; women entrepreneurs.*

## **Introduction**

Micro and small business actors during the COVID-19 pandemic are currently experiencing disruption to their sales turnover decline, where this phenomenon was conveyed by the Indonesian Institute of Sciences (LIPI) (A. E. Nugroho, 2020). During the current covid-19 pandemic, 70% of micro and small entrepreneurs experienced decreased sales turnover, and 50% of micro and small entrepreneurs experienced a decrease in profits (Alaydrus & Prakoso, 2020). On the other hand, micro, small and medium entrepreneurs dominate the number of business actors in Indonesia, reaching 99.9% of the total players in Indonesia (Nasfi et al., 2022; Soleha, 2020). Moreover, according to Jayani & Bayu (2021), micro, small and medium enterprises have an essential contribution to the economy in Indonesia, contributing 60.51% of gross domestic product (GDP). In addition, micro, small and medium enterprises also contribute to employment, reducing unemployment and improving people's welfare (Garba, 2017; Lateh et al., 2017).

Furthermore, the challenges faced by business actors today are not only the COVID-19 pandemic but also the development of the use of information technology and computers and the widespread use of the internet (L. Nugroho, 2021). Therefore, according to Nasfi et al. (2022), Indonesia is one of the countries with the largest number of internet users globally. The development of the massive use of information technology, computers, and the internet in the current era shows that industrial revolution 4.0 is unavoidable. Data submitted by Priyanto & Nistanto (2021) shows that the number of internet users in Indonesia in 2021 will reach 202.6 million people. Therefore, compared to the total population in Indonesia of 274.9 million people, the percentage of internet users reaches 73.7%.

In addition, during the current covid-19 pandemic, the presence of women entrepreneurs is essential in supporting family finances because their income is the alternatives sources to survive families' spending. However, Micro and small women entrepreneurs in Asian countries such as Indonesia and Bangladesh, where the majority population is Muslim, have limitations in mobility and are also underestimated by men (L. Nugroho & Chowdhury, 2015). Whereas according to Efendi (2013), there is no prohibition in Islam that women do business activities to finance the needs of their families as long as they comply with Islamic principles.

The COVID-19 pandemic has caused many companies to close their businesses due to losses. The phenomenon is related to the statement of Endarwati (2021) and Jelita (2021) where there were 30 million micro, small and medium entrepreneurs are experiencing bankruptcy during 2019-2020. Thus, the bankruptcy of micro, small and medium enterprises impacted increasing unemployment by 7 million workers. This phenomenon is also in line with research conducted by Kiranti & Nugroho (2022), which stated that there had been an increase in unemployment during the Covid-19 pandemic from August 2019 to August 2020 at 37.61%. Therefore, the large number of business actors who went bankrupt and the increasing number of unemployed caused a decrease in household income. The decline in household income can be supported by the business owned by the wife (woman entrepreneur).

Moreover, the Covid-19 pandemic has changed the extra income of women as primary source of income for the families.

Furthermore, based on the above phenomena, socialization activities for female entrepreneurs become essential. Thus, the formulation of problems in this article includes: (i) How are the conditions of micro and small women entrepreneurs during the Covid-19 pandemic; (ii) How are the successful tips of micro and small women entrepreneurs who can increase their sales turnover during the Covid-19 pandemic. Therefore, this article aims to provide information to all stakeholders who have concerns for micro and small entrepreneurs in general and micro and small women entrepreneurs in particular. The implication of this activity is to motivate micro and small women entrepreneurs to remain optimistic and resilient and innovate in running their businesses to meet their household financial needs.

## **Method**

This article is an outcome of community service activities from lecturers at Mercu Buana University, Jakarta, Indonesia. This activity, already held on February 9, 2022, took time for 3 hours. In addition, this activity was carried out online because, at that time, the Jakarta government issued a mobility restriction policy to limit the spread of the omicron variant of the coronavirus.

The method used in community service activities is to disseminate information to women micro, and small entrepreneurs fostered from North Meruya Village, West Jakarta, and collaborated with Mercu Buana University. Nevertheless, the methods used in this article use descriptive methods that describe the conditions of women's micro and small entrepreneurs and how they can survive the Covid-19 pandemic. In addition, the data used are primary data obtained based on the results of filling out questionnaires at the time of the dissemination event. The number of participants in this activity consisted of 81 female micro and small entrepreneurs assisted by North Meruya Village, five staff from North Meruya Village, and three lecturers from Mercu Buana University, Jakarta, Indonesia. The implementation of this activity is divided into: (i) Introduction; (ii) Submission of Presentations; (iii) Discussion; (iv) Closing.

## **Results and Discussions**

### ***The condition of micro and small women entrepreneurs during the covid-19 pandemic***

Micro and small entrepreneurs, according to Nugroho & Utami (2022), have the following characteristics: (i) have simple management; (ii) the source of capital is private; (iii) Limited marketing area (local scope); (iv) the company's assets are still small in number; (v) a limited

number of employees. Therefore, based on these characteristics, micro, and small entrepreneurs, according to Muniarty et al. (2021), Quagraine et al. (2021), and Safitri et al. (2020), have limitations in several aspects, which include: (i) capital aspects; (ii) production aspect; (iii) marketing aspect; (iv) bookkeeping aspects. Furthermore, the challenges of women micro and small entrepreneurs are greater than those of male micro and small entrepreneurs, where micro and small entrepreneurs have a dual role, namely not only managing their businesses but also being responsible for managing their household lives (Azmat, 2013; Azmat & Fujimoto, 2016). In addition, most micro and small women entrepreneurs do business in the food and beverage sector, reaching 96%. This is in line with previous research conducted by Agarwal & Lenka (2015), which states that micro and small women entrepreneurs choose their type of business in terms of their expertise and consider how they can do business and still be able to take care of their household. Based on the results of the socialization, the information on the business sector of micro and small women entrepreneurs is as on Table 1.

Table 1. Business Sector of Micro and Small Women Entrepreneurs

<b>Sector Business</b>	<b>Amount</b>	<b>Percentage</b>
Retail	3	4%
Food	55	68%
Drink	13	16%
Snack	10	12%
<b>Total</b>	<b>81</b>	<b>100%</b>

Source: Author

Referring to table 1 above, the business sector that dominates micro and small women entrepreneurs is the food and beverage sector, reaching 96% or 78 entrepreneurs, and the rest are retail traders. This is because businesses in the food and beverage sector can be run in their homes so that women entrepreneurs can carry out their dual roles. In addition, in the current state of the COVID-19 pandemic, based on the results of data collection during outreach activities, it is known that some micro and small women entrepreneurs experienced a decrease in data with the following data on Table 2.

Table 2. Decrease in Sales Turnover of Women Micro and Small Entrepreneurs

Decrease in sales turnover				Total Women Micro and Small Entrepreneur decrease in sales turnover	Total Women Micro and Small Entrepreneurs	Total Women Micro and Small Entrepreneurs which decreasing in sales turnover (%)	The sectors in experience a decrease in sales turnover (%)
	<10%	10%-20%	>20%				
Retail	0	2	0	2	3	67%	3%
Food	1	35	5	41	55	75%	69%
Drink	1	5	3	9	13	69%	15%
Snack	2	4	1	7	10	70%	12%
<b>Total</b>	<b>4</b>	<b>46</b>	<b>9</b>	<b>59</b>	<b>81</b>	<b>73%</b>	<b>100%</b>

Source: Author

However, regarding Table 2, it is known that 73% of micro and small women entrepreneurs experienced a decrease in sales turnover. Micro and small women entrepreneurs who experienced a decrease in sales turnover were: (i) 4 entrepreneurs experienced a decrease in sales turnover of less than 10%; (ii) 46 entrepreneurs experienced a 10% to 20% decline in sales turnover; (iii) 9 entrepreneurs experienced a decrease in sales turnover of more than 20%.

Therefore, this community service activity aims to motivate micro and small women entrepreneurs because women's business activities during the current covid-19 pandemic can support household finances so that the sustainability of the household economy can be appropriately maintained. Furthermore, several essential things conveyed in this socialization related to the mentality of micro and small women entrepreneurs who can maintain their business, among others: (i) Thinking positively about the current condition; (ii) Looking for opportunities to meet the needs and wants of customers and society; (iii) Optimistic that the current conditions can be passed.

### ***Success tips from women micro and small entrepreneurs who can increase their sales turnover during the covid-19 pandemic***

During the socialization activities for micro and small women entrepreneurs, it was also known that there were several micro and small entrepreneurs who were able to survive during the current covid-19 pandemic. Referring to table 2 above, it is known that there were 22 women micro and small entrepreneurs who did not experience a decrease in their sales turnover, or 27% of micro and small women entrepreneurs were able to maintain their sales turnover. Furthermore, from the 22 entrepreneurs, it is known that they have adapted the promotion and sales process using the E-Commerce application through WhatsApp groups, Facebook, Telegram, and Instagram. In fact, according to micro and small entrepreneurs, the use of E-Commerce can increase their sales turnover. This follows the opinion of (Intan et al., 2021) that the use of E-Commerce by micro and small entrepreneurs can help the marketing,

promotion, and sales processes. Therefore, this outreach activity provides information to women micro and small entrepreneurs who have not used E-Commerce in running their business related to the importance of having a bank account and also explains how to sell safely on E-Commerce.

In addition, this socialization activity was also conveyed to women micro and small entrepreneurs regarding the following matters: (i) Simple bookkeeping; (ii) The process of applying for a loan at the bank; (iii) The process of opening savings account at a bank; (iv) Effective marketing and promotion in E-Commerce; (v) Improving the quality of products and services through attractive packaging that meets health standards.

Furthermore, this socialization activity also conveyed the importance of micro and small women entrepreneurs in the covid-19 pandemic and industrial revolution 4.0 to have knowledge related to business potential based on financial technology, online business, cloud hosting, and on-demand services. In addition, if it is analyzed based on the age and education of micro and small women entrepreneurs who participated in the socialization activities, as on Table 3.

Table 3. Age and Education of Women Micro and Small Entrepreneurs

Age	Amount	Percentage	Education	Amount	Percentage
25-35	70	86%	Junior high school	0	0%
36-45	9	11%	Senior high school	30	37%
46-55	2	2%	Undergraduate	51	63%
<b>Total</b>	<b>81</b>	<b>100%</b>	<b>Total</b>	<b>81</b>	<b>100%</b>

Source: Author

Nevertheless, regarding table 3, it is known that 86% of micro and small women entrepreneurs who participated in the socialization were aged 25-35 years. Moreover, their education is 63% above senior high school. Therefore, the delivery of socialization to micro and small women entrepreneurs received a positive response from the participants. The majority of participants could understand it well. They thought this socialization was helpful and could potentially improve their business performance.

## Conclusion

Micro and small women entrepreneurs have contributed to sustaining household finances. Therefore, during the Covid-19 pandemic, the condition of most women micro and small entrepreneurs experienced a decline in their sales turnover, so a solution was needed to restore their sales turnover as in the period before the COVID-19 pandemic. On the other hand, micro and small women entrepreneurs during the Covid-19 pandemic can maintain their sales turnover and even increase their sales turnover through E-Commerce in marketing, promoting, and selling their products and services. In addition, this socialization activity has a positive impact. Therefore, participants think this socialization is beneficial. However, this activity

needs to be held again in technical guidance related to E-Commerce sales transactions. The limitation of this research is that the research object is limited to micro and small women entrepreneurs who participate in the socialization of community services held by Mercu Buana University in collaboration with North Meruya village, West Jakarta, Jakarta, Indonesia. Therefore, the suggestion for further research is to enlarge the study area to improve the results of this study which is still preliminary.

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