



Strategies for Improving the Economy of Creative MSMEs Communities in Bamboo Crafts in Binjai City from an Islamic Economic Perspective

Anggia Nurulita, Nurbaiti, Muhammad Ikhsan Harahap

Universitas Islam Negeri Sumatera Utara

Correspondence Email: nurulitaanggia@gmail.com

Keywords:

Community Economy; Creative MSMEs; Islamic Economic Perspective.

Abstract

In developing countries, MSMEs represent the largest economic sector capable of absorbing a significant proportion of the labor force. Currently, MSMEs are driven by a wave of creative economy that transforms natural resources that have no economic value into high-value products. As a result, people's income increases due to this economic activity. One of the creative MSMEs, the bamboo craft industry in Binjai city, is known as the center of the bamboo craft industry. However, the overall income of MSME players in the area has not shown a significant increase. This research aims to analyze the business strategies used and view them from an Islamic economic perspective. The research method is qualitative research with a SWOT analysis. Primary data was obtained from 10 bamboo craft MSME players in Binjai, while secondary data came from scientific publications and BPS of Binjai city. The results indicated that the business strategy employed by bamboo craft MSMEs in Binjai City is consistent with Islamic economic principles. The strategy derived from the SWOT analysis is the SO strategy, which focuses on capitalizing on market opportunities and optimizing strengths for product development. This research offers insights into how the creative economy can drive MSMEs and enhance community income, as well as how business strategies can be aligned with Islamic economic values to achieve sustainable success.

Kata Kunci:

Ekonomi masyarakat; UMKM kreatif; Perspektif ekonomi Islam.

Abstrak

Di negara-negara berkembang, UMKM merupakan sektor ekonomi terbesar yang mampu menyerap sebagian besar tenaga kerja. Saat ini, UMKM didorong oleh gelombang ekonomi kreatif yang mengubah sumber daya alam yang tadinya tidak memiliki nilai ekonomi menjadi produk bernilai tinggi. Akibatnya, pendapatan masyarakat meningkat karena kegiatan ekonomi ini. Salah satu UMKM kreatif, yaitu industri kerajinan bambu di kota Binjai, dikenal sebagai sentra industri kerajinan bambu. Namun, secara keseluruhan pendapatan pelaku UMKM di daerah tersebut belum menunjukkan peningkatan yang signifikan. Penelitian ini bertujuan untuk menganalisis strategi bisnis yang digunakan dan melihatnya dari perspektif ekonomi Islam. Metode penelitian yang digunakan adalah penelitian kualitatif dengan analisis SWOT. Data primer diperoleh dari 10 pelaku UMKM kerajinan bambu di Binjai, sedangkan data sekunder berasal dari publikasi ilmiah dan BPS kota Binjai. Hasil penelitian menunjukkan bahwa strategi bisnis yang dilakukan oleh UMKM kerajinan bambu di Kota Binjai telah sesuai dengan prinsip-prinsip ekonomi Islam. Strategi yang diperoleh dari analisis SWOT adalah strategi SO, yang berfokus pada memanfaatkan peluang pasar dan mengoptimalkan kekuatan untuk pengembangan produk. Penelitian ini menawarkan wawasan tentang bagaimana ekonomi kreatif dapat menggerakkan UMKM dan meningkatkan pendapatan masyarakat, serta bagaimana strategi bisnis dapat diselaraskan dengan nilai-nilai ekonomi Islam untuk mencapai kesuksesan yang berkelanjutan.

INTRODUCTION

The micro, small, and medium-sized enterprises (MSMEs) sector play a pivotal role in maintaining economic stability. This was evidenced in 1997 when Indonesia confronted an economic crisis. During this period, the MSME sector demonstrated resilience, continuing to operate despite the significant downturn experienced by large businesses. MSMEs represent an independent segment of the economy due to their comparatively lower reliance on financial support from banks. In developing countries, MSMEs typically represent the most extensive economic activity and have a significant capacity for job creation.¹

The presence of MSMEs in Indonesia has been demonstrated to be effective in addressing various economic challenges, including reducing unemployment, boosting income, alleviating poverty, narrowing income disparities, and enhancing overall welfare. Their ability to withstand economic turmoil and maintain operations during difficult times highlights the sector's importance in sustaining a stable and robust economy. Additionally, MSMEs contribute to social equity by providing opportunities for entrepreneurship and facilitating inclusive economic growth.²

MSMEs are independent and profitable businesses that operate across all sectors of the economy. They are driven by individuals or corporate organizations.³ The Law of the Republic of Indonesia Number 20 of 2008, which addresses MSMEs, defines them in detail as Micro, Small, and Medium Enterprises. This law identifies MSMEs as the backbone of the economy. Given their significant role in supporting the economic livelihood of communities, the growth and development of micro, small, and medium enterprises should be a central focus of the nation's economic strategy. Prioritizing MSMEs in economic development can lead to more sustainable and inclusive growth, benefiting individuals, families, and the broader economy.⁴

The creative economy is experiencing a period of significant growth among MSMEs. This sector encompasses economic activities driven by the creative industry, with an emphasis on intellectual property. Entrepreneurship plays a crucial role in the creative industry because entrepreneurs are often more creative and innovative. The creative economy generates ideas by focusing on human creativity, knowledge, and technology. Creativity is key at every stage, from design and production to marketing, allowing for the transformation of natural resources that initially lacked economic value into valuable products. This process can result in an increase in the income of individuals through the

¹ Tadjuddin Tadjuddin and Nur Mayasari, "Strategi Pengembangan UMKM Berbasis Ekonomi Kreatif Di Kota Palopo," *Dinamis : Journal of Islamic Management and Business* 2, no. 1 (April 17, 2019), <https://doi.org/10.24256/dinamis.v2i1.1004>.

² Nurbaiti Nurbaiti et al., "Behavior Analysis of MSMEs in Indonesia Using Fintech Lending Comparative Study between Sharia Fintech Lending and Conventional Fintech Lending," *JUPI (Jurnal Penelitian Pendidikan Indonesia)* 9, no. 4 (December 1, 2023): 92–99, <https://doi.org/10.29210/020232273>.

³ Abdul Halim, "Pengaruh Pertumbuhan Usaha Mikro, Kecil Dan Menengah terhadap Pertumbuhan Ekonomi Kabupaten Mamuju," *GROWTH Jurnal Ilmiah Ekonomi Pembangunan* 1, no. 2 (April 25, 2020): 157–72.

⁴ Imsar Imsar and Rizky Febrian Saragih, "Kinerja Lembaga Keuangan Syariah Terhadap Pelaku UMKM Untuk Pertumbuhan Ekonomi," *Jurnal Penelitian Ilmu Ekonomi Dan Kenangan Syariah* 1, no. 4 (August 31, 2023): 01–07, <https://doi.org/10.59059/jupiekes.v1i4.385>.

generation of economic activities.⁵

The creative economy is currently comprised of 17 subsectors, including game development, architecture, interior design, music, fine arts, product design, fashion, culinary arts, film, animation and video, photography, visual communication design, television and radio, crafts, advertising, performing arts, and applications. Among these, the creative crafts industry stands out as a leader, with its focus on leveraging creativity to generate welfare and employment opportunities.⁶

The creative industry is more resilient to the shocks of the global financial crisis than other sectors. This resilience stems from its reliance on human inventiveness and adaptability.⁷ The creative economy and creative industries share common characteristics, as both engage in economic activities that use human creativity as a primary resource to generate added economic value. By focusing on innovation and creativity, these industries contribute to sustainable growth and provide a robust framework for navigating economic uncertainties.

Moreover, the strength of the creative economy is regarded as a crucial factor in enhancing and reinforcing Indonesia's national identity. This is due to its distinctive capacity to integrate concepts, artistic expressions, technological advancements, and cultural developments that originate from local communities. By supporting the creative economy, Indonesia stands to benefit from multiple perspectives, including fostering people-centric economic growth, promoting efficient use of natural resources, and reinforcing cultural identity, all of which contribute to the broader sense of national identity.

The creative economy sector also plays a pivotal role in generating employment opportunities and improving living standards within the communities it serves. Furthermore, government institutions recognize the sector's potential to produce eco-friendly products, contributing to the development of relevant green technologies. This dual focus on sustainability and cultural heritage underscores the significance of the creative economy in driving not only economic growth but also environmental consciousness and cultural continuity.⁸

The 2020 OPUS Creative Economy report, published by the Ministry of Tourism and Creative Economy/Tourism and Creative Economy Agency, indicates that the creative economy subsector contributed IDR 1.211 trillion to Indonesia's GDP.⁹ This contribution was largely derived from three key sectors: culinary, fashion, and handicrafts. Moreover, the 2019 Performance Report from the Creative Industry Agency highlighted additional achievements, noting that the creative industry employed 19.01 million people and generated exports

⁵ Isnaini Harahap, Zuhri M. Nawawi, and Eli Sugiarto, "Industri Kreatif UMKM (Usaha Mikro Kecil Dan Menengah) Di Kota Medan Dalam Perspektif Ekonomi Islam," *Jurnal Ilmiah Ekonomi Islam* 8, no. 2 (July 13, 2022): 1991–97, <https://doi.org/10.29040/jiei.v8i2.5796>.

⁶ I Gusti Bagus Arjana, *Geografi Pariwisata Dan Ekonomi Kreatif*, Edisi 1 Ce (Jakarta: Rajawali Pers, 2016).

⁷ Suryana, *Ekonomi Kreatif, Ekonomi Baru: Mengubah Ide Dan Menciptakan Peluang* (Bandung: Salemba Empat, 2013).

⁸ Muhammad Syahbudi, *Ekonomi Kreatif Indonesia: Strategi Daya Saing UMKM Industri Kreatif Menuju Go Global (Sebuah Riset Dengan Model Pentabelix)*. (Medan: Merdeka Kreasi Group, 2021).

⁹ Kemenparekraf, "Indonesia Menjadi Inisiator Tahun Internasional Ekonomi Kreatif Dunia," March 5, 2021, <https://www.kemenparekraf.go.id/ragam-ekonomi-kreatif/Indonesia-Menjadi-Inisiator-Tahun-Internasional-Ekonomi-Kreatif-Dunia>.

valued at 22.07 billion USD.¹⁰ These statistics underscore the significant role the creative economy plays in driving Indonesia's economic growth and providing employment opportunities across a diverse range of industries.

Binjai City has the potential to develop a significant creative economy MSMEs sector. As the third-largest city for creative economy activity in North Sumatra, Binjai accounts for 3.68% of the sector, trailing behind Medan City with 54.93% and Deli Serdang Regency with 14.94%. Among the notable creative economy MSMEs in Binjai are those specializing in bamboo crafts, which include both woven bamboo and bamboo furniture.¹¹

Woven bamboo crafts in Binjai encompass a diverse range of products, including baskets, *tampah* (traditional trays), bags, rice baskets, tissue boxes, food covers, and other functional items. In contrast, bamboo furniture is focused on home furnishing items such as tables, chairs, and related products. These bamboo-based MSMEs represent a significant component of Binjai's creative economy, contributing to the city's economic growth and showcasing its cultural heritage through craftsmanship.¹²

Data from the Central Statistics Agency (BPS) of Binjai City indicate that the production of woven bamboo and bamboo furniture is among the city's leading industries. The creative economy in Binjai is quite diverse, with six key products identified as its top outputs, based on the collected data:¹³

Table 1 Featured Production of Binjai City

| No | Types of industrial products | Unit | Production amount | | |
|----|------------------------------|-------|-------------------|-------------|------------|
| | | | 2020 | 2021 | 2022 |
| 1. | Woven bamboo | Fruit | 1.407.081 | 1.407.081 | 456.333 |
| 2. | Border embroidery | Fruit | 166.884 | 166.884 | 29.705 |
| 3. | Bamboo furniture | Set | 86.764 | 86.764 | 907.408 |
| 4. | Textile goods | Fruit | 907.408 | 907.408 | 712.450 |
| 5. | Crackers/opaque | Kg | 140.180.921 | 140.180.921 | 21.879.350 |
| 6. | Weaving | Sheet | 2.489 | 2.489 | 1.745 |

Source: Central Bureau of Statistics Binjai City, (2020-2021)

Table 1 indicates that the number of flagship productions in Binjai City remained stable between 2020 and 2021. However, in 2022, there were fluctuations in production across various industries. The cracker industry emerged as the largest flagship production, followed by woven bamboo, which experienced a significant decrease in 2022, from 1,407,081 pieces to 456,333 pieces. Notwithstanding this decline, the production of bamboo-based products, including woven bamboo and bamboo furniture, continues to demonstrate considerable demand.

¹⁰ Haswan Yunas, et al, *Ekonomi Kreatif* (Padang: Get Press, 2022).

¹¹ Adimas Raka Durmasema, Akbar Yogi Nur, and Pratama Jery Hardian Rendisky, *Statistik Ekonomi Kreatif 2020*, Cetakan Pertama (Jakarta: Pusat Data dan Sistem Informasi Badan Pariwisata dan Ekonomi Kreatif, 2020).

¹² Siti Khadijah Hidayati Nasution, Sinar Indra Kesuma, and Suzanna Fitriany Sitepu, "Development Training Employers' Group Bamboo," *Abdimas Talenta: Jurnal Pengabdian Kepada Masyarakat* 2, no. 1 (2017): 1–5, <https://doi.org/10.32734/abdimastralenta.v2i1.2097>.

¹³ Badan Pusat Statistik Kota Binjai, *Kota Binjai Dalam Angka 2023* (Binjai: Badan Pusat Statistik, 2023), <https://binjaikota.bps.go.id/publication/2023/02/28/cb98a71b38b8987216f0134f/kota-binjai-dalam-angka-2023.html>.

The table suggests that bamboo-based products have significant growth potential, given the abundant availability of raw materials and the sustained public interest. This demand underscores the need for further development in the bamboo crafts industry, which can be facilitated by leveraging the natural resources available in the region. By focusing on bamboo crafts, there is an opportunity for substantial economic growth, which can positively impact regional revenue.

Furthermore, fostering the growth of bamboo weaving crafts can have a broader societal impact. It can lead to improved economic conditions for MSME communities, particularly for artisans and craftsmen engaged in bamboo-related production. Investment in this sector can create employment opportunities, stimulate local economies, and promote the traditional craftsmanship that has been a hallmark of the Binjai region.

The Indonesian dictionary defines "improvement" as progress, modification, or refinement. Meanwhile, "economics" refers to the science related to the production, distribution, and utilization of various goods and resources, encompassing fields such as finance, industry, and trade. From these definitions, it can be concluded that economic improvement involves transitioning from a weaker state to a more advanced economy.

The management of household finances in a more effective manner, to ensure the satisfaction of basic needs, is frequently regarded as a component of economic improvement. This progress represents a transition toward greater economic stability and growth, indicating an enhanced quality of life and an economy that is more robust than before.¹⁴

The creative economy represents a novel economic force that shapes individuals' lives through the generation of economic value-added goods derived from creative ideas. This concept is exemplified in a study titled "Creative Economy Development Based on Local Wisdom: Pandanus Handicraft in Facing the Modern Market Economic Perspective (Case Study at Pandanus Nusa Sambisari, Yogyakarta)".¹⁵ This research elucidates how innovative approaches can yield economic benefits through the creation of distinctive products derived from local resources.

Similarly, a study titled "Woven Bamboo (Awi Bamban) and Tappan Cloth: Preserving the Local Wisdom of the Sai Batin Indigenous People at the Kekhatuan Semaka Traditional Museum, Tanggamus Lampung" demonstrates that community-based bamboo crafts have the potential to improve the socio-economic conditions of the local population. The findings indicate that these traditional crafts can serve as valuable resources, not only for the preservation of cultural heritage but also for the strengthening of the community's social and economic capacity. This dual focus on cultural preservation and economic growth underscores the potential impact of the creative economy on local and broader economic

¹⁴ Widi Ramadanti, "Peran Home Industry Rotan Dalam Meningkatkan Kesejahteraan Tenaga Kerja Di Desa Bodesari Kecamatan Plumbon Kabupaten Cirebon Menurut Perspektif Hukum Ekonomi Syariah." (IAIN Syekh Nurjati Cirebon, 2021).

¹⁵ Siti Nur Azizah and Muhfiatun Muhfiatun, "Pengembangan Ekonomi Kreatif Berbasis Kearifan Lokal Pandanus Handicraft Dalam Menghadapi Pasar Modern Perspektif Ekonomi Syariah (Study Case Di Pandanus Nusa Sambisari Yogyakarta)," *Aplikasia: Jurnal Aplikasi Ilmu-Ilmu Agama* 17, no. 2 (February 12, 2018): 63, <https://doi.org/10.14421/aplikasia.v17i2.1273>.

landscapes.¹⁶

However, empirical evidence suggests otherwise. The income generated by bamboo handicraft MSMEs is insufficient to meet their daily expenses and has not resulted in any notable improvements in their economic status. The utilization of bamboo materials in traditional markets and societies has undergone significant changes alongside the evolution of traditional culture and biotechnology. Bamboo has been supplanted by other materials, such as plastic furniture, cloth hats, iron shelves, and other items.

Table 2 income of creative MSME actors in bamboo crafts

| No | Name | Revenue 2022 | Revenue 2023 |
|-----|-----------|----------------|----------------|
| 1. | Abdullah | IDR 36,000,000 | IDR 30,500,000 |
| 2. | Mahmuddin | IDR 9,000,000 | IDR 15,000,000 |
| 3. | Waskito | IDR 11,500,000 | IDR 14,000,000 |
| 4. | Hazzizah | IDR 7,220,000 | IDR 10,000,000 |
| 5. | Dawn | IDR 6,000,000 | IDR 10,000,000 |
| 6. | Samsul | IDR 7,550,000 | IDR 4,500,000 |
| 7. | Herianto | IDR 40,000,000 | IDR 37,000,000 |
| 8. | Retno | IDR 22,800,000 | IDR 20,000,000 |
| 9. | Prabu | IDR 29,500,000 | IDR 30,000,000 |
| 10. | Mind | IDR 8,000,000 | IDR 5,500,000 |

Source: Interview with bamboo craft MSME actors in Binjai City, (2024)

Table 2 above illustrates that from 2022-2023, the income of bamboo entrepreneurs exhibited fluctuations. Despite the significant impact of economic improvement on the sustainability of both individuals and companies, as income levels rise, so too does the capacity of individuals and companies to meet their expenses and needs. The size of an individual's income is influenced by a multitude of factors, including age, gender, talent, experience, and education.¹⁷ An increase in income enables a community to enhance its members' purchasing power, thereby facilitating the financing of basic and social daily necessities.

Bamboo craft MSMEs in Binjai City have implemented a range of strategies to expand their businesses. These include participation in exhibitions at the North Sumatra Fair (PRSU), other local exhibitions, national exhibitions, and even international events. Additionally, they engage in training sessions organized by government institutions. Despite these efforts, the overall economic advancement of the bamboo craft MSMEs has not been as substantial as expected, as evidenced by the income data presented earlier. This indicates that while such activities can contribute to business visibility and skill development, they may not be sufficient to drive significant economic improvement across the sector. Further measures may be necessary to stimulate growth and support the bamboo craft MSMEs in achieving sustainable economic progress.

¹⁶ Bartoven Vivit Nurdin, Damar Wibisono, and Handy Mulyaningsih, "Anyaman Bambu (Awi Bamban) Dan Kain Tappan: Merawat Kearifan Lokal Masyarakat Adat Sai Batin Di Museum Adat Kekhatuan Semaka, Tanggamus Lampung," *Nengah Nyappur*, no. 1 (2021): 1–26.

¹⁷ Abdul Hakim, "Pengaruh Biaya Produksi Terhadap Pendapatan Petani Mandiri Kelapa Sawit Di Kecamatan Segah," *Jurnal Ekonomi STIEP* 3, no. 2 (November 27, 2018): 31–38, <https://doi.org/10.54526/jes.v3i2.8>.

In operating a business, bamboo craft MSMEs face a variety of challenges that can impede their growth and reduce their income. These obstacles include insufficient capital for business development, a shortage of skilled experts, fluctuating raw material prices, and limited production equipment, often outdated, which creates difficulties when fulfilling large orders. Additionally, these businesses encounter issues related to product marketing and a lack of product innovation, leading to increased competition among local bamboo craft entrepreneurs.¹⁸

Considering these challenges, the government and relevant organizations must prioritize the provision of adequate financing and educational resources for MSMEs. This will enable them to become more competitive with other economic actors. Future government initiatives should aim to support the expansion and development of MSMEs, offering them the tools and resources needed to overcome these barriers and succeed in a dynamic market. By addressing these issues, the bamboo craft MSMEs can contribute more significantly to the economy while ensuring sustainable growth for their businesses.

The aforementioned background information on MSMEs provides a suitable basis for the application of the SWOT method. This method is employed to assist bamboo craft MSMEs players in Binjai in developing effective strategies for business growth. The SWOT analysis enables the identification of strengths, weaknesses, opportunities, and threats that the company may encounter, thereby facilitating the formulation of a targeted approach to economic improvement.¹⁹

A SWOT analysis is the foundation for the creation of a corporate strategy because a company cannot determine a development strategy if it does not know the various factors that affect the organization and its environment. The analysis of successes and failures that have been experienced can be used as a summary of future strategies, serving as the initial stage in the development of the strategy.²⁰ The internal and external elements are factors of SWOT analysis in the corporate environment. Threats and opportunities in the corporate environment are examples of external influences. Internal factors include the company's strengths and weaknesses, which can be assessed based on the internal environment.²¹ Furthermore, a strategy that is guided by Islamic values is also necessary in all decision-making processes. This ensures that the business runs well and can bring benefits not only to the world but also to the hereafter. In light of the aforementioned explanations, the researcher is interested in further discussing the research entitled " Strategies for Improving the Economy of Creative MSMEs Communities in Bamboo Crafts in Binjai City from an Islamic Economic Perspective."

¹⁸ Abdullah, Creative MSME entrepreneurs-Bamboo crafters 1, interview by Anggia Nurulita, January 9, 2024; Sudiarti, Creative MSME entrepreneurs-Bamboo crafters 2, interview by Anggia Nurulita, January 9, 2024; Herianto, Creative MSME entrepreneurs-Bamboo crafters 3, interview by Anggia Nurulita, January 11, 2024.

¹⁹ Angelica Tamara, "Implementasi Analisis SWOT Dalam Strategi Pemasaran Produk Mandiri Tabungan Bisnis," *Jurnal Riset Bisnis Dan Manajemen* 4, no. 3 (July 20, 2016), <https://ejournal.unsrat.ac.id/v3/index.php/jrbm/article/view/12751>.

²⁰ Myroslava Hladchenko, "SWOT Analysis as The First Stage of The Process of The Strategic Management of The European Higher Education Institutions," *Euromentor Journal - Studies about Education*, no. 01 (2014): 47–65. <https://www.ceeol.com/search/article-detail?id=295748>.

²¹ Difana Meilani and Roby Febrinaldo, "Strategi Pengembangan Usaha Kecil Menengah Produk Olahan Coklat," *Seminar Nasional Teknologi Informasi Komunikasi Dan Industri*, November 9, 2016, <https://ejournal.uin-suska.ac.id/index.php/SNTIKI/article/view/2782>.

RESEARCH METHODS

Qualitative research is employed in this study because it allows for a scientific exploration of phenomena in a natural setting, emphasizing in-depth interaction between researchers and the subjects being studied. In this context, the term "natural" means that qualitative research takes place in an environment without any artificial manipulation or intervention by the researcher. This method provides a more authentic and comprehensive understanding of the topic at hand.²²

The objective of this study is to identify effective strategies for creative economy MSMEs in Binjai City to grow and develop their businesses. Qualitative research is employed to gain deeper insights into the challenges and opportunities faced by these enterprises, drawing from real-world experiences and perspectives. This approach enables a more nuanced analysis of the strategies that could be beneficial for MSMEs in Binjai City as they strive for business growth and success.

In this study, two distinct types of data were employed: primary and secondary. Primary data is obtained directly from research participants through the use of measuring instruments or the direct collection of data about the information required. In contrast, secondary data is data that does not provide documents. Primary data was gathered through interviews with 10 creative MSME actors engaged in bamboo crafts in Binjai City. Secondary data was obtained from scientific publications related to MSMEs and publications from related agencies, namely the Central Statistics Agency (BPS). The subsequent steps include data collection and processing, as well as the utilization of SWOT analysis to identify matrices using EFE, IFE, and EI matrices.²³

RESULTS AND DISCUSSION

Bamboo crafting is a traditional Indonesian art form that can be found in various regions, including North Sumatra. In this province, Binjai City is known for its bamboo crafts, a trade that has been practiced for over five to fifteen years and has been handed down through generations.²⁴ The bamboo craft industry in Binjai consists of small to medium-sized businesses. This craft has persisted due to the steady demand for bamboo-based products.

Bamboo crafts from Binjai are marketed not only within the city but also in other regions, such as Langkat, Deli Serdang, Medan, and additional cities in North Sumatra. While some products, such as bamboo furniture, have reached international markets, the volume of exports remains relatively low.²⁵

Nevertheless, the enduring popularity of bamboo crafts in Binjai is a testament to the quality and appeal of these handmade products. To enhance the penetration of the international market, further endeavors may be necessary, including the implementation of

²² Zuchri Abdussamad, *Metode Penelitian Kualitatif*, Cetakan I (Makasar: Syakir Media Press, 2021).

²³ Anissa Mayang and Shinta Ratnawati, "Analisis SWOT Dalam Menentukan Strategi Pemasaran (Studi Kasus Di Kantor Pos Kota Magelang 56100)," *Jurnal Ilmu Manajemen* 17, no. 2 (2020): 58–70, <https://doi.org/10.21831/jim.v17i2.34175>.

²⁴ Tri Suci Rahmat, "Analisis Kerajinan Anyaman Bambu Ditinjau Dari Teknik, Bentuk, Dan Fungsi Di Industri Kerajinan Bunga Matahari Di Binjai" (Medan, Universitas Negeri Medan, 2016), <https://digilib.unimed.ac.id/id/eprint/6059/>.

²⁵ Triyana Yolanda, Fiddini Alham, and Muslimah Muslimah, "Analisis Struktur Biaya Dan Nilai Tambah Bambu Menjadi Anyaman Bambu (Studi Kasus: Sanggar Kreatif Bunga Matahari) Di Kota Binjai," *Journal of Global Sustainable Agriculture* 1, no. 1 (December 30, 2020): 30–34, <https://doi.org/10.32502/jgsa.v1i1.3112>.

enhanced marketing strategies, the expansion of production capacity, and the expansion of outreach to new markets. Nevertheless, the existing reach of bamboo crafts demonstrates the potential for growth and the possibility of broader recognition for these traditional Indonesian products.

Bamboo crafts continue to be produced today, but the bamboo craft industry in Binjai City has not seen significant growth, especially in terms of its impact on the local economy. Several factors contribute to this stagnation. Bamboo craft entrepreneurs face obstacles such as limited innovation and the use of simple tools, which hinder their ability to meet higher demand. The profits generated by these MSMEs are often enough to cover daily expenses, but the industry lacks the growth and dynamism to attract younger participants. Bamboo weaving is typically carried out by older adults to fill their leisure time, which results in a scarcity of younger individuals who might bring fresh ideas and energy to the craft.

Involving young people in bamboo weaving could help boost innovation and ensure the sustainability of this traditional craft. Another issue faced by MSME operators is the limited marketing reach, as they mostly rely on direct sales to local consumers at the point of transaction. Many MSMEs are not capitalizing on modern technology and online sales platforms to expand their market reach. If they utilized online marketing and e-commerce, it would enhance their capacity to connect with a more extensive customer base, facilitating easier transactions and potentially driving business growth.²⁶

By adopting online sales strategies and embracing technology, MSMEs in the bamboo craft industry can enhance their market presence, thus stimulating growth. These measures can assist the industry in attracting new talent, stimulating innovation, and enhancing the economic impact of bamboo crafts in Binjai City.

Economic Improvement Strategy for Creative MSME Community Bamboo Crafts in Binjai City

Based on the data, the majority of bamboo craft MSMEs are Muslims with an average of 5-15 years of trading experience. These enterprises range from small to large scale. In addition, the marketing strategies adopted by the bamboo craft MSMEs include the following:²⁷

1. **Product Development Strategy**

Product development is a strategy that focuses on increasing sales by improving or modifying existing products. In the case of the bamboo handicraft industry in Binjai City, a cottage industry primarily engaged in selling bamboo goods, prioritizing product quality is critical. MSMEs in this sector closely monitor market trends and consumer preferences to ensure that their product designs appeal to potential customers and attract both new and repeat buyers. The product development strategy involves

²⁶ Nadya Haryanti, Nurbaiti Nurbaiti, and Muhammad Ikhsan Harahap, "Analysis of E-Commerce and Fintech Applications in Promoting UMKM Development in Padangsidempuan," *Moneter: Jurnal Keuangan Dan Perbankan* 11, no. 2 (August 18, 2023): 147–56, <https://doi.org/10.32832/moneter.v11i2.316>.

²⁷ Abdullah, Creative MSME entrepreneurs-Bamboo crafters 1; Sudiarti, Creative MSME entrepreneurs-Bamboo crafters 2; Herianto, Creative MSME entrepreneurs-Bamboo crafters 3; Waskito, Creative MSME entrepreneurs-Bamboo crafters 4, interview by Anggia Nurulita, January 11, 2024; Mahmudin, Creative MSME entrepreneurs-Bamboo crafters 5, interview by Anggia Nurulita, January 13, 2024.

creating quality products that meet the needs of the community.

Examples of product development in this context include combining bamboo with other materials such as wood, or adding foam to bamboo chairs to improve comfort. By adapting to market preferences and continuously refining their products, MSMEs in the bamboo handicraft industry can create appealing goods that attract a broader customer base and increase sales. This approach demonstrates the importance of innovation and quality in remaining competitive in a dynamic market.

2. Pricing Strategy

The pricing strategy of the bamboo artisans is quite reasonable, with prices adjusted according to the size of the products offered, making them affordable to a wide range of consumers. In order to encourage sales, prices are not set too high, as vendors prefer to make smaller profits from larger sales volumes. This approach aims to attract a wider customer base by keeping prices accessible.

Bamboo craft MSMEs typically offer different prices to regular customers and those who place bulk orders. This tiered pricing structure allows them to cater to different market segments while encouraging repeat business and bulk sales. By offering affordable prices and incentivizing bulk purchases, these MSMEs can increase their sales while maintaining a steady revenue stream.

3. Marketing Strategy

In order to increase sales, effective promotion is crucial to increase the sales of bamboo handicrafts. However, many MSMEs have yet to implement a consistent strategy. Despite this, some bamboo craft MSMEs have begun to use social media as a sales and marketing platform, demonstrating a creative approach to reaching potential customers.

In addition to using social media, bamboo artisans are expanding their marketing reach through other methods. These include partnering with business owners in different regions and working with local governments to participate in product exhibitions. By making these connections, bamboo artisan MSMEs can access new markets and create broader visibility for their products. While these approaches are still evolving, they show promise for increasing the sales and market presence of bamboo handicrafts.

4. Service Strategy

To meet the growing demand, merchants need to maximize their sales efforts. MSMEs employ various service strategies to achieve this goal. These strategies include being patient with customers, being friendly and approachable, maintaining a smiling demeanor, ensuring prompt service, creating a positive impression, and making shoppers feel comfortable during their shopping experience. These efforts are designed to foster a sense of appreciation among shoppers and increase their overall satisfaction with the shopping process.

The Role of the Creative Economy of Bamboo Handicrafts in the Improvement of the Economy of MSME Communities in the City of Binjai

The creative economy plays an important role in a nation's economy by increasing income, creating jobs, increasing export earnings, advancing technology, adding intellectual property, and contributing to various social functions. Similarly, in Binjai city, the creative economy contributes to the income of bamboo handicraft MSMEs. However, not all bamboo handicraft MSMEs in Binjai City have experienced stable economic growth, as they face various obstacles that can affect their business operations and consequently their income. These obstacles can include fluctuating market demand, limited access to resources, competition, and other external factors that can hinder the consistent growth of these businesses. While the creative economy has potential, addressing these challenges is critical for the sustainable development of MSMEs in the sector.

The results of an interview with one of the informants of the creative business actors, Mr. Abdullah, said that:

"From making bamboo furniture that I make with creativity that other sellers do not have, making my consumers increase so that income increases, thank God it can meet the daily needs of the family. From what used to be around Rp 500,000.00 until now the average income can be Rp 3,000,000.00 every month. I can also open jobs and recruit employees from the business that I run."²⁸

One of Abdullah's workers, Ms. Surti, shared that her job as a bamboo craftswoman has increased her income, although the amount is not always the same due to the wholesale system. "Before working here, I used to sell soup noodles with fried food. The income was irregular. Here, because the system is wholesale, I can earn more when the production volume increases, which gives me a more stable income," she explained. "Most of the workers here are housewives. Instead of staying at home, working here gives us a decent amount of money to help our families," she added, noting that this employment opportunity provides a way for these women to contribute to their household income."²⁹

Similarly, Mr. Herianto, another MSME player in bamboo handicrafts, experienced significant growth in his business. He shared, "The bamboo business I run, which focuses on household furniture, is popular among consumers because it meets their expectations, resulting in an increase in my income. Before, my monthly income was around IDR 1,000,000. Now it averages IDR 3,000,000 and can even reach IDR 6,000,000 during the end of the year or holiday season."³⁰

Mr. Herianto added that the increased income not only allows him to cover household expenses, but also to fund his children's education - one has graduated from college while the other is still in high school. In addition, his business has created employment opportunities for local residents with furniture-making skills to help fulfill customer orders. The furniture Mr. Herianto produces is not only popular in the local region, but is also exported to other areas, indicating the success and reach of his business.

²⁸ Abdullah, Creative MSME entrepreneurs-Bamboo crafters 1.

²⁹ Sudiarti, Creative MSME entrepreneurs-Bamboo crafters 2.

³⁰ Herianto, Creative MSME entrepreneurs-Bamboo crafters 3.

The bamboo-based creative economy in Binjai City provides additional income for MSME players and creates job opportunities for local craftsmen. However, there are fluctuations in demand throughout the year. Mr. Waskito explained that the demand for bamboo crafts varies depending on the month. "Alhamdulillah, there's a cycle every year. Some months are busy, some months are quiet, and this cycle is consistent. So, if you ask whether it's stable, it can't be said to be entirely stable." This cyclical nature of demand suggests that while the bamboo craft industry contributes to the economy, there are periods of unpredictability that business owners and craftsmen must navigate.³¹

On the other hand, Mr. Mahmudin, who has been in business for about 9 years, shared that his company has not seen significant progress. "If you ask if the business is stagnant, it's not quite that. If you ask if it's moving forward, it's not quite that either. It's more like walking, just going through the motions," he explained. According to Mr. Mahmudin, his business hasn't generated a steady income, which he attributes in part to a lack of government support, both in terms of capital and training. This lack of steady growth and inadequate support reflects some of the challenges faced by small business owners and underscores the need for more comprehensive support to help them achieve sustainable success.³²

The narratives of various MSME actors suggest that the presence of the creative economy -in this case, creative bamboo handicrafts- can provide economic benefits to MSME actors. These benefits extend to the creation of jobs that help meet the needs of both the business owners and the people employed in the sector. However, the success of the business tends to fluctuate from month to month. This inconsistency creates a level of uncertainty for these businesses.

In addition, a major challenge faced by MSMEs in the bamboo craft sector is limited access to capital and training resources. This constraint underscores the need for continued support from the government and relevant agencies. Such support could enable MSMEs to secure financing, improve their skills, and ultimately increase the stability and growth potential of their businesses. Without this support, MSMEs may struggle to overcome obstacles and achieve long-term success.

SWOT Analysis (*strengths, Weaknesses, Opportunities, Threats*)

SWOT analysis is a strategic planning tool used by organizations to identify their strengths, weaknesses, opportunities, and threats in order to achieve specific goals. In this study, direct research data was used to identify the internal and external factors affecting the creative bamboo craft MSMEs in Binjai City. By examining these factors, the study aims to understand the dynamics affecting these MSMEs, which could guide the development of strategies to enhance their success and competitiveness. The use of SWOT analysis provides a structured framework for assessing the business environment and identifying key areas for improvement and growth.

³¹ Waskito, Creative MSME entrepreneurs-Bamboo crafters 4.

³² Mahmudin, Creative MSME entrepreneurs-Bamboo crafters 5.

To identify a company's strengths, weaknesses, opportunities, and threats, it's important to examine both internal and external elements. Internal factors refer to the company's strengths and weaknesses. While weaknesses can create challenges for a company, strengths can contribute to its success. External factors include opportunities and threats that can affect the organization. Opportunities are favorable external conditions that the organization can take advantage of, while threats are external challenges that can hinder the organization's ability to achieve its goals.

The internal and external factors relevant to the creative bamboo craft MSMEs in Binjai City were analyzed and are presented in the following table:

Table 3 Internal and external factors of creative bamboo craft MSMEs in Binjai City

| No | Kind | Concept | Indicators |
|----|----------------------|------------------|--|
| 1. | <i>Strength</i> | Internal factors | <ul style="list-style-type: none"> a. The acquisition of raw materials is straightforward. b. The product design is distinctive and offers multiple functional advantages. c. The bamboo woven products are of the highest quality. d. The products are manufactured by professional craftsmen and experts in their field. e. The product prices are competitive with the market. |
| 2. | <i>Weakness</i> | Internal factors | <ul style="list-style-type: none"> a. A reduction in public interest in purchasing bamboo handicraft products. b. A lack of product innovation. c. Limited access to overseas marketing. d. Minimal government support in the form of capital and training. e. A production process constrained by makeshift equipment that is less modern. |
| 3. | <i>Opportunities</i> | External factors | <ul style="list-style-type: none"> a. An increase in the number of purchasers of bamboo craft and handicraft products. b. A commitment to the empowerment of bamboo craftsmen through the provision of training and access to a broad market. c. The growth of the economy of the bamboo craft creative MSMEs community in the city of Binjai. d. The establishment of training programs for young people who wish to learn bamboo craft-making techniques, thereby fostering the emergence of numerous innovations. e. The introduction of new products through regular exhibition activities or through e-commerce. |
| 4. | <i>Threats</i> | External factors | <ul style="list-style-type: none"> a. Customers switch to cheaper substitute products. b. It is difficult to meet large amounts of demand. c. There is a decline in consumer confidence. d. There is a great deal of competition between local bamboo MSMEs entrepreneurs. e. There is a great dependence on bamboo raw material suppliers. |

Source: Data processed by the author, (2024).

Table 4 Internal Factor Evaluation (IFE) matrix value calculation

| No | External factors | Weight | Rating | Score |
|------------------|---|---------------|--------|---------------|
| <i>Strength</i> | | | | |
| 1. | The acquisition of raw materials is straightforward. | 0,1269 | 3 | 0,3807 |
| 2. | The product design is distinctive and offers multiple functional advantages. | 0,1191 | 3 | 0,3573 |
| 3. | The bamboo woven products are of the highest quality. | 0,1349 | 3 | 0,4047 |
| 4. | The products are manufactured by professional craftsmen and experts in their field. | 0,1429 | 4 | 0,5716 |
| 5. | The product prices are competitive with the market. | 0,1309 | 3 | 0,3927 |
| Subtotals | | 0,6547 | | 2,1070 |
| <i>Weakness</i> | | | | |
| 1. | A reduction in public interest in purchasing bamboo handicraft products. | 0,0595 | 2 | 0,1190 |
| 2. | A lack of product innovation. | 0,0596 | 2 | 0,1192 |
| 3. | Limited access to overseas marketing. | 0,0833 | 2 | 0,1666 |
| 4. | Minimal government support in the form of capital and training. | 0,0477 | 1 | 0,0476 |
| 5. | A production process constrained by makeshift equipment that is less modern. | 0,0952 | 2 | 0,1904 |
| Subtotals | | 0,3453 | | 0,6428 |
| | TOTAL | 1 | | 2,7498 |

Source: Data processed by the author, (2024).

The total value of internal factors, derived from the IFE (Internal Factor Evaluation) matrix in Table 4, is 2.7498. This indicates that if the IFE score is below 2.5, the company is in a weak position, whereas a score above 2.5 suggests a strong internal position. The IFE matrix value of 2.7498 demonstrates that Bamboo MSMEs are in a relatively strong position.

The weighted value for the strength component is 0.5716, indicating that the primary strength of Bamboo MSMEs is the skilled craftsmen who are experts in their field. This key strength needs to be preserved to maintain a competitive advantage. Conversely, the weakness factor has a weighted score of 0.1904, indicating that the main weakness of Bamboo MSMEs is the production process, which is hampered by outdated machinery. It is therefore imperative to address this issue, as it represents a significant constraint on the growth and efficiency of Bamboo MSMEs.

Table 5 Calculation of External Factor Evaluation (EFE) Value

| No | External factors | Weight | Rating | Score |
|----------------------|---|--------|--------|--------|
| <i>Opportunities</i> | | | | |
| 1. | An increase in the number of purchasers of bamboo craft and handicraft products. | 0,1406 | 4 | 0,5624 |
| 2. | A commitment to the empowerment of bamboo craftsmen through the provision of training and access to a broad market. | 0,1285 | 3 | 0,3855 |

| | | | | |
|------------------|--|---------------|---|---------------|
| 3. | The growth of the economy of the bamboo craft creative MSMEs community in the city of Binjai. | 0,1406 | 4 | 0,5624 |
| 4. | The establishment of training programs for young people who wish to learn bamboo craft-making techniques, thereby fostering the emergence of numerous innovations. | 0,0803 | 2 | 0,1606 |
| 5. | The introduction of new products through regular exhibition activities or through e-commerce. | 0,1285 | 3 | 0,3855 |
| Subtotals | | 0,6185 | | 2,0564 |
| <i>Threats</i> | | | | |
| 1. | Customers switch to cheaper substitute products. | 0,0723 | 2 | 0,1446 |
| 2. | It is difficult to meet large amounts of demand. | 0,0924 | 2 | 0,1848 |
| 3. | There is a decline in consumer confidence. | 0,0803 | 2 | 0,1606 |
| 4. | There is a great deal of competition between local bamboo MSMEs entrepreneurs. | 0,0803 | 2 | 0,1606 |
| 5. | There is a great dependence on bamboo raw material suppliers. | 0,0562 | 1 | 0,0562 |
| Subtotals | | 0,3815 | | 0,6704 |
| TOTAL | | 1 | | 2,7268 |

Source: Data processed by the author, (2024).

The total internal factor scores of 2.7268 is calculated from the EFE (External Factor Evaluation) matrix in Table 5. If the IFE (Internal Factor Evaluation) score is below 2.5, it suggests that the company is in a weak position, while a score above 2.5 indicates a strong internal position. The IFE value for Bamboo MSMEs is above 2.5, signifying a relatively strong internal foundation.

Regarding external factors, the opportunity component has a weighted value of 0.5624, indicating that the two most significant opportunities for creative MSMEs in the bamboo crafts sector in Binjai City are the expansion of the customer base for bamboo craft products and the growth of the local economy.

On the other hand, the threat component, with a weighted value of 0.1848, points to a significant challenge: the difficulty in meeting large-scale demand. This threat can impede business growth, emphasizing the importance of addressing production constraints to maintain market competitiveness.

Table 6 External and Internal (IE) Matrices

| EFE SCORE (2.7498) | | | | |
|-----------------------|-----------------|--------------|-----------------|---------------|
| | | STRONG (3-4) | MEDIUM (2-2.99) | WEAK (1-1.99) |
| IFE SCORE (2,7268) | HEIGHT (3-4) | I | II | III |
| | MEDIUM (2-2.99) | IV | V | VI |
| | WEAK (1-1.99) | VII | VIII | IX |

Source: Data processed by the author with SWOT analysis, (2024).

The table above reveals that Bamboo MSMEs are positioned in cell V, with an IFE (Internal Factor Evaluation) score of 2.7268 and an EFE (External Factor Evaluation) score of

2.7498. This placement on the IE (Internal-External) matrix suggests that Bamboo MSMEs are in the Hold and Maintain phase. This phase indicates that the primary focus should be on sustaining current business levels while gradually pursuing growth.

To achieve this, Bamboo MSMEs must prioritize strategies that maintain customer loyalty and continue to generate profits. Retaining existing customers is crucial, but there is also a need to expand the market by attracting new customers. Market penetration, which involves increasing market share within existing markets, and product development, which focuses on improving or diversifying products, are the most effective strategies for Bamboo MSMEs.

The implementation of these strategies will enable Bamboo MSMEs to consolidate their market position and pave the way for future growth. This will ensure that they remain competitive while expanding their reach in the marketplace.

Table 7 SWOT Matrix

| <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">Internal</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">External</div> </div> | <i>Opportunities</i> | <i>Threats</i> |
|--|--|--|
| | <ol style="list-style-type: none"> 1. An increase in the number of purchasers of bamboo craft and handicraft products. 2. A commitment to the empowerment of bamboo craftsmen through the provision of training and access to a broad market. 3. The growth of the economy of the bamboo craft creative MSMEs community in the city of Binjai. 4. The establishment of training programs for young people who wish to learn bamboo craft-making techniques, thereby fostering the emergence of numerous innovations. 5. The introduction of new products through regular exhibition activities or through e-commerce. | <ol style="list-style-type: none"> 1. Customers switch to cheaper substitute products. 2. It is difficult to meet large amounts of demand. 3. There is a decline in consumer confidence. 4. There is a great deal of competition between local bamboo MSMEs entrepreneurs. 5. There is a great dependence on bamboo raw material suppliers. |
| <i>Strengths</i> | S-O Strategy | S-T Strategy |
| <ol style="list-style-type: none"> 1. The acquisition of raw materials is straightforward. | <ol style="list-style-type: none"> 1. Collaborate with the government to expand marketing through | <ol style="list-style-type: none"> 1. It is imperative to align one's business strategy with the evolving market |

| | | |
|---|---|--|
| <p>2. The product design is distinctive and offers multiple functional advantages.</p> <p>3. The bamboo woven products are of the highest quality.</p> <p>4. The products are manufactured by professional craftsmen and experts in their field.</p> <p>5. The product prices are competitive with the market.</p> | <p>activities such as exhibitions (S1, S3, S4, O1, O4, O5).</p> <p>2. Maintain product quality and work with raw Bahan suppliers to ensure the consistent delivery of quality raw materials at affordable prices (S1, S2, S3, O2).</p> <p>3. Expand the market distribution network to enter new segments (S5, O1, O5).</p> | <p>demands. This entails innovating and offering products at affordable prices while maintaining the highest standards of quality. This approach will ensure a steady stream of consumers (S1, S2, S3, S4, S5, T2, T3, T4).</p> <p>2. It is crucial to enhance the availability of raw material stocks to circumvent potential challenges in procuring raw materials and the associated price fluctuations (S2, S3, S5, T1, T5).</p> |
| <i>Weaknesses</i> | W-O Strategy | W-T Strategy |
| <p>1. A reduction in public interest in purchasing bamboo handicraft products.</p> <p>2. A lack of product innovation.</p> <p>3. Limited access to overseas marketing.</p> <p>4. Minimal government support in the form of capital and training.</p> <p>5. A production process constrained by makeshift equipment that is less modern.</p> | <p>1. Collaborate with various entities, including governmental and banking institutions, to enhance the capital available for the expansion of the bamboo handicrafts industry (W1, W4).</p> <p>2. Enhance the utilization of social media for the purpose of attracting new target markets and increasing sales (W5, O1, O5).</p> | <p>1. Enhance the capacity and ingenuity of human resources to develop superior products (W2, W3, T2, T4)</p> <p>2. Foster collaboration with local bamboo entrepreneurs to achieve mutual benefits, such as the availability of goods and raw materials (W2, W3, W4, W5, T2, T4, T5)</p> |

Source: Data processed by the author, (2024).

Table 8 Strategy Combination Matrix

| | | |
|-------------------|---|---|
| | STRENGTHS (S) | WEAKNESSES (W) |
| Opportunities (O) | <p>SO Strategy</p> <p>= 2.1070 + 2.0564</p> <p>= 4.1634</p> | <p>WO Strategy</p> <p>= 0.6428+2.0564</p> <p>= 2.6992</p> |
| Threats (T) | <p>ST Strategy</p> <p>= 2.1070+ 0.6704</p> <p>= 2.7774</p> | <p>WT Strategy</p> <p>= 0.6428+0.6704</p> <p>= 1.3132</p> |

Source: Data processed by the author, (2024).

Table 8 presents the strategies with their respective scores. The highest score of 4.1634 is assigned to the Strengths Opportunities (SO) strategy, followed by the Strengths Threats (ST) strategy with a score of 2.7774, the Weaknesses Opportunities (WO) strategy with a score of 2.6992, and the Weaknesses Threats (WT) strategy with a score of 1.3132. The high score for the SO strategy suggests that it is the most favorable approach, while the lower score for the WT strategy indicates that it is a less effective option.

Given these scores, the Strengths Opportunities (SO) strategy emerges as the preferred method. This strategy focuses on leveraging existing strengths while capitalizing on market opportunities. It encourages the optimal use of human resources, along with strategies for market penetration, market development, and product development, to maximize the company's potential and expand its reach. By capitalizing on these factors, businesses can develop a competitive advantage and achieve sustainable growth.

Analyzing the Strategies Adopted by Creative MSME Actors of Bamboo Crafts to Improve the Economy from an Islamic Economic Perspective

A review of the literature on bamboo craft MSMEs in Binjai City reveals that these enterprises employ a range of strategies, including product development, pricing, and marketing. An analysis of these strategies from an Islamic economics perspective reveals that they can be grouped into three categories:

First, the Product Development Strategy. A key focus for traders is achieving high profits, which can be obtained by selling a significant volume of goods. One of the critical factors influencing sales revenue is the ability to meet the community's needs and preferences by providing high-quality products. If a seller fails to maintain consistent product quality, customers are likely to feel disappointed and may turn to other traders. In this context, the Holy Prophet Muhammad cautioned about the importance of integrity and honesty in business practices. These principles underscore the need for consistency in product quality to maintain customer trust and ensure a successful business.

و حَدَّثَنِي يَحْيَى بْنُ أَبِي يُوسُفَ وَقُتَيْبَةُ وَابْنُ حُجْرٍ جَمِيعًا عَنْ إِسْمَاعِيلَ بْنِ جَعْفَرٍ قَالَ ابْنُ أَبِي يُوْسُفَ حَدَّثَنَا إِسْمَاعِيلُ قَالَ أَخْبَرَنِي الْعَلَاءُ عَنْ أَبِيهِ عَنْ أَبِي هُرَيْرَةَ أَنَّ رَسُولَ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ مَرَّ عَلَى صُبْرَةِ طَعَامٍ فَأَدْخَلَ يَدَهُ فِيهَا فَتَأَلَّتْ أَصَابِعُهُ بَلَلًا فَقَالَ مَا هَذَا يَا صَاحِبَ الطَّعَامِ قَالَ أَصَابَتْهُ السَّمَاءُ يَا رَسُولَ اللَّهِ قَالَ أَفَلَا جَعَلْتَهُ فَوْقَ الطَّعَامِ كَي يَرَاهُ النَّاسُ مَنْ عَشَّ فَلَيْسَ مِنِّي

And having told us [Yahya ibn Ayyub] and [Qutaibah] and [Ibn Hujr] all from [Ismail ibn Ja'far], [Ibn Ayyub] said, having told us [Ismail] he said, had informed me [al-Ala'] from [his father] from [Abu Hurayrah] that the Messenger of Allah passed a pile of food, then he put his hand in it, then his hand touched something wet, so he asked: "What is this, O owner of the food?" the owner replied, "The food was exposed to rainwater, O Messenger of Allah." He said: "Why don't you put it in the food section so that people can see it? Whoever deceives is not of our class. (HR. Muslim) ³³

Al-Qardhawi elucidated that the Holy Prophet vehemently condemned deceit, issuing stern admonitions against fraudsters, stating, "Whoever deceives is not among my

³³ Mohamad Zaenal Arifin, Suliyono Suliyono, and Muh Anshori, "Pemasaran Syariah Dalam Perspektif Hadits Dan Aplikasinya Pada Perbankan Syariah," *Madani Syari'ah* 5, no. 2 (August 22, 2022): 83–97, <https://doi.org/10.51476/madaniyari'ah.v5i2.382>.

followers." Al-Qardhawi posited that the phrase "excluding my class" signifies that cheating is considered a grave sin, suggesting that the Holy Prophet did not recognize those who perpetrate fraud as part of his community. This hadith encompasses all forms of deceit, including rent evasion, partnership fraud, and business fraud. By emphasizing the gravity of dishonesty, the teachings of the Holy Prophet encourage a culture of integrity and ethical conduct in all aspects of business and human interaction.³⁴

In the context of Sharia marketing, MSME actors in Binjai City should exercise caution when presenting their products to consumers. In Sharia-compliant marketing, sellers must refrain from deceiving consumers by leading them to believe that a product is of high quality when it is not. Such behavior constitutes fraud, exploiting consumer perceptions and expectations of the products being sold. This kind of deception not only violates Sharia principles but can also damage consumer trust and harm the reputation of the business. Consequently, MSME actors must prioritize honesty, transparency, and the delivery of genuine value in order to maintain ethical marketing practices that align with Sharia guidelines.

Secondly, the pricing strategy. Islam strongly advocates for price and profit transparency, requiring that the disclosed figures accurately represent the true cost and expected gains. This principle of honesty was exemplified by the Holy Prophet Muhammad (peace be upon him) during his trading activities in the Land of Sham. Transparency in pricing is crucial to maintain buyer confidence, ensuring that they are treated fairly.

In setting prices and determining profits, it is important to strike a reasonable balance. Islam discourages the pricing of merchandise below market rates, as this can destabilize the market and harm other traders. Similarly, setting prices and profits significantly above market levels is also discouraged, as it can lead to buyer dissatisfaction and create a perception of deception. Furthermore, any form of trading that involves deceit is prohibited in Islam, this underscores the importance of maintaining ethical pricing practices to avoid any potential harm to customers and to uphold the principles of Islamic commerce. As illustrated by the hadith where the Prophet Muhammad (peace be upon him) that is:

عَنْ أَبِي هُرَيْرَةَ قَالَ: نَهَى رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ عَنْ بَيْعِ الْحَصَاةِ وَعَنْ بَيْعِ الْغَرَرِ
 "From Abu Hurairah (may Allah be pleased with him) said: The Prophet (peace be upon him) forbade buying and selling by throwing pebbles and buying and selling gharar (speculation)". (HR. Muslim)³⁵

Third, the marketing strategy. In the context of business operations, the cultivation of relationships is a key factor in facilitating the growth and success of a business. In Islamic teachings, the establishment of relationships is referred to as *silaturrahmi*. By maintaining regular communication and fostering a sense of closeness and trust between traders and buyers, the likelihood of a mutually beneficial exchange transaction increases. When trust and commitment are established between the two exchange transaction actors, the results obtained are likely to be more efficient, effective, and productive. The above is based on the

³⁴ Yusuf Qardhawi, *Yusuf Qardhawi, Norma Dan Etika Ekonomi Islam, Terj. Zainal Arifin*, Cetakan I (Jakarta: Gema Insani, 1997).

³⁵ Shobirin Shobirin, "Jual Beli Dalam Pandangan Islam," *BISNIS: Jurnal Bisnis Dan Manajemen Islam* 3, no. 2 (August 17, 2016): 239–61, <https://doi.org/10.21043/bisnis.v3i2.1494>.

hadith of the Prophet Muhammad (peace be upon him), as narrated by Muslims.

عن أنس بن مالك رضي الله عنه قال سمعت رسول الله صلى الله عليه وسلم يقول: «من أحب أن يُبسَطَ عليه في رزقه، وأن يُسأَلَ له في أثره؛ فَلْيَصِلْ رحمه». [متفق عليه] [صحيح]

“Anas bin Malik (r.a) said: I heard the Holy Prophet(saw) say: Whoever wants to have his fortune and his life prolonged, he should continue the relationship.” (HR. Muslim)³⁶

The hadith cited emphasizes that sharia marketing activities should be viewed as a pursuit of halal sustenance. It is recommended that business actors seek their income through ethical means and foster relationships through friendship and camaraderie. Ideally, a sale and purchase transaction should involve direct interaction between both parties, fostering a sense of brotherhood between the seller and the buyer. This approach to commerce is based on the principles of mutual benefit and cooperation. The seller gains financial returns, and the buyer acquires goods that meet their needs.

In terms of distribution, friendship can be interpreted as the dissemination of information, communication, or the establishment of networks. An economic actor must market their product to gain broader recognition and attract customers. According to the hadith, cultivating friendships is an optimal sharia marketing strategy, as it encourages a broader network and a larger market share. The greater the range of friendships and relationships a business actor nurtures, the greater the potential for expanding market reach and attracting more consumers.

Sharia marketing, as outlined by this hadith, underscores the importance of maintaining ethical conduct, fostering community relationships, and conducting business with the intent of benefiting all parties involved. This approach promotes sustainable business practices and supports a culture of trust and cooperation in commerce.

Fourth, service strategy. The actions of both beneficial and malevolent actors can determine the success or failure of a business. As a merchant, it is recommended to serve buyers in the most optimal manner possible. Similarly, bamboo craft MSMEs in Binjai city serve buyers with a friendly, generous smile, and patience so that buyers feel comfortable when shopping. This is in accordance with the provisions in Sura Ali Imrān Verse 159, as follows:

فَبِمَا رَحْمَةٍ مِّنَ اللَّهِ لِنْتَ لَهُمْ ۚ وَلَوْ كُنْتَ فَظًّا غَلِيظَ الْقَلْبِ لَانفَضُّوا مِنْ حَوْلِكَ ۚ فَاعْفُ عَنْهُمْ وَاسْتَغْفِرْ لَهُمْ وَشَاوِرْهُمْ فِي الْأَمْرِ فَإِذَا عَزَمْتَ فَتَوَكَّلْ عَلَى اللَّهِ ۚ إِنَّ اللَّهَ يُحِبُّ الْمُتَوَكِّلِينَ

“Thus, thanks to the grace of Allah you (Prophet Muhammad) behaved meekly towards them. If you had been harsh and harsh-hearted, they would have stayed away from you. Therefore, forgive them, ask forgiveness for them, and consult with them in all (important) matters. Then, when you have made up your mind, put your trust in God. Indeed, God loves those who are captive.”

Trade is one of the economic activities regulated in Islam. Profit and loss are two of the constants in the world of trade. Therefore, it is recommended that those engaged in business adopt an *istiqomah* attitude, which is defined as a steadfast resolve, in order to avoid being easily discouraged when experiencing losses or laziness because they feel they

³⁶ Idri, *Hadis Ekonomi: Ekonomi dalam Perspektif Hadis Nabi* (Jakarta: Kencana, 2015).

have gained a lot of benefits. *Istiqomah* in business is related to intentions, speech, and daily behavior. In the Qur'an, Allah states in Surah An-Nahl Verse 90:

﴿ إِنَّ اللَّهَ يَأْمُرُ بِالْعَدْلِ وَالْإِحْسَانِ وَإِيتَاءِ ذِي الْقُرْبَىٰ وَيَنْهَىٰ عَنِ الْفَحْشَاءِ وَالْمُنْكَرِ وَالْبَغْيِ يَعِظُكُمْ لَعَلَّكُمْ تَذَكَّرُونَ ﴾

“Verily Allah commands us to do justice, do good, and give help to relatives. He (also) forbade heinous acts, evil, and hostility. He taught you a lesson that you always remember.”

The verse serves to confirm that Islam is highly concerned with the delivery of quality service, which should be of a high standard and not of a poor nature. Quality service is not merely the act of delivering or serving, but also encompasses the ability to understand and empathise with the consumer. This enables the delivery to be received at the heart level, thereby strengthening the consumer's perception of the brand. The presence of these two elements serves to reinforce consumer loyalty.

CONCLUSION

The findings from the research indicate that the key strength of the creative MSMEs involved in bamboo crafts in Binjai City is the expertise of professional craftsmen who are highly skilled in their fields. However, a significant weakness lies in the production process, which relies on makeshift, outdated equipment. On the other hand, opportunities for creative bamboo craft MSMEs in Binjai City include the growing demand for bamboo craft products and the rising economic prosperity within the community. The main threat is the challenge of meeting large-scale demand due to limited production capacity.

Given these factors, the most suitable strategy involves product development and market penetration, as identified by the position in the V quadrant of the IE matrix and the SO strategy. The SWOT analysis matrix suggests nine alternative business development strategies that creative bamboo craft MSMEs in Binjai City can utilize to grow their businesses and boost their economic revenue.

In this context, it's noteworthy that MSME players in Binjai City engaged in the bamboo craft business generally adhere to Islamic business strategies. This includes the use of consensual contracts, ensuring customer satisfaction with the products, guaranteeing quality in the sale of goods, and avoiding any form of fraud in buying and selling transactions. By incorporating these principles, they not only align with Sharia guidelines but also create a foundation for ethical and sustainable business practices.

REFERENCES

- Abdullah. Creative MSME entrepreneurs-Bamboo crafters 1. Interview by Anggia Nurulita, January 9, 2024.
- Abdussamad, Zuchri. *Metode Penelitian Kualitatif*. Cetakan I. Makasar: Syakir Media Press, 2021.
- Arifin, Mohamad Zaenal, Suliyono Suliyono, and Muh Anshori. “Pemasaran Syariah Dalam Perspektif Hadits Dan Aplikasinya Pada Perbankan Syariah.” *Madani Syari’ah* 5, no. 2 (August 22, 2022): 83–97. <https://doi.org/10.51476/madanisyari'ah.v5i2.382>.

- Azizah, Siti Nur, and Muhfiatun Muhfiatun. "Pengembangan Ekonomi Kreatif Berbasis Kearifan Lokal Pandanus Handicraft Dalam Menghadapi Pasar Modern Perspektif Ekonomi Syariah (Study Case Di Pandanus Nusa Sambisari Yogyakarta)." *Aplikasia: Jurnal Aplikasi Ilmu-Ilmu Agama* 17, no. 2 (February 12, 2018): 63. <https://doi.org/10.14421/aplikasia.v17i2.1273>.
- Badan Pusat Statistik Kota Binjai. *Kota Binjai Dalam Angka 2023*. Binjai: Badan Pusat Statistik, 2023. <https://binjaikota.bps.go.id/publication/2023/02/28/cb98a71b38b8987216f0134f/kota-binjai-dalam-angka-2023.html>.
- Durmasema, Adimas Raka, Akbar Yogi Nur, and Pratama Jery Hardian Rendisky. *Statistik Ekonomi Kreatif 2020*. Cetakan Pertama. Jakarta: Pusat Data dan Sistem Informasi Badan Pariwisata dan Ekonomi Kreatif, 2020.
- Hakim, Abdul. "Pengaruh Biaya Produksi Terhadap Pendapatan Petani Mandiri Kelapa Sawit Di Kecamatan Segah." *Jurnal Ekonomi STIEP* 3, no. 2 (November 27, 2018): 31–38. <https://doi.org/10.54526/jes.v3i2.8>.
- Halim, Abdul. "Pengaruh Pertumbuhan Usaha Mikro, Kecil Dan Menengah terhadap Pertumbuhan Ekonomi Kabupaten Mamuju." *GROWTH Jurnal Ilmiah Ekonomi Pembangunan* 1, no. 2 (April 25, 2020): 157–72.
- Harahap, Isnaini, Zuhrinal M. Nawawi, and Eli Sugiarto. "Industri Kreatif UMKM (Usaha Mikro Kecil Dan Menengah) Di Kota Medan Dalam Perspektif Ekonomi Islam." *Jurnal Ilmiah Ekonomi Islam* 8, no. 2 (July 13, 2022): 1991–97. <https://doi.org/10.29040/jiei.v8i2.5796>.
- Haryanti, Nadya, Nurbaiti Nurbaiti, and Muhammad Ikhsan Harahap. "Analysis of E-Commerce and Fintech Applications in Promoting UMKM Development in Padangsidempuan." *Moneter: Jurnal Keuangan Dan Perbankan* 11, no. 2 (August 18, 2023): 147–56. <https://doi.org/10.32832/moneter.v11i2.316>.
- Herianto. Creative MSME entrepreneurs-Bamboo crafters 3. Interview by Anggia Nurulita, January 11, 2024.
- Hladchenko, Myroslava. "SWOT Analysis as The First Stage of The Process of The Strategic Management of The European Higher Education Institutions." *Euromentor Journal - Studies about Education*, no. 01 (2014): 47–65.
- I Gusti Bagus Arjana. *Geografi Pariwisata Dan Ekonomi Kreatif*. Edisi 1 Ce. Jakarta: Rajawali Pers, 2016.
- Imsar, Imsar, and Rizky Febrian Saragih. "Kinerja Lembaga Keuangan Syariah Terhadap Pelaku UMKM Untuk Pertumbuhan Ekonomi." *Jurnal Penelitian Ilmu Ekonomi Dan Keuangan Syariah* 1, no. 4 (August 31, 2023): 01–07. <https://doi.org/10.59059/jupiekes.v1i4.385>.
- Kememparekraf. "Indonesia Menjadi Inisiator Tahun Internasional Ekonomi Kreatif Dunia," March 5, 2021. <https://www.kememparekraf.go.id/ragam-ekonomi-kreatif/Indonesia-Menjadi-Inisiator-Tahun-Internasional-Ekonomi-Kreatif-Dunia>.
- Mahmudin. Creative MSME entrepreneurs-Bamboo crafters 5. Interview by Anggia Nurulita, January 13, 2024.
- Mayang, Anissa, and Shinta Ratnawati. "Analisis SWOT Dalam Menentukan Strategi Pemasaran (Studi Kasus Di Kantor Pos Kota Magelang 56100)." *Jurnal Ilmu Manajemen* 17, no. 2 (2020): 58–70. <https://doi.org/10.21831/jim.v17i2.34175>.
- Meilani, Difana, and Roby Febrinaldo. "Strategi Pengembangan Usaha Kecil Menengah Produk Olahan Coklat." *Seminar Nasional Teknologi Informasi Komunikasi Dan*

- Industri*, November 9, 2016. <https://ejournal.uinsuska.ac.id/index.php/SNTIKI/article/view/2782>.
- Muhammad Syahbudi. *Ekonomi Kreatif Indonesia: Strategi Daya Saing UMKM Industri Kreatif Menuju Go Global (Sebuah Riset Dengan Model Pentahelix)*. Medan: Merdeka Kreasi Group, 2021.
- Nasution, Siti Khadijah Hidayati, Sinar Indra Kesuma, and Suzanna Fitriany Sitepu. "Development Training Employers' Group Bamboo." *Abdimas Talenta: Jurnal Pengabdian Kepada Masyarakat* 2, no. 1 (2017): 1–5. <https://doi.org/10.32734/abdimaastalenta.v2i1.2097>.
- Nurbaiti, Nurbaiti, Asmuni Asmuni, Andri Soemitra, Imsar Imsar, and Siti Aisyah. "Behavior Analysis of MSMEs in Indonesia Using Fintech Lending Comparative Study between Sharia Fintech Lending and Conventional Fintech Lending." *JPPi (Jurnal Penelitian Pendidikan Indonesia)* 9, no. 4 (December 1, 2023): 92–99. <https://doi.org/10.29210/020232273>.
- Nurdin, Bartoven Vivit, Damar Wibisono, and Handy Mulyaningsih. "Anyaman Bambu (Awi Baman) Dan Kain Tappan: Merawat Kearifan Lokal Masyarakat Adat Sai Batin Di Museum Adat Kekhatuan Semaka, Tanggamus Lampung." *Nengah Nyappur*, no. 1 (2021): 1–26.
- Rahmat, Tri Suci. "Analisis Kerajinan Anyaman Bambu Ditinjau Dari Teknik, Bentuk, Dan Fungsi Di Industri Kerajinan Bunga Matahari Di Binjai." Universitas Negeri Medan, 2016. <https://digilib.unimed.ac.id/id/eprint/6059/>.
- Shobirin, Shobirin. "Jual Beli Dalam Pandangan Islam." *BISNIS : Jurnal Bisnis Dan Manajemen Islam* 3, no. 2 (August 17, 2016): 239–61. <https://doi.org/10.21043/bisnis.v3i2.1494>.
- Sudiarti. Creative MSME entrepreneurs-Bamboo crafters 2. Interview by Anggia Nurulita, January 9, 2024.
- Suryana. *Ekonomi Kreatif, Ekonomi Baru: Mengubah Ide Dan Menciptakan Peluang*. Bandung: Salemba Empat, 2013.
- Tadjuddin, Tadjuddin, and Nur Mayasari. "Strategi Pengembangan UMKM Berbasis Ekonomi Kreatif Di Kota Palopo." *Dinamis : Journal of Islamic Management and Bussiness* 2, no. 1 (April 17, 2019). <https://doi.org/10.24256/dinamis.v2i1.1004>.
- Tamara, Angelica. "Implementasi Analisis SWOT Dalam Strategi Pemasaran Produk Mandiri Tabungan Bisnis." *Jurnal Riset Bisnis Dan Manajemen* 4, no. 3 (July 20, 2016). <https://ejournal.unsrat.ac.id/v3/index.php/jrbm/article/view/12751>.
- Waskito. Creative MSME entrepreneurs-Bamboo crafters 4. Interview by Anggia Nurulita, January 11, 2024.
- Widi Ramadanti. "Peran Home Industry Rotan Dalam Meningkatkan Kesejahteraan Tenaga Kerja Di Desa Bodesari Kecamatan Plumbon Kabupaten Cirebon Menurut Perspektif Hukum Ekonomi Syariah." IAIN Syekh Nurjati Cirebon, 2021.
- Yolanda, Triyana, Fiddini Alham, and Muslimah Muslimah. "Analisis Struktur Biaya Dan Nilai Tambah Bambu Menjadi Anyaman Bambu (Studi Kasus: Sanggar Kreatif Bunga Matahari) Di Kota Binjai." *Journal of Global Sustainable Agriculture* 1, no. 1 (December 30, 2020): 30–34. <https://doi.org/10.32502/jgsa.v1i1.3112>.
- Yusuf Qardhawi. *Yusuf Qardhawi, Norma Dan Etika Ekonomi Islam, Terj. Zainal Arifin*, Cetakan I. Jakarta: Gema Insani, 1997.