

# CHAPTER I

## INTRODUCTION

### 1.1 Background

As representatives of the government, villages are in the vanguard of bringing developments that directly benefit the populace. By promoting infrastructure development at the village level, the government grants villages the autonomy to administer their own land. One way is through Village-Owned Enterprises (BUMDes), the village's economic institutions. One of the initiatives carried out by villages to boost Village Original Revenue (PADes) is Village Economic Institutions. BUMDes serves as a tool to promote village autonomy, which attempts to elevate the village administration to the status of a community welfare tool by promoting economic development.

Villages have a lot of potential not only in terms of population, but also the availability of abundant natural resources. If these two potentials can be managed optimally, it will provide prosperity for the villagers. However, it is recognised that development at the village level still has many weaknesses. The weaknesses of development at the village level are caused not only by the lack of quality human resources, but also by financial problems. Various efforts have been made by the government by disbursing various funds for village development programmes, one of which is through the Village-Owned Enterprises (BUMDes), (Hasibuan et al. 2022).

BUMDes is a business entity that is regulated in accordance with Law No. 6/2014 Article 87 paragraph 1 which reads (1) villages can establish Village-Owned Enterprises called BUMDes. (2) BUMDes can run businesses in the economic sector and public services in accordance with the provisions of laws and regulations. Because its ownership comes from the entire village community concerned. Every BUMDes decision must be in accordance with the approval mechanism of the

village deliberation. Variations of BUMDes are based on the strengths of the village itself, such as plantations, trading, savings and loans, and processing.

The emergence of home industries in rural areas can improve the village economy with a variety of business activities and community skills. This will provide very important progress for community economic development activities. In the process of industrial development in rural areas, a good strategy is needed in order to achieve the desired goals which in turn can improve the community's economy, especially the family economy.

Village communities can use BUMDes as a platform to improve community welfare and economy. This investigation, which focused on pineapple chip production, was conducted in Kuala Alam Village, Bengkalis Regency. Mr. Zulkifli was responsible for the establishment of the BUMDes. The establishment of BUMDes Kuala Alam whose director is Mr. Zulkifli can provide benefits to the community in Kuala Alam Village. In 2021, BUMDes Kuala Alam officially introduced its products in the form of snacks grown in Kuala Alam Village. The food introduced is Pineapple Chips, which has been planned in the company's own garden since 2020. This BUMDes pineapple chips has a savoury, sweet, and tangy taste. It is produced using real pineapples.

BUMDes contribution to the economy's growth is significant. The community's perspective may change as a result of the inventions created, allowing them to grow economically and earn more money. Beginning with a desire to educate people about how to cultivate vacant land, Bengkalis Regency eventually developed a better village product. Pineapple Chips were the meal that was introduced they had been planned for a year. Before the product was released, BUMDes carried out a number of tests and studies.

Pineapple Fruit Chips is one of the processed creations from real pineapple into snacks, as for the various types of processed foods from pineapple ingredients, including candied pineapple, pineapple juice drinks, pineapple jenang or dodol, and many other variations of this pineapple. Pineapple Chips Made from high quality real pineapple raw materials. No fruit flavors and added sweeteners or chemical food preservatives. Fruit raw materials are selected from fully ripe fruit so that the

sweetness comes from the fruit itself without the addition of other glucose elements from outside. Pineapple Chips are processed using a fruit drying machine or vacuum frying and spinner oil draining machine so that Pineapple Chips are well processed. Completely dry with very minimal moisture that will make fruit chips last up to 12 months from the production period without using preservatives. That is the commitment of various chip products throughout Indonesia to always provide the best results for consumers.

Wrapped neatly with thick aluminum foil with a thickness of 0.8 mm, so it is not easy to leak inside the package which can cause Pineapple Chips to become moist and not crispy. With the use of good packaging, the best flavor of Pineapple Chips can be maintained. Pineapple Chips in packaging are divided into several types according to weight, including: Netto: 100 grams, Netto: 200 grams.



**Figure 1.1 Pineapple Chips**  
*Source: Documentation, 2023*

The pineapple chips business at BUMDes Kuala Alam Village, Bengkalis sub-district, Bengkalis district which will be researched in this study is on the grounds that it can increase community efforts in managing the economic potential of the village and for the welfare of the village community. This business has enormous potential and has a positive impact on the community's economy, this business has been able to accommodate labour and can improve the community's economy, especially the family economy.

Based on the data obtained from the background description, the author is interested in researching and discussing the problem of the potential of the pineapple chips business in the form of research which the author title “**The**

## **Potential Analysis of the Pineapple Chips Household Business in Kuala Alam Village”.**

### **1.2 Formulation of the Problem**

Based on the background that has been stated above, the author produces a formulation of the problem of this research, namely; "How are the results of analyzing the potential of the pineapple chips business with SWOT analysis for Pineapple Chips products at BUMDes Kuala Alam?".

### **1.3 Purpose of the Study**

Every research that is conducted must have a purpose beforehand. Specific research in empirical science generally aims to discover, develop, and test the truth of a science, the author can state the objectives of this research are:

1. To determine the potential of the pineapple chips business at BUMDes Kuala Alam.
2. To determine the results of analyzing the potential of pineapple chips at BUMDes Kuala Alam with SWOT analysis.
3. What is the strategies to optimise the potential to develop the pineapple chips business run by BUMDes Kuala Alam.

### **1.4 Significant of the Study**

The benefits obtained from this study based on the objectives of this study are as follows:

1. As information material for Pineapple Chips entrepreneurs in marketing their products efficiently so as to get the desired profit.
2. As an information material for decision makers to improve the marketing of Pineapple Chips
3. As information and reference material for other parties who study this research.

## **1.5 Scope and Limitation of the Problem**

In order for this research to be more focused, it is necessary to limit the problem. This research is only focused on analyzing potentials pineapple chips household businesses in Kuala Alam Village.

## **1.6 Systematics of Writing**

The systematic writing of the research conducted for the Kuala Alam Pineapple Chips Potential Analysis research is as follows:

### **CHAPTER I: INTRODUCTION**

In this chapter the author describes the background, problem formulation, benefits, scope and limitations of the problem, and the systematics of writing.

### **CHAPTER II: LITERATURE REVIEW**

This chapter describes previous research as well as literature review and framework.

### **CHAPTER III: RESEARCH METHODOLOGY**

This chapter explain the author methods that was carried out by researchers in the development of information systems. The research methods chapter covers the selection of location and object, types and sources data, population and sample, sampling technique, data collection technique, data processing technique, research model, types of the study.

### **CHAPTER IV: RESULTS AND DISCUSSION**

In this chapter the author was explain the results and discussion after the author conducts research based on the data obtained.

### **CHAPTER V: CONCLUSIONS AND SUGGESTIONS**

In this chapter the author was present the conclusions obtained from the conclusions and suggestions that will be submitted by outsiders.