

CHAPTER I

INTRODUCTION

1.1 Background of the Project

Referring to Rudjito (2003) in Wati et al., (2024), Micro, Small, and Medium Enterprises (MSMEs) refer to types of businesses managed by individuals or groups that, prior to their establishment, must meet certain criteria regulated by law. MSMEs are a very important sector in the Indonesian economy, -as they contribute significantly to job creation and economic growth. In addition, MSMEs serve as a source of income for the community. This is in line with the statement that Micro, Small, and Medium Enterprises (MSMEs) play an essential role in the Indonesian economy, both in terms of employment opportunities and the number of business units.

Based on Kustanto (2022), amid the challenges of globalization and increasingly intense market competition, MSMEs possess the ability to adapt and innovate, making them a strong pillar of the economy. This supports the view that MSME activities are economic activities that are closely related to people's daily lives and have high flexibility in their operations. Therefore, MSMEs can be regarded as pillars of the people's economy within an integrative legal and political framework. With their numbers reaching millions across Indonesia, MSMEs not only contribute to economic development but also help preserve local diversity and creativity.

Currently, Indonesia has experienced rapid development in the modern beverage industry, including products such as Indonesian Ice Tea, Seduhan Rindu, Viral Ice Tea, and others. The large number of beverage businesses offering similar products requires business actors to compete in a highly competitive market. Companies must be able to meet consumer needs and preferences in order to maintain their competitiveness. Established in 2023, Es Teh Nurul Jumbo MSME, located on Jenderal Sudirman Street, Bengkalis, initially focused on

producing iced tea on a small scale. However, along with the growing public awareness of healthy and refreshing beverages, consumer demand for iced tea products continues to increase.

Iced tea MSMEs have experienced rapid growth in recent years. Recognizing the continuously expanding market opportunities, the owner of Es Teh Nurul Jumbo decided to further develop the business by using high-quality raw materials and creating new and unique recipes to produce refreshing and flavorful iced tea beverages. In the future, this MSME plans to introduce new product variants and attractive packaging to meet the evolving tastes and demands of the market. On the other hand, in recent years Indonesia has also experienced significant growth in the snack and culinary sector, particularly in modern snack products. One such product is Potato Curly Crunch, an MSME located in Bengkalis and established in 2023 that offers a unique shape, crunchy texture, and appealing taste. Potato Curly Crunch MSME was founded to meet the growing consumer demand for innovative and affordable snack products, especially among young consumers.

Due to high market demand, Potato Curly Crunch MSME continues to adapt to consumer preferences by prioritizing product quality and hygiene. The company uses selected raw materials and regularly develops new flavor variants in line with market trends. In addition, Potato Curly Crunch MSME utilizes social media as an effective marketing tool to reach a wider audience. With the support of business exhibitions such as the POLBENG Business Expo, it is hoped that Potato Curly Crunch MSME can expand its market reach, strengthen brand awareness, and attract more new customers.

Based on the background described above, the researchers, in collaboration with other researchers, organized an exhibition aimed at increasing the reach of the Polbeng Business Expo to enhance digital marketing for MSMEs. Therefore, based on the discussion above, the authors carried out a project for the general public in Bengkalis, which was held at Bengkalis State Polytechnic,

entitled “A Study on the MSMEs Growth of Es Teh Nurul Jumbo and Potato Curly Crunch at Polbeng Business Expo Chapter II.”

1.2 Identification of the Project

Based on this background, this study focuses on assessing the implementation and development of MSMEs, particularly Es Teh Nurul Jumbo and Potato Curly Crunch, during Polbeng Business Expo Chapter II, in order to understand the growth and performance of the businesses.

1.3 Purpose of the Project

1.3.1 General Purpose

This final assignment is conducted to explore and analyze important aspects related to the growth of MSMEs. Therefore, the general purpose of this study is to implement and examine the growth and business development of Es Teh Nurul Jumbo and Potato Curly Crunch at the Polbeng Business Expo Chapter II, in order to gain a deeper understanding of their performance and development during the event.

1.3.2 Specific Purpose

By implementing a systematic approach, this project aims to achieve meaningful outcomes that contribute to both practical applications and theoretical development. The specific purpose of the project are:

1. To create profile videos for Es Teh Nurul Jumbo and Potato Curly Crunch MSMEs.
2. To develop promotional strategies through digital marketing media, especially Instagram, by producing 30 promotional videos for 1 month before the expo for Es Teh Nurul Jumbo and Potato Curly Crunch MSMEs.
3. To assist Es Teh Nurul Jumbo and Potato Curly Crunch MSMEs in creating 30 product catalogs.

4. To Assist the preparation of financial reports of Es Teh Nurul Jumbo and Potato Curly Crunch MSMEs before the and during the expo.
5. To assist in creating QRIS for Es Teh Nurul Jumbo and Potato Curly Crunch MSMEs using the BRI Merchant application to facilitate digital transactions.

1.4 Significant of the project

Every action taken certainly has its benefits, as well as the benefits derived from the Final Project “A Study on the MSMEs Growth of Es Teh Nurul Jumbo and Potato Curly Crunch at Polbeng Business Expo Chapter II” are as follows:

1. Benefits for Author:
Participating in research benefits the writer by deepening knowledge, enhancing critical thinking, and developing analytical skills. It provides practical experience, strengthens understanding of research methods, and supports academic and professional growth, leading to expertise in the chosen field.
2. Benefits for College Student:
Research participation enhances students' analytical and critical thinking skills, deepens field knowledge, and keeps them updated on trends. It also develops essential skills in data collection, analysis, and interpretation, supporting academic success and career readiness with practical, transferable abilities.
3. Benefit for MSMEs:
Research on MSMEs enhances understanding of their operations, challenges, and opportunities. It increases visibility, boosts economic contribution, and attracts customers and investors. Additionally, it offers practical recommendations to improve performance, competitiveness, and innovation, supporting long-term growth and sustainability.

1.5 Time and Place of the Project

This project will be carried out on May 20–22, 2025, during the 2025 academic year and will be held at the Bengkalis State Polytechnic, specifically behind the Civil Engineering building. The project will take place over three consecutive days, providing sufficient time for the implementation of various planned activities related to the project. During this period, a series of meetings, coordination sessions, and supporting activities will be held to ensure that all project objectives are achieved effectively and in accordance with the established plan.

1.6 Writing System

The writing system of this project is designed to provide structure and clarity throughout the development process. It ensures consistency and coherence in presenting the project's stages. The writing system project are:

CHAPTER 1: INTRODUCTION

In this chapter, the author discusses the background of the project/MSMEs, the goals and benefits of the project, the location and duration of the project, and the system of writing project reports in the thesis.

CHAPTER 2: LITERATURE REVIEW

In this chapter, the author explains theories related to the subject matter of the project/MSMEs. The main material of the project/MSMEs explains the application of job descriptions and job descriptions from the marketing and small and medium business sectors.

CHAPTER 3: METHODS AND ACCOMPLISSMENT PROCESSES

In this chapter, the author will explain the project plan with a project diagram, then continue with the implementation plan and implementation process, implementation plan report and project

implementation. Then continued with the schedule and estimated costs incurred during the project period, to the estimated cost of the thesis.

CHAPTER 4: RESULTS AND DISCUSSION

This chapter describes the project overview of the Polbeng Business Expo UMKM Project and activity implementation reports consisting of project preparation, activity reports, and financial reports.

CHAPTER 5: CONCLUSION AND RECOMMENDATION

This chapter contains a summary of the results of writing in the previous chapters, which are outlined in the form of conclusions and suggestions for improvement for this paper.