#### **CHAPTER I**

#### INTRODUCTION

## 1.1 Background of the Project

Businesses play a crucial role in the economy and society in various ways. business are major job creators, providing a wide range of employment opportunities that help reduce unemployment and improve community well-being. Businesses are also key drivers of economic growth through the production of goods and services, which boosts income and purchasing power. Furthermore, businesses often lead in innovation and technology, investing in research and development to create new products and services, businesses meet consumer needs by providing goods and services. The competition created by businesses in the market drives efficiency, lowers prices, and enhances the quality of products and services, while also spurring innovation. Businesses play a critical role in advancing the economy, improving quality of life, and shaping the social and economic structure of society.

MSME (Micro, Small, and Medium Enterprises) are productive business activities owned by individuals or business entities on a small to medium scale, in accordance with the criteria set forth in the regulations. Micro, Small, and Medium Enterprises (MSME) play a crucial role in the economy and society. MSMEs are major job creators, absorbing a large portion of the workforce and helping to reduce unemployment levels. MSME also significantly contribute to economic growth by providing a range of goods and services that meet societal needs, and by participating in production and consumption processes. Additionally, MSME often serve as sources of innovation and creativity, offering unique and distinct products and services compared to those provided by large companies.

MSME also contribute to economic equity by developing businesses in various regions, including underdeveloped areas, and helping to create a more balanced economic landscape. MSME can enhance economic resilience with their flexibility and adaptability to market changes. Fazal and Fadhlain (2024) state that

MSME play a crucial role in the development of the economy in Indonesia, especially during recurring economic crises. MSME function as drivers of the economy, have an important role in supporting the national economy, creating job opportunities, meeting community needs, and serving as economic stabilizers during times of crisis.

One way to introduce MSME products is by organizing an expo. Hosting an expo can potentially attract large crowds. Organizing an MSME exhibition has a significant impact on micro, small, and medium business operators. First, the exhibition provides a broad platform for MSME to showcase their products and services, enhance brand visibility, and attract attention from new markets. The expo also allows MSME to make direct sales and receive immediate feedback from consumers, as well as understand market preferences. Success in the exhibition can boost the confidence and motivation of MSME to continue innovating. By interacting directly with customers, MSME can gain valuable insights into market needs. An exhibition is a method for showcasing products to the public. The purpose of the exhibition is to introduce the products to a wide audience and initiate the early stages of the trading process. In other words, the exhibition aims to attract attention, explain the products, and start discussions that could lead to further business transactions. Ulfa et al (2022) state that an exhibition is a method for displaying, introducing, or demonstrating products to the general public with the hope of initiating preliminary negotiations in the trading process.

Krikill is one of the MSME in Bengkalis. This MSME started its business in 2022. The product sold by this MSME is basreng chips, available in various flavors. To introduce its products, Krikill leverages social media. Promoting via social media is crucial as it offers broad reach and cost-effectiveness. With a large and diverse audience, social media allows businesses to reach consumers not only locally but also in distant locations with a relatively low budget compared to traditional promotion methods. Direct interaction with consumers becomes easier, enabling businesses to answer questions and receive feedback in real-time while building more personal relationships. Social media helps enhance brand awareness through consistent posting and campaigns, and provides analytical tools to measure

and optimize promotional effectiveness. Engaging content on social media also has the potential to go viral, amplifying the promotional impact organically. With all these advantages, social media has become an extremely effective tool for modern promotional strategies.

Promoting products through social media is part of digital marketing. Digital marketing encompasses all marketing activities conducted online, and social media is one of the main channels in a digital marketing strategy. Digital marketing facilitates direct interaction with customers through social media and other platforms, which helps build closer relationships.

Based on the background described above, the writer will participate in preparing and organizing the Polbeng Business Expo. Krikill MSME is the case study in this project. The focus of this project is the participation of the Krikill MSME in the Polbeng Business Expo.

# 1.2 Identification of the Project

Based on the background described above, the identification of the project that will be discussed in this project is how is the process of implementing the Polbeng Business Expo for Krikill MSME?

### 1.3 Purpose of the Project

## 1.3.1 General Purpose

The general purpose of this project is to expand the reach and increase the sales of Krikill MSME through the organization of the Polbeng Business Expo. This expo is expected to broaden market networks and raise consumer awareness of the products offered by Krikill MSME.

### 1.3.2 Specific Purpose

- 1. To implement the Polbeng Business Expo for Krikill MSME
- 2. To creating business profile of expo and Krikill MSME.
- 3. To creating promotional video of Krikill MSME.
- 4. To creating product catalog of Krikill MSME.

5. To post marketing promotion of Krikill through digital marketing (Social Media).

6. To creating financial report of Krikill MSME.

### 1.4 Significance of the Project

### 1.4.1 For Writers

This project can serve as a source of additional knowledge and new insights for the author. By studying the results of this project, the author can expand his understanding of MSME and marketing strategies through business expos.

### 1.4.2 For Students

This thesis can be used as additional knowledge material for students. More than that, this thesis can also serve as a valuable reference for further thesis writing, especially those related to MSME projects. In this way, students can get a clearer picture of the implementation and benefits of the business expo for MSME.

### 1.4.3 For Another Party

It is hoped that this project can increase knowledge and become a source of additional information, especially in terms of MSME. Other parties interested in MSME development can utilize the results of this project to gain new insights and enrich their understanding of effective marketing strategies through organizing business expos.

# 1.5 Place and Time of Project Implementation

The project is scheduled to take place during the ninth meeting of the odd semester in the 2024 academic year. The event will last for two consecutive days and will be held at Bengkalis State Polytechnic. Over these two days, various activities and sessions related to the project will be conducted to achieve the set objectives.

# 1.6 Writing System

## **CHAPTER 1: INTRODUCTION**

In this chapter the author explains the background of MSME, the

aims of the expo and the benefits of holding the expo for MSME the place and time of the expo, as well as the systematics of writing project reports in the thesis.

#### **CHAPTER 2: LITERATURE REVIEW**

In this chapter the author explains theories that are relevant to the main material in the Final Project, namely the basic concepts of MSME, the importance of branding and promotion, as well as the benefits and challenges faced by MSME in participating in the expo.

# **CHAPTER 3: ACHIEVEMENT METHODS AND PROCESSES**

In this chapter the author will explain the plan with a diagram of the MSME expo project, then continue with the implementation plan and the expo implementation process. The author will also outline the schedule and estimated costs incurred during the expo project period, including the estimated costs of writing a thesis.

#### **CHAPTER 4: RESULTS AND DISCUSSION**

In this chapter the author will describe the MSME Expo project profile and activity implementation reports consisting of project preparation, activity implementation, implementation reports, and results achieved from expo activities.

#### **CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS**

This chapter contains a summary of the results of the writings in the previous chapters which were written as conclusions as well as suggestions for improvement and development for the MSME expo in the future. The author will provide recommendations for MSME, expo organizers, and the government.

REFERENCESS

**APPENDICS** 

WRITER BIOGRAPHY