

The Use of Small Capital Selling Snacks as A Business Opportunity in The Langowan Shopping Complex

Olviane Olke Sumampouw

Universitas Negeri Manado

Jl. Kampus Unima, Kelurahan Tonsaru, Kecamatan Tondano Selatan

Correspondence Email: olkesumampouw@gmail.com

ORCID ID: 0000-0002-9044-3897

ABSTRACT

Langowan is a strategic center of economic activity as it is a meeting place for several sub-districts in Minahasa and Mitra. This research paper aims to investigate the market opportunity to start a business of snacks, including selling wet and dry cakes in the Langowan shopping complex. By considering the research objectives, this research used the "the outside in" or "opportunity recognition" approach, which is an approach that emphasizes the idea of responding to market needs as the key to success. Based on the "inside out" approach, to start a business, a prospective entrepreneur must demonstrate business competence.

Keywords: Economic Actors, Entrepreneurship, Market Opportunities, Starting A Business, Strategies

INTRODUCTION

Langowan is a strategic center of economic activity because it is a meeting place for several sub-districts in Minahasa and Mitra. The Langowan Shopping Center is also adjacent to the traditional market of Pasar Mimpri Waya or the Old Market, which has become the center of attention so that there are many activities of buyers and sellers making transactions around Langowan shops. Langowan shops are also a favorite place for many people to look for goods and food at affordable prices. Langowan shops and traditional markets are never empty of consumers. This study investigates the use of small capital selling snacks as a business opportunity in the shopping complex.

Trade is not a business, however business has a trade. If we trade, we will definitely get profit quickly. If we do business, we do not necessarily get immediate profit. The most suitable trades are those that match interests and capital, as well as good opportunities in the areas of the traders. Productive businesses are those generating profits (profitable) with a potential market and good management (Latief & Niu, 2020). The product to sell should also be put into consideration, whether it is easy to get or hard. To start a trading business usually requires various kinds of capital, depending on the type of product you want to sell. The problem is that some people are afraid that there will be losses as they have mediocre capital.

Selling snacks could be the alternative since the Langowan shop was a strategic place for the community. Given that there are many daily workers around Langowan District, whose habits are buying snacks or cakes and coffee and tea every morning, Langowan is a strategic economic center of several sub-districts in Minahasa Regency.

RESEARCH METHOD

This research paper is a descriptive qualitative study requiring researchers to involve directly in the location and object of research. This will encourage the researchers to explore based on their sources following the conditions at the research location. This study explains in detail the results from the informants as sources of the interviews. Therefore, this is an exploratory study. It allows the researchers to analyze and describe the results since it would not provide a reliable and detailed explanation when using quantitative research. In addition, this type of research will help researchers to describe the results on the use of capital based on existing phenomena, including the business potential, market opportunities, benefits for consumers, places of production and marketing, constraints and challenges. This step is to make it easier to solve problems before marketing a product / service.

This research was conducted in the shopping complex of East Langowan sub-district, to be precise, Amongena 1, Amongena 2 and Wolaang villages, Langowan Timur District, Minahasa Regency. The location was deliberately selected due to its uniqueness. Meanwhile, the research problems was raised based on the absence of the similar research.

As stated by Sugiyono (2010) qualitative research is also called naturalistic research since the research is conducted naturally. This indicates that in qualitative research, researchers use primary data by visiting directly the object of research and collect the data. Hasan (2002) stated that primary data are those obtained or collected directly in the field by the person conducting the research or those concerned who need it. In addition to primary data, this study used secondary data. Sugiyono (2008) mentioned that secondary data are those obtained indirectly through the media or from other parties. As for primary and secondary data collection, we conducted field surveys, observations, interviews, and documentation.

According to Spradley in Sugiyono (2010: 215) qualitative research does not use the term population but rather "social situation" which consists of three elements, namely: place, actors, and activities that interact synergistically. The population in qualitative research encourages researchers to pay attention to these three elements in terms of knowing the relationship between the three elements with the research being carried out. However, Sugiyono (2010: 215) argued that in qualitative research, researchers also do not simply pay attention and draw a conclusion based on the three elements above. He added qualitative researchers observe in depth natural events, plants, animals, and vehicles.

Furthermore, this study used purposive nonprobability sampling. The object of the research were the Head of East Langowan District, Hukum Tua Desa Amongena 1, Hukum Tua Desa Amongena 2, Hukum Tua Wolaang and merchants in the East Langowan shopping complex. Thus, the samples in this study were the Government of Amongena 1, Amongena 2 and 5 merchants. As for data collection, this study conducted observation, interview, and documentation.

According to Nazir (1988), interviews are the process of obtaining information for research purposes by means of face-to-face question and answer between interviewers and respondents with a so-called an interview guide tool. This study involved several

informants closely related to the research and considered to have the required information. Table 1 below presents a list of names and status of the informants.

Table 1. Research Object

Name	Occupation
Jeffry Maisiow	Camat (District Head)
Belly Memah, SE	Hukum Tua (Village Head) of Amongena 1 Village
Plt. Joice Massie	Hukum Tua (Village Head) of Amongena 2 Village
Luane Wungkar (55 years old)	Snack Merchant
Lili Mailangkay (43 years old)	Drink Merchant
Clif Nayoan (30 years old)	Snack and Phone Credit Merchant
Karli Saisab (50 years old)	Snack Merchant
Karyo (40 years old)	Snack Merchant

Documentation is about records of past events (Sugiyono, 2014), in the form of writing, pictures, or traditional works. Document study is a complement to the use of observation and interview methods in qualitative research.

In addition to documentation, this research conducted an observation, as it is the basis of all knowledge (Nasution, 1988). We simply worked on data, facts about the real world obtained through observation, to pay attention to data from the Head of Langowan Timur District, Hukum Tua, and the informants. On these bases, Figure 1 below illustrates the research design.

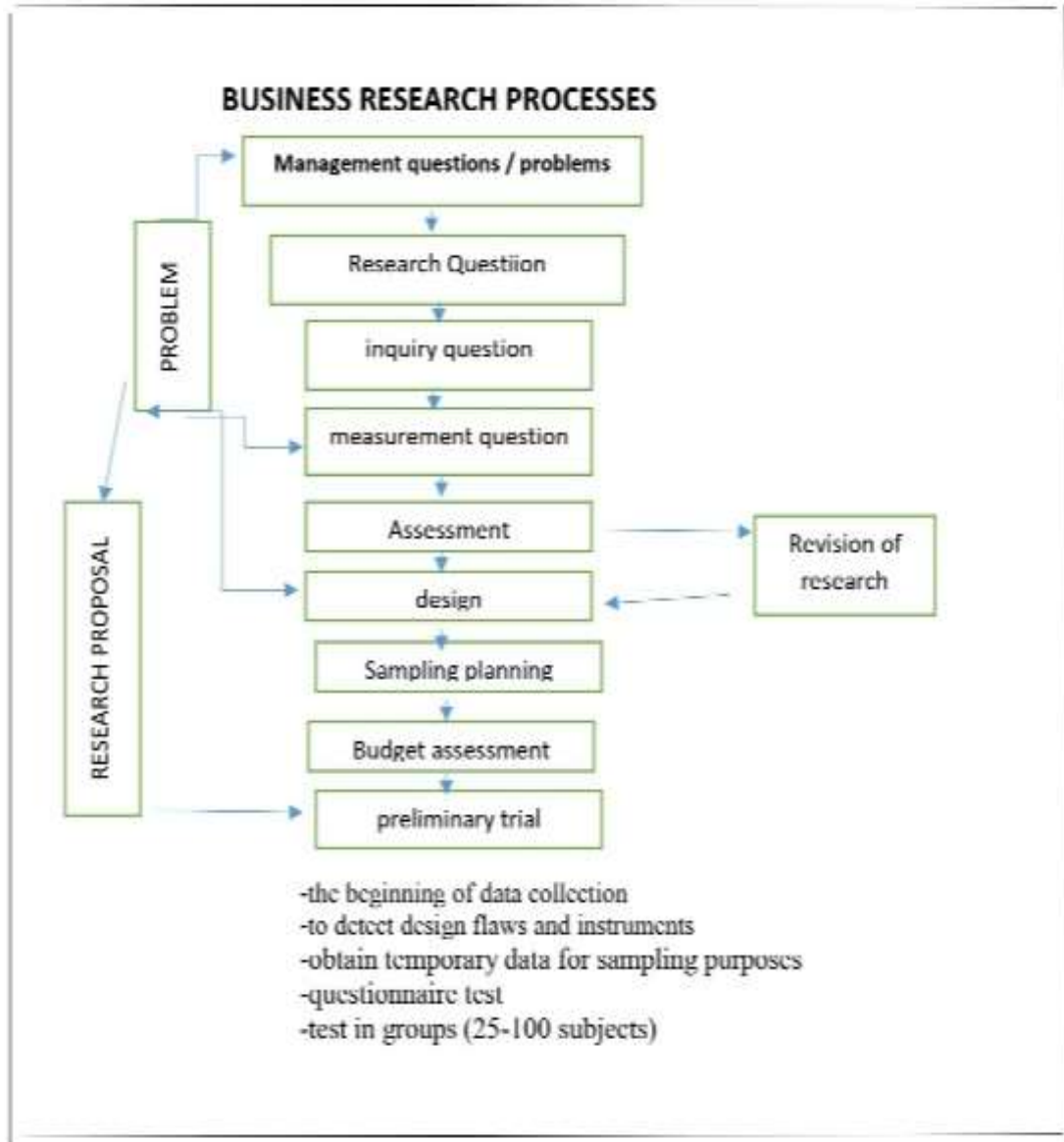


Figure 1. Research Design

Data will not bring a complete picture if it is not analyzed according to the design set. Complete data are required to be analyzed. Spradley (1980) in Sugiyono (2010: 244) stated an analysis involves a way of thinking. It refers to the systematic examination to determine its parts, the relation among parts, and the relationship to the whole. An analysis is a research for patterns. The data of this study come from interviews, notes in the field and photographs, and other documents that serve as a supporting tool. The data obtained by the researcher were analyzed by the Miles and Huberman model.

In this model, data collection was carried out by explaining objectively according to conditions in the field based on observations and interviews. The data were then reduced due to the data complexity. We summarized, selected the main findings, focused on important things, and noticed the patterns. Subsequently, the data were displayed or presented by brief descriptions, charts, relationships between categories, and

flowcharts. Miles and Huberman in Sugiyono (2010) mentioned that the most frequent form of qualitative data display is narrative text. As for conclusion drawing, it comprised new findings by descriptions, causal or interactive relationships, hypotheses, or theories.

The data validity testing included credibility tests (internal validity), transferability (external validity), dependability (reliability), and confirmability (objectivity).

Transferability testing required the researchers to make reports with detailed, clear, systematic, and reliable descriptions. Dependability testing ensures that a study is reliable if the data and the research process are both found and/or carried out by the researcher. Confirmability testing underlines that research is said to be objective if the results have been agreed upon by many people (Sugiyono, 2014). In qualitative research, the confirmability test is similar to the dependability test, so that the test can be done simultaneously. Credibility is related to the degree of accuracy of the research design with the results achieved.

RESULTS AND DISCUSSION

To obtain research data, the researchers met the East Langowan Sub-District Head (Camat), bringing a research permit issued by the LPPM Manado State University. After reading it, the Camat immediately signed the research permit along with the stamp and allowed the researcher to carry out further research in the one in East Langowan District. Then, the researcher met the village head of Amongena 1, namely Mr. Belly Memah.

The researchers explained the intention to conduct a research in the shopping complex of Amongena 1, and he gave full breadth to conduct the research, with the hope that the results would be disseminated to people to increase small and medium enterprises and community income and develop community creativity. Similarly, the head village of Amongena 2, Mr. Joike Massie, allowed us to carry out further research to add insight and hoped the results would have an impact on the community.

Subsequently, we conducted interviews with the informants for approximately 1 hour per informant. We have arranged structured questions as the reference for the interviews. However, this did not make the interview stiff for every answer would create new questions to get more information. The informants comprised 5 informants, cake and snack sellers in the Langowan shopping area. They have spent countless years in the business with small capital.

Informant 1 (Luane Wungkar) had started selling cakes and other snacks for 4 years and has moved to the shop three times. She initiated the business with a capital of 4 million by renting her place of business which is only 2 x 2 meters in size. She started the business only by hawking four kinds of cakes left for sale by the local community who usually left their cakes for sale. Now, she has started employing employees four people as the business is developing with a decent turnover. She said “ *..Puji Tuhan qt pe modal pertama Cuma beli rak untuk kaseh akang kukis dan kukis 4 macam yang dijual itupun bukan qt yang beking tapi masyarakat yang ada disekitar ini untuk dititip dijual ditempat saya ini.* [Praise to God. At first, we just afforded a rack for selling four cakes, consigned by people around.]

She added that her first-time income was around IDR 75,000-100,000 per day. AS her capital started to increase, she sold more various cakes. She explained that the first

time she sold the cakes, she was a bit hesitant since around her shop there were also several people selling the same products. She repeatedly said "*Puji Tuhan karena juga sempat beberapa kali pindah tempat tapi sekitaran kompleks pertokoan dan sekarang mendapatkan tempat yang lebih nyaman dan murah dibandingkan dengan tahun yang tahun sebelumnya.* [Praise to God. I relocated several times around this shopping complex before renting this cheaper and more comfortable shop than that I rented last year.] It is equipped with a small room to have a rest and a small toilet.

In her new place, she can make cakes to sell. And until March 2020, she employed five employees with a daily income of around IDR 750,000 to 1 million rupiahs per day. This business is open every day starting at 6:00 a.m. to 9:00 p.m. local time. Some of the employees are Muslim and some are Christian so that Sundays it continues to operate. As for marketing strategies, she was just simply waiting for people to visit and buy. "*Depe kunci tetap menjaga kualitas rasa, biar nae bahan jangan kaseh kurang tu bahan mo campur dikue, dengan harga yang qt jual sesuai dengan pasaran dan ramah terhadap pembeli*". She ensures the employees always smile while serving customers as they came not only from Langowan people but also from other villages, such as Kakas, Ratahan, and Pangu sub-districts.

The results of the interview above are in line with Schumpeter' theory (Schumpeter, 1949), stating that an entrepreneur is an innovator who implements changes in the market through new combinations. This combination can be in the form of introducing new products or with new quality, new production methods, opening new markets, obtaining new sources of supply of new materials or components. Ms.Luane has introduced new products and new methods and opened new markets. Schumpeter links entrepreneurship with the concept of innovation applied in a business context and relates it to a combination of resources.

The research shows that the entrepreneurial level of the merchants is quite skilled, and they feel that they need entrepreneurial training to increase creativity and innovation, and to create a business account, advertising and promotion skills, right pricing skills and selling skills. This study shows they reacted to changes in the current business environment that require creative and innovative entrepreneurs to provide more competitive and feasible goods and services (Jusoh & Asimiran, 2007). This study can contribute knowledge, skills, and experience to business.

Informant 2, Clif Nayoan, sold various types of cold drinks and has started the for about 2 years. As the shop is his private property, the business he made was a side business with a sizable profit. The benefits vary and it was also influenced by the weather; if it rained, the purchase would decrease.

His daily income was IDR 250,000. He sold several drinks, thus most of the consumers were young people and adolescents. He had no specific strategy to sell the drinks as it was his side business. However, he did not want want to leave the business from which he got profit. he did not want to hire employees since he can take turns shopkeeping with his wife and children who also have a business there. This finding is in line with Triton (2007) suggesting entrepreneurs know their business as well as its basic management.

Entrepreneurs must know everything having to do with their business. Knowing basic management means knowing how to design a business, organize and control a

company, including responsibility. It also means understanding tips, methods, processes, and effective and efficient resource management.

Informant 3, Karli Saisab, rented a small place and a glass cabinet. He had been selling cakes and other snacks for a few months by selling various kinds of cakes consigned by the local people. She has gained a lot of profits due to the highly strategic location. It was said during the interview with Mrs. Karli that instead of just sitting at home, it would be better if I could use the time to sell and I could get income to supplement my family's needs.

As the first step, she borrowed a container to put cakes and finally was able to buy a shelf for cake storage and ran the business herself. Her daily profit rate was around 200 thousand rupiahs. This is the right choice for those who are challenged to create jobs, rather than finding jobs.

Informant 4, Lili Maliangkay, sold snacks (with a 2-million initial capital) to use their spare time masking profit since the life necessities increase as far as it is permissible (*halal*). She realized that all businesses, both small and large, must have experienced unexpected situations, yet it is important to make things right. She also did not use any specific marketing strategies as the people around had known her business.

It is beneficial to follow these four strategic steps to start a business. First, it is identifying consumer needs and wants. Second, it is scanning or filtering the environment, and evaluating individuals and society in general. Third, it is carefully scrutinizing emerging business opportunities. Fourth, choosing one of the opportunities and preparing a business plan.

CONCLUSIONS

This research concluded that the Langowan shopping complex is the only shop in the busy Langowan sub-district located on the edge of the highway which is the main connecting road access road between those in Langowan sub-district to the capital of Minahasa District, namely Tondano and Kakas sub-district and areas around the inter-sub-district connection in Minahasa. This makes Langowan shops one of the centers shops with a strategic place for people to stop by for buying and selling activities. Hopefully in the future, this research could provide input to the government, entrepreneurs and the local community regarding the trading business selling cakes opportunities around the Langowan shops with small capital. This could realize people's sustainable welfare and encourages the community to create new employment opportunities so that unemployment will be reduced. Further reaearch should apply different focus of analysis in another village.

REFERENCES

- Hasan, M. I. (2002). *Pokok-Pokok materi metodologi penelitian dan aplikasinya*. Jakarta: Penerbit Ghalia Indonesia.
- Latief, N. F., & Niu, F. A. L. (2020). Utilization of productive zakat in improving mustahik economic empowerment (Study at BAZNAS of Manado City). *International Journal of Accounting & Finance in Asia Pasific*, 3(2), 13-25.
- Nasution, S. (1988). *Metode penelitian naturalistik-kualitatif*. Bandung: Tarsito.

- Jusoh, R., & Asimiran, S. (2007). *Cabaran usahawan di era globalisasi*. Paper presented at Seminar Kebangsaan Pendidikan Teknikal dan Vokasional 2007. Hotel Eastin, Petaling Jaya.
- Schumpeter, J. A. (1949). *Economic theory and entrepreneurial history—Change and the entrepreneur; Postulates and patterns for entrepreneurial history*. Cambridge, MA: Harvard University Press.
- Sugiyono. (2010). *Metode penelitian pendidikan (Pendekatan kuantitatif, kualitatif dan R&D)*. Bandung: Alfabeta.