# Business Performance of Processed Amplang during the Covid-19 Pandemic in Sanga-Sanga District

Keragaan Usaha Olahan Amplang Saat Pandemi Covid 19 di Kecamatan Sanga-Sanga

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### Abstract

Received 1 December 2022

Accepted 2 January 2023 The Covid-19 pandemic has had quite a broad impact on the community's economic sector. This condition is also felt by Micro, Small and Medium Enterprises (MSME), including business actors in the fisheries and marine sectors. The study activities were carried out for 3 months from July to September 2021. This research used survey methods and interviews with business actors. The data collected is in the form of primary and secondary data. The data obtained were analyzed by descriptive qualitative. From the results of the study it can be seen that processing business actors are quite feeling the impact of this covid-19. The results of the study in terms of sales turnover experienced a significant decline (between 40 - 60%). The sluggish consumer demand for amplang products is due to various reasons such as restrictions on people's mobility (PPKM) and declining people's purchasing power.

### Keyword: Performance, Business, Amplang, Pandemic Covid -19

### Abstrak

Pandemi Covid-19 menyebabkan dampak cukup luas terhadap sektor ekonomi masyarakat. Kondisi ini juga dirasakan oleh pelaku Usaha Mikro, Kecil dan Menengah (UMKM), termasuk pelaku usaha sektor perikanan dan kelautan. Kegiatan pengkajian terhadap pelaku usaha perikanan dilakukan agar dapat diketahui kondisi nyata usaha perikanan, khususnya olahan amplang di Kelurahan Sari Jaya Kecamatan Sanga-Sanga Kabupaten Kutai Kartanegara. Dari hasil penelitian dapat diketahui bahwa pelaku usaha pengolahan cukup merasakan dampak dengan adanya covid-19 ini. Hasil telaahan dari segi omset penjualan mengalami penurunan cukup signifikan (antara 40 - 60%). Lesunya permintaan konsumen terhadap produk amplang disebabkan berbagai sebab seperti adanya pembatasan mobilitas orang (PPKM) dan turunnya daya beli masyarakat.

Kata Kunci: Keragaan, Usaha, Amplang, Pandemi Covid -19

# 1. Introduction

In an effort to meet the needs independently, the community is required to rise with its economic power so that it is expected to increase competitiveness and end at the optimal level of welfare. The results of the study by Haqiqiansyah *et al.* (2018) from the group of processing business actors stated that the level of awareness or desire to change (power within) is relatively high. This becomes the main or basic capital in efforts to develop the potential of the actor himself.

Productive economic development and sustainable development for fishery product processing businesses are expected to improve the welfare of fishing communities (Nugroho, 2015). Processed fishery product diversification needs to be developed, because it is able to provide added value to the product. Yudaswara *et al.* (2018) stated that fish-based processing businesses are prospective. This indicates that various variants of fishery products are able to provide added value and contribute to family income. So far, many women's groups have worked in the processing business. Group-based women's empowerment has a real impact on increasing women's abilities (Setyaningrum & Hartanto, 2020)

From data from the Ministry of Manpower, during the Covid-19 pandemic, around 29.4 million people were affected by the pandemic. Some of them have been laid off, reduced working hours, and laid off. This condition also has an impact on micro, small and medium enterprises (MSME). For MSME business actors who do not adapt, they could be in danger of going out of business. Responding to this condition requires the right business management strategy during the pandemic.

The amplang business is one of those included in the Micro, Small and Medium Enterprises (MSME) group. This business has been occupied by the community for quite a long time, but the journey is quite fluctuating due to the influence of various factors and constraints that are often faced by business actors. This is in accordance with the results of a study by Haqiqiansyah *et al.* (2018) that this business has many obstacles such as scarcity of raw materials and limited marketing. Utilization of marine products that are widely used by the community is milkfish. Some of these catches are marketed in fresh form, and some are processed. Processed products are in the form of presto milkfish business, cracker and eggplant business. Processing business is aimed at providing added value to fishery products and business diversification. In addition, it can also increase job opportunities for the community. The ultimate goal is to increase people's income,

Considering that, the condition of the Covid 19 pandemic has had a significant impact on the development of this processing business, especially the decline in demand from consumers. Responding to these conditions, it is necessary to carry out a comprehensive and directed study to find out in detail the impact that has occurred on the amplang processing business in Sanga-Sanga District. So that later expected a solution and the right strategy to support the sustainability of this business. That allows you to satisfy wishes independently, the network is needed to upward thrust with its financial energy so that its miles anticipated to growth competitiveness and end at an excellent level of welfare. The effects of the have a look at by using Haqiqiansyah *et al.* (2018) from the institution of processing enterprise actors said that the level of attention or preference to exchange (strength inside) is notably high. This becomes the principle or basic capital in efforts to expand the potential of the actor himsself.

Efficient monetary improvement and sustainable improvement for fishery product processing businesses are expected to enhance the welfare of fishing communities (Nugroho, 2015). Processed fishery product diversification wishes to be evolved, due to the fact it could offer delivered fee to the product. Yudaswara *et al.* (2018) said that fish-primarily based processing agencies are potential. This shows that diverse versions of fishery products are capable of offer-introduced fee and contribute to own family income. To date, many women's agencies have worked inside the processing commercial enterprise. Organization-based totally girl's empowerment has a real effect on increasing girl's competencies (Setyaningrum & Hartanto, 2020)

# 2. Material and Method

### 2.1 Time and Location

This research was carried out from July to September 2021. The research location was in Sanga-Sanga District, Kutai Kartanegara Regency.

#### 2.2. Method of Collecting Data

Field survey activities were carried out for the data collection process. Interview activities (interviews) with respondents, both with government officials (village) and business actors. The data collected is in the form of primary and secondary data. Primary data comes from respondents by conducting discussions and filling out questionnaires or questionnaires, while secondary data is obtained from reports, reference books and other sources.

#### 2.3. Sampling Method

The results of the initial field survey revealed that there were four processing business actors at the location of this activity, so that the sampling was carried out on a census basis, meaning that all respondents were used as research samples. The number of samples taken was 4 respondents

#### 2.4. Data Analysis Method

Data is collected, processed and analysis then presented in the form of graphs, tables and interpreted. Qualitative data were analysis by descriptive qualitative.

# 3. Result and Discussion

### 3.1. General Conditions of Research Locations

Sanga-Sanga District is in the Mahakam Delta Region, with an area of around 233.4 km<sup>2</sup>, and is the district with the smallest area in Kutai Kartanegara Regency. There are five sub-districts, namely Sanga-Sanga Dalam (55.42 km<sup>2</sup>), Sarijaya (22.81 km<sup>2</sup>), Pendingin (58.83 km<sup>2</sup>), Sanga-Sanga Muara (35.81 km<sup>2</sup>), and Jawa Village (60.53 km<sup>2</sup>). The district capital is located in Sanga-Sanga Dalam Village. The climate in this region is wet tropical with rainfall of 129 mm/month and rainy days around 16 days/month in 2019 (Kutai Kartanegara Central Statistics Agency, 2020)

#### 3.2. Socio-Economic Aspects of Society

The actual condition of a community can be seen from the education, health, employment opportunities and livelihood conditions cultivated by the community. The condition of the population in 2019 in Sanga-Sanga District was recorded at 18,812 people. The composition of the population consists of 8,804 women and 10,008 men. For details of each population based on sub-districts in 2019 can be seen in Figure 1.



Figure 1. Population each Village

The education aspect is an indicator to assess quality and shape human beings to be better. The government has designed and implemented for 12-year compulsory education program, in order to create superior human resources. The educational facilities available in Sanga-Sanga Subdistrict are 5 Kindergartens, 15 public elementary schools (ES) spread throughout the village, and 1 private elementary school in Sanga-Sanga Dalam Village. Apart from that, there are also 3 public junior high schools (JHS) located in Sanga-Sanga Dalam and the District. Meanwhile, there are also 2 private Madrasah Tsanawiyah (MTs) which are located in the Cooling and Sanga-Sanga Muara Subdistricts. There are only senior secondary schools in the Sanga-Sanga Dalam Village, namely one public senior high school (SHS), one state vocational high school (VHS), and one private vocational school.

#### 3.3. Overview of Fishery Business

Sanga-Sanga District has a river that the community uses for household activities. Apart from that, most of the people work as fishermen, but there are also those who raise fish in cages, ponds and ponds. Aquaculture production in the fisheries sector in Sanga-Sanga District amounted to 54.25 tons which was divided into ponds of 41.83 tons and cages of 12.42 tons (Department of Maritime Affairs and Fisheries of Kutai Kartanegara, 2019).

#### 3.4. Respondent Profile

Arnis *et al* (2019) stated that the low performance of small businesses is mostly caused by human resource factors. For this reason, it is necessary to know the characteristics concerning business actors. The profiles of processing business actors include age, education level and length of business.

No	Criteria	Description	Note	
1	Age	32 – 55 years	Age of productive	
2	Education	Elementary School $= 25\%$		
		Junior High School = 25%		
		High School $= 50\%$		
3	Length of Business	3-7 years		

Table 1. Profile of Amplang Processers in Sarijaya Village

#### 3.5. Performance of Amplang Processing Business

Sanga-Sanga District, Kutai Karanegara Regency, is one of the sub-districts that are in the Mahakam River, has one of its special snacks, namely ampel. Amplang is a processed fish-based product. Milkfish (*Chanos chanos*) mixed with starch and other ingredients and then fried. Amplang is a typical souvenir from Sanga-Sanga District.

Processing is one way to maintain the quality of fish, so that it can be stored for a long time until it is time to be used as consumption material. At first, the efforts made in fish processing were carried out traditionally by utilizing natural processes. With the current development of science and technology, the fish processing business is also developing with the increasing number of mechanical equipment used in this process. The use of fairly modern equipment makes the processing process faster (Adawyah, 2007).

Amplang is a well-known souvenir in big cities in East Kalimantan, including from Sarijaya Village, Sanga-Sanga District, Kutai Kartanegara Regency. Who doesn't know amplang, a snack that is a kind of fish-based cracker mixed with tapioca flour and spices. In everyday life, generally homemakers do more domestic activities (household activities). In society, the wife's involvement has been seen in productive activities. Various activities will be able to describe how much time they spend on these various activities. The involvement of housewives in productive activities has implications for the contribution of family income. In general, income for the family is borne by the husband as the head of the family, while the role of the housewife in this case is to supplement the family income.

This pandemic condition also has an impact on processing businesses, although they can still survive. Business actors make various adjustments to these conditions so that this business can continue. The decline in sales turnover was felt, around 40-60% from before. In line with the results of Suryani (2021), that the impact of the Covid-19 pandemic affected Bu Ani's Klepon business by around 60%, experiencing a decline in sales.

The movement of the fishery business in Indonesia mostly includes catching, cultivating and processing of fishery products. The impact of the WFH system implemented to prevent the spread of Covid-19 has hit the fishing industry more or less. Most of the online media reported that the decline in fish prices was caused by a decrease in the level of demand from consumers, from the household scale to exporters. As a result, in some areas fishermen have stopped fishing activities because they are worried that their products will not be absorbed by the market. Fish market activity in some areas in the last month has begun to decline due to the lack of buyers, so that the number of fish in the market has decreased (Nindarwi, 2019)

The Central Statistics Agency (BPS) in 2020 stated that for 2 months there had been a decline in fish prices. The exchange rate of the fisheries sector continues to decline. BPS stated that in March 2020 the Fisheries Exchange Rate (NTP) fell by 0.35% compared to the previous month, namely from 100.65 in February 2020, to 100.30 in March 2020. The decline in the index was due to several commodities experiencing price reduction. Responding to this condition, the Ministry of Maritime Affairs and Fisheries made a policy by providing incentives to fishermen and fisheries business actors affected by Covid-19. The form of incentives is to collaborate with related associations and BUMN in the field of fisheries and the private sector to create a digital fish market. The impact of PPKM is quite pronounced, due to the lack of direct interaction between actors. Marketing digitalization is an alternative to maintaining business continuity.

The impact of the pandemic on Micro, Small and Medium Enterprises (MSME) in general has been felt by business actors. According to Utami (2021); Rosita (2020) states that the performance of MSME has decreased during the Covid 19 pandemic. The conditions for MSME in Indonesia are in bad/very bad condition, from 1% before the pandemic to 56.7% after the pandemic. This condition generally occurs in the regions, especially in the Sarijaya Village, Sanga-Sanga District. There are some businesses had to stop and there are some still survive. From the results of interviews with village government stakeholders, general information can be obtained about the condition of MSMEs in this area. Based on information from the urban village, some of the people affected by the pandemic have received assistance from the government, both in the form of Direct Cash Assistance (DCA) and working capital assistance for MSMEs.

According to Bappenas 2020, Village Fund Direct Cash Assistance is financial assistance provided by the government sourced from Village Funds to poor families in villages to reduce the impact of the Covid-19

pandemic. Prospective recipients of BLT-Village Funds are poor families who are recorded in the Integrated Social Welfare Data (ISWD) or those who are not recorded (exclusion error) that meet the criteria. Based on the results of a survey related to government policies, in Sarijaya Village there are 2 (two) models of assistance grants intended for the community, namely: first Direct Village Fund Tuna Aid (DVFTA) sourced from BAPENAS and second is MSME Direct Cash Assistance sourced from the Ministry of Cooperatives and MSME. Relating to the development of the processing potential of amplang products. During the current Covid-19 Pandemic, the impact was felt for MSME engaged in the business of processing fishery products in the form of Amplang products, which saw a reduction in sales turnover of up to 60%.

In connection with mitigating the impact of the Covid-19 pandemic, the government through the Ministry of Cooperatives and MSME issued a policy for Micro Business Production Assistance or MSME Direct Cash Assistance with assistance of IDR 1,200,000 per month. The mechanism for channeling this assistance does not involve the Sarijaya Sub-District government, because the selection process for those who are entitled to receive and the disbursement process is directly sent from the central government directly through a designated bank, in this case through bank BRI.



Figure 2. Interview with Plt. Ward of Sarijaya

The problem encountered in the community is related to the distribution of MSME DCA assistance which is not in accordance with the data that has been registered by the Sarijaya sub-district government, so that there are some residents who complain because they do not receive the assistance, while the kelurahan does not know the exact number of residents who receive DVFTA and DCA MSME. The solution that we suggest is that in the future the sub-district government can directly record the residents who have received assistance so that it can become a reference and evaluation for the distribution of further assistance.

From the results of the identification and discussion with the village administration and business actors (amplang processors), various impacts of the pandemic that have been felt by them can be formulated, especially on processing business activities. The impacts that occur are as follows :

### a. Production Decline

The impact of the pandemic that is being felt by amplang processors is the drop in production. Many factors contributed to this decline, including the decline in people's purchasing power, marketing difficulties, and reduced consumers. Some argue that due to restrictions on community activities, the impact is a lack of community mobility. This is in line with the results of the study by Aminy & Firhriasari (2020), the PPKM and WFH policies have had an impact on changes in community mobility. As it is known that this product is classified as a product by regional specialties. This is in line with the results of a study by Rizal (2021), the impact of the covid 19 pandemic weakened MSME activities.

#### b. Decrease in Demand

Various policies that have been implemented and the impact of the pandemic on MSMEs have hit MSME activities in Sarijaya Village. The disrupted mobility of the community also has an impact on the demand for this product. The sluggish market and low purchasing power of the people because they prioritize basic needs. Communities in general limit physical contact activities, so this condition causes demand to fall. Limited mobility of the people, while this product is more of a regional specialty, so demand is declining. The sluggish economy in general has impacted the business of processing shellfish, so that some have survived by adopting other marketing strategies.

#### c. Disruption of bBusiness Finances

The decrease in consumer demand for this product will result in reduced sales turnover. This condition causes a decrease in the income they earn. On the other hand, some processors still have costs to bear such as business credit installments, costs for purchasing raw materials, labor costs and other needs. The sharp decline in turnover disrupted the business financial system.

With this perceived impact, some business actors respond with various actions such as:

#### 1. Reduction of Manpower

In order to reduce production costs due to reduced production activities, working hours are reduced or terminated. As a result of the sluggish demand for this product, processors have temporarily reduced their production. This is done so as not to suffer a big loss. As a result, business actors reduce the number and working hours of employees or partially stop the use of outside workers. Sluggish sales activities and difficulties in product distribution have an impact on production activities. The studies by Putri (2020), the impact of the pandemic has seen a decline in people's purchasing power and a quiet market situation.

2. Reduction of Raw Materials

Raw materials are sometimes an obstacle in this business. The results of the study by Haqiqiansyah *et al.* (2013) the availability of raw materials is an inhibiting factor in the development of this processing business. The results of fisheries business are seasonal, so sometimes availability can be scarce. After this pandemic, it also had an impact on fishermen who have been distributors of raw materials. The processors reduce the need for fish raw materials, citing the lack of consumer demand for this product, as well as the limited tools (freezers) for storing raw materials. Demand has decreased, so they also reduce production. As a result, the raw material needed for fish is also reduced. This impact is quite felt by fishermen. Reducing fish raw materials as a form of reducing the risk of greater losses for processors.

### 3.6. Development Strategy During the Covid 19 Pandemic

Currently, society is the center of thought that must be empowered. Empowered people will be able to synergize with the government in carrying out their daily lives. Of course, the role of the government must be increasingly real in becoming an inspiration and facilitator for the movement of people's lives which are increasingly empowered. This can be achieved if there is a program that is focused on empowering the community so that the government is seen as a partner whose existence is absolutely necessary for them. It seems, models.

# 4. Conclusions

The Covid 19 pandemic has had an impact on the economy of the people in Sarijaya Village, Sanga Sanga District, especially for MSME, especially the business of processing amplang. The impact felt by the business actors in the processing of shellfish is a decrease in production (40-60%), a decrease in demand, and disruption to business finances. The strategy that can be implemented so that this business can survive is synergizing between policy actors and business actors, mentoring MSME capital assistance, and digitizing MSME.

# 5. Suggestion

Various policies and stimuli have been implemented, so in order to be effective it is necessary to take several actions such as assistance to business actors which need to be intensified by optimizing the role of PPL staff and community groups and training/counseling for business actors, especially amplang processors in the use of information technology

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