

# Palm Sugar Business Development in Temon Village, Arjosari District, Pacitan Regency

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Abstract: In business development, the right strategy is needed so that the business runs perfectly. However, the development of the sugar business has not implemented a good strategy, which is shown in the production process that has not made product variants and promotions are still simple. So a strategy is needed in business development to achieve the goal. The purpose of this study was to determine the development of palm sugar business in Temon village, Arjosari district, Pacitan district, to determine the factors that influence palm sugar business, and to determine the impact of business development on increasing palm sugar production in Temon village, Arjosari district, Pacitan district. This study uses a qualitative method. This type of research is field research (field research). Data collection techniques are from interviews, observation, and documentation. The results of this study are: 1) Development of palm sugar business in the village, namely developing the market for products, sales systems, and developing markets with synergy. However, only the strategy of developing the market with synergy is maximally applied to the palm sugar business. The palm sugar business also applies business development in Islam which includes: honesty, sincerity, professional friendship, holy intentions and worship, and paying zakat, infaq, and sadaqah. 2) The factors that influence the development of the sugar business include: opportunity factors, planning factors, management factors, and marketing and sales factors. 3) business development in Temon village can increase palm sugar production and make a good contribution to craftsmen, this is evidenced by the increase in palm sugar production over the past year, which is 2-7 kg/month.

Keywords: Business Development, Palm Sugar.

## INTRODUCTION

The shift in developing economy has given rise to many economic options for those who wish to rule the world the shift in a thriving economy gave rise to many economic options for those who wanted to rule the world. Building a company by turning the world market into a product sales area is a huge task that an entrepreneur with a wide range of options must face. Building a company by turning the world market into a product sales area is a big task that must be faced by an entrepreneur with very diverse choices (Fahmi, 2014).

Along with the development of the times, the needs of the community are increasing and diverse. So there must be a business activity that can help improve people's living standards. To answer economic demands, people must first assess the possibilities and opportunities that exist around them. In the hope of absorbing labor from the surrounding community. This is a reference for business actors to make improvements so that they have superior competitiveness so that they can develop their business in the midst of many new businesses.

The life force of a business that is already running, really depends on the determination of choosing a strategy when facing problems. There are still many entrepreneurs in running their business using conventional methods such as relying on feelings and experiences, rather than planning a good strategy (Rio F Wilantara, 2016). Whereas in Islam all human activities both in doing business or business have restrictions that are allowed (*Halal*) and those that are not allowed (*Haram*). This is explained in QS. Al-Baqarah : 275. "... and Allah has legalized the sale and prohibition of usury."

The previous verse reminded Muslims that Allah allows buying and selling (business), both in the form of buying and selling merchandise and in the form of buying and selling goods and services, with the understanding that buying and selling means the delivery of goods or services in exchange for a reasonable price from the seller. Business or economic activity is a profit-oriented activity in the field of business that aims to meet individual needs through production, consumption, or distribution. Therfore a business approved by Islam creates halal income and thus becomes a blessing.

To introduce the product to entrepreneurial customers must have a strategy with the aim of developing the business. Business Development is everything that is done by both individuals and companies including from the way of making, buying, selling, or exchanging goods and or services to make a profit. Businesses are generally divided into three types, namely micro, small, and medium enterprises. Small and medium enterprises (SMEs) are one of the government's alternatives to increase people's economic development. In addition, to help people's interest in creative thinking about the business to be started. For this reason, business development strategy is very important in encouraging business improvement. Every entrepreneur who sets up a business needs vision, motivation, or originality to be responsible for the development of his company. If every entrepreneur can do this, then the dream of establishing a large company will be achieved.

Meanwhile, Islamic business development is a good personality, piety, justice, fulfilling commitments, serving clients humbly, and maintaining promises. The factors that influence business development based on sharia principles are being ready to make decisions, developing confidence in Allah, choosing a business that can be learned quickly, strengthening patience and devotion, as well as doing good and abandoning immorality.

Palm plant is one type of palm plant that has many benefits, ranging from the roots, stems, leaves, fruits and sap water. The sap water comes from the stalks or bunches of palm flowers through the tapping process. In a day, palm tree sap water can be taken for two times, namely in the morning and in the evening. palm tree sap water can produce several types of products, one of which is palm sugar.

Palm sugar can also be defined as one of the processed foods produced by processed juice that comes from bunches of palm trees (Hesty Heryani, 2016). Palm sugar is one of the agro-industrial products produced in rural areas by small businesses or household businesses. Sugar is traditionally made with simple utensils. Palm sugar has a low glycemic content that is very good for the body, and is suitable for diabetics. In addition, producing palm sugar can increase household income for artisans or farmers.

Temon Village is one of the villages in Arjosari District, Pacitan Regency, which has the opportunity to produce palm sugar. Some residents in Temon Village have long been craftsmen who are engaged in palm sugar processing businesses or crafts. The palm sugar industry has been carried out for generations by some villagers. Palm sugar produced by artisans in this village has its own characteristics with palm sugar in other regions. In the production process, craftsmen add curcuma as a mixture of palm juice. Curcuma is a type of plant that contains fiber, protein, carbohydrates, and others. Curcuma is widely used as a medicine, flavoring of dishes, drinks, and natural dyes for food and cosmetics. By adding curcuma, the resulting palm sugar becomes brighter with a yellowish-brown color. In addition, the palm sugar produced by the artisans is sweeter and has a stronger aroma.

In the production process, each craftsman has 1 to 3 members or manpower. Palm sugar artisans can depress palm sugar 2 times a day with an average production capacity of 5-10 pieces or craftsman equivalent to 1 kg. This shows that in 1 month the craftsman can produce as much as 60 kg of palm sugar. Each bunch of palm flowers can be tapped for 3 to 4 months, or until they run out or dry out. The production time of palm sugar adjusts the palm plants that can already be taken. The large amount of sap produced from the tapping/depressing process is strongly influenced by several factors, such as the age of the plant, the state of soil composition, and the level of water availability.

After making observations in the field in the production process, palm sugar farmers only produce palm sugar chips, and in packaging it is also still simple using dried teak leaves. In the marketing process, the craftsmen are still simple, namely from one person to another *(face to face)*. In addition, palm sugar farmers in producing palm sugar do not innovate products to increase production yields to get greater profits. This is an obstacle that results in palm sugar not being known by consumers. Therefore, a development strategy is needed to develop the business of farmers in producing palm sugar.

Based on the problems found in this palm sugar artisan or deer business, strategies are needed to develop the resulting product by implementing a good and correct development strategy so that production results can be further increased. There are three business development strategies proposed by Hendro, including developing the market from the product side, developing the market from the sales system, and developing the market synergistically (Hendro, 2011). In terms of product, there are three kinds of market development: growing product variety through product categories, depending on product lines, and identifying new products with new markets. In terms of sales system, market development requires increasing inward sales, creating a marketing network system with other parties, and integrating the market with other companies. As well as developing the market with synergism. So the importance of this research is to know how to implement appropriate business development and find out the impact of developing a palm sugar craftsmen business.

Based on this presentation, researchers feel interested and important to conduct research on the extent of the business development strategy carried out by palm sugar craftsmen with the title, "PALM SUGAR BUSINESS DEVELOPMENT IN TEMON VILLAGE, ARJOSARI DISTRICT, PACITAN REGENCY".

#### METHOD

#### Approaches and Types of Research

The research approach used in this study is qualitative. Qualitative research is a *postpositivism-based* research method used to evaluate the state of natural objects by using researchers as the main instrument (Sugiyono, 2016).

The type of research used by researchers is field research is the method used (*field research*). Field research is research conducted in the field or at a research location where the location is chosen to objectively investigate the symptoms that occur (Fathoni, 2006).

#### **Research Presence**

In qualitative research, the researcher takes on the role of an instrument. As a human instrument, qualitative research determines the focus of investigation, selects informants as data sources, analyzes data, interprets data, and draws conclusions from their results. Researchers were present at the research location, namely in Temon Village, Arjosari District, Pacitan Regency.

#### **Research Location**

The location of the study taken by the author is in Temon Village, Arjosari district, Pacitan regency. The reason why researchers choose this location as the object of research is because of its strategic location, easy to reach and one of the places for business craftsmen who produce local products. In addition, the author sees problems regarding Business Development.

## Data and Data Sources

Data is all information that is processed for research activities so that it can be presented as a basis for decision making. The data used in this study is qualitative data. Qualitative data is data obtained from interviews with interested parties in the form of oral data with explanations of discussions (Lexy J. Moleong, 2012). The main data source in this study is in the form of interviews from informants. In this study, the informants were Mr. Kateni, Mr. Kadi, Mrs. Sumiyem, and Mr. Juni as the actor/craftsman of palm sugar and other parties related to this research.

#### 1. Data Collection Techniques

Data collection is a method of systematically and consistently collecting information (Moh. Nazir, 2013). Since the fundamental purpose of research is to obtain data, the data collection procedure is the most important step in the research process (Sugiyono, 2015). In this study data collection with observation, interviews and documentation.

## 2. Data Processing Techniques

The data processing used in the preparation of this research uses editing techniques, data organization, data analysis.

## 3. Data Analysis

Data analysis in this study is with explanations and then analyzed using a thinking method that departs from information on Palm Sugar Business Development in Temon Village, Arjosari District, Pacitan Regency which will be discussed and the conclusions formed.

## 4. Data Validity Checking Techniques

In credibility testing technical triangulation was used to test the confidence of the data in this study. Triangulation is described as the examination of data from many sources in different ways and at different times. Researchers used three types of triangulation in this study: Source triangulation, triangulation technique, and time triangulation.

## **RESULTS AND DISCUSSION**

## **Palm Sugar Business Development**

Creating a more developed and developing company is the dream of all entrepreneurs, who pay more attention to future initiatives. According to Hendro, there are three business growth strategies that organizations can use to grow and grow their business. The business development strategy according to Hendro's theory is: Market development in terms of products, market development of the sales system, and market development synergistically. 1) Developing the market from the product side is one of the most important tasks to be done initially. Since the main products have been released and expanded, the issue of profitability and quality has been recognized in the market. Market development from a product perspective consists of increasing product variations, through product categories, by product line, by function, and determining new products with new markets. 2) Develop the market from its sales system. There are several ways to grow the market through the sales system, including building an internal sales distribution system, which includes self-development and cooperation with other parties, and developing a marketing network system with other parties 3) Developing a market with synergism or forming a partnership between two companies with a diverse market with the aim of exchanging and strengthening each other's market. Because

the two have the same nature. One company wants to sell its products to the public, while the other wants to expand its customer base.

Based on the reality on the ground, the Temon palm sugar business has implemented three business development strategies, namely market development in terms of products, market development in terms of sales systems, and market development synergistically. Palm sugar business craftsmen have not yet innovated products in various types of variants. However, palm sugar business craftsmen always improve product quality by choosing good raw materials, using clean processing tools, and maintaining the shape and color of palm sugar. The palm sugar business includes unique and distinctive local products, and not all regions can process palm sugar properly. In the sales system, palm sugar business artisans still do simple promotions not utilizing social media such as: Whatsapp, Instagram and Facebook. In addition, artisans market sugar through a marketing system by cooperating or partnering with other parties. Meanwhile, palm sugar producers have worked or cooperated with other businesses to boost the market with synergies. Because this company works with local goods and needs customers. So they can produce palm sugar indefinitely without paying attention to the target market.

Based on the researcher's analysis, it shows that artisans in general have implemented strategies in developing their palm sugar business in accordance with islamic principles. The palm sugar business is in the process of processing and serving buyers with an honest, sincere, professional, friendship, holy intention and worship, as well as fulfilling *zakat, infaq*, and *shadaqoh*. In carrying out their business, they must start with a holy intention (*lillahi ta'ala*), that is, they must do it in the right way, a good goal and the correct use of the results of the business. In addition, this business prioritizes product quality and quality, providing a product that is beneficial to consumers. By applying islamic economic principles they will gain and succeed from Allah Swt.

#### Factors Affecting the Development of Palm Sugar Business

According to David H. Bang, the factor of business development or success is determined not only by how hard the entrepreneur works, but also by how smart he is in executing and planning his strategy and implementing it. All aspects that drive business development are opportunity factors, planning factors, management factors, and marketing and sales elements (Hendro, 2011).

Based on the theory and facts above, researchers can analyze that there are four factors that affect business development, namely opportunity factors, planning factors, management factors, and marketing and sales factors. Of the four factors, three have been implemented optimally and become important factors in the development of the palm sugar business. While the marketing and sales factors have not been implemented optimally, this is because the palm sugar business has not carried out marketing and sales widely. They still sell products to markets, stores, and closest friends.

#### Impact of Business Development on Increasing Palm Sugar Production

According to theory and facts in the field, the application of development strategies and factors that influence development has a good impact on the palm sugar business. The strategy implemented by the palm sugar business can make a good contribution to the business, both in general and strategy in the Islamic economy. By implementing this, it has an impact on palm sugar production, because this strategy can increase customer and consumer confidence to stay afloat in this product. With the increase in palm sugar production, the income of artisans is also increasing more than before implementing a business development strategy. Increasing the income of artisans can increase their motivation in processing and running a palm sugar business. Palm sugar production over the past year has increased very well, namely by 2-7 Kg / month, this can be seen in the table below:

Month	Number of Palm Sugar Production											
	Jan	Feb	May	Apr	Mei	Jun	Jul	Ags	Sep	Okt	Nov	Des
Number of	5 Kg	7 Kg	10	13	18	25	30	36	42	48	55	60
productions			Kg									

Table 1.1

Source: Owner of Temon Palm Sugar MSME

#### CONCLUSION

Based on the data obtained by the palm sugar business development in Temon village, it develops the market in terms of its products, develops the market from its sales system, and develops the market with synergism. This is in accordance with the theory put forward by Hendro. However, the palm sugar business has not implemented these three strategies optimally. In the palm sugar business, more emphasis is placed on developing the market with synergism. Meanwhile, the development of Islamic business in accordance with Abdullah's theory is to apply an attitude including: honesty, sincerity, professional friendship, holy intentions and worship, and fulfill *zakat, infaq*, and *shadaqoh*. In the palm sugar business, it has implemented Islamic business development to the fullest.

There are four factors that affect business development, as for business development factors according to Hendro's theory, namely: opportunity factors, planning factors, management factors, as well as marketing and sales factors. Of the four factors, there are only three factors that affect the development of the palm sugar business, namely opportunity factors, planning factors, and management factors. In addition, there is one factor that does not affect the development of the palm sugar business, namely: marketing and sales factors. The impact of palm sugar business development in Temon village can increase palm sugar production and make a good contribution, this is evidenced by the amount of production in the last year which has increased from January to December as much as 2-7 Kg of palm sugar / month.

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