

BUSINESS OPPORTUNITIES DURING THE COVID-19 PANDEMIC IN PALU CITY

Harnida Wahyuni Adda

Department of Management, Faculty of Economics and Business, Tadulako University

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Abstract: This study aims to identify and analyze new business opportunities during the COVID-19 pandemic in Palu City. It used a qualitative method. The population for this study was entrepreneurs in Palu City, while the sample was entrepreneurs who take advantage of new business opportunities during the COVID-19 pandemic. This study used both primary and secondary data. Primary data were obtained from research samples, while secondary data were obtained from documents, mass media, and online media. Data were analyzed using interactive analysis consisting of data reduction, data presentation, and drawing conclusions. The results showed that some business opportunities could be run during the COVID-19 pandemic such as businesses engaging in basic needs, health services/products, and delivery services. These business opportunities were widely utilized by entrepreneurs in Palu City to survive the COVID-19 pandemic.

Keywords: Business Opportunities, COVID-19, Entrepreneurship.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play an important and strategic role in national economic growth. Besides, they also contribute to employment. COVID-19 does not only affect the health sector but also the economic sector, including large businesses and MSMEs. Government policies such as social distancing, large-scale social restrictions, working from home, restrictions on transportation, and termination of employment have affected the distribution of raw materials and MSME products. During the COVID-19 pandemic, some opportunities can be taken to maintain business activities. An exploratory mindset is key for maintaining business activities during a crisis (Istiatin & Marwati, 2021).

Movements and changes in ways of running businesses towards digitalization are forcing business actors to adapt to these changes. Changes in business patterns in large companies that lead to the digitalization process do not experience too many problems due to their characteristics of having sufficient resources. Meanwhile, for MSMEs, this digitalization process will require a lot of preparation (Sholihah, 2021). The COVID-19 pandemic provides opportunities for independent businesses by utilizing social media and e-commerce. The current technological advances such as the internet and mobile devices can be utilized to develop online businesses to reach a wider market.

Public interest in shopping online is higher than in direct shopping at shops or supermarkets. Besides making shopping easier and simpler, online shopping provides many choices and with one click, you can find a wide variety of product choices with various prices. Consumers can choose the cheapest price for the product they want to buy and then make payments online so they only need to wait for the product to be delivered to their address. Online business is increasingly loved and the demand is higher during the COVID-19 pandemic. Many people and entrepreneurs are turning to online businesses. Thus, many business actors look for new business opportunities during the pandemic in order to survive. Digital data for 2020 show that 8 out of 10 internet users buy products or services online using a mobile device (Sholihah, 2021). Therefore, this study aims to identify and analyze new business opportunities during the COVID-19 pandemic in Palu City.

METHOD

This study used a qualitative method. The population for this study was business actors in Palu City, while the sample for this study was entrepreneurs who take advantage of new business opportunities during the COVID-19 pandemic. This study used both primary and secondary data. Primary data were obtained from research samples, while secondary data were obtained from documents, mass media, and online media. Data were obtained and analyzed using interactive analysis consisting of data reduction, data presentation, and drawing conclusions (Miles & Huberman, 1992).

RESULTS AND DISCUSSION

The more advanced a country, the more people are educated, but the higher the unemployment causing entrepreneurship becomes more important. The development will be more stable if it is supported by entrepreneurs as the government's capabilities are very limited (Putra, 2016). The government will not be able to work on all aspects of development as it requires a lot of budget, personnel, and supervision. Therefore, entrepreneurship is a development potential, both in terms of quantity and quality. The intention or desire to become an entrepreneur will be a milestone for the realization of equitable development and social welfare. Many psychological factors shape people's negative attitudes such as aggressiveness, expansiveness, competition, selfishness, dishonesty, miserliness, unstable sources of income, lack of honor, low employment, and others causing them less interested in entrepreneurship. The majority of the population has that view so they are not interested in entrepreneurship. It's different from the Chinese ethnic who are known as diligent and skilled entrepreneurs but it doesn't become a benchmark that native Indonesians don't have skills as it is because Indonesians don't dare to take risks, especially in today's increasingly advanced era which requires people to be creative and innovative. This condition has caused Indonesia to be left behind in other countries in terms of the country's economy.

Populism needs to be applied to realize the development and welfare of the community. The real form of populist economy is support for micro, small and medium enterprises (MSMEs) to help market MSMEs' products to local and wider markets. If it is supported by the use of information technology, product marketing is no longer limited by place and time. Government and community participation and support can provide new opportunities to start entrepreneurship from small to medium businesses. Community participation creates new jobs or develops existing businesses (Putra, 2016).

Joseph Schumpeter (1934), one of the economists who initiated the theory of economic growth, stated that entrepreneurs have a large contribution to economic development through innovation, employment, and welfare (Schumpeter & Nichol, 1934; Schumpeter et al., 1934). The business run by entrepreneurs will encourage the development of productive sectors. The more a country has entrepreneurs, the higher the country's economic growth. Entrepreneurs have formed five new combinations, namely (1) introducing new products or with new qualities; (2) introducing new production methods; (3) opening new markets; (4) obtaining new sources of supply from new materials or components; and (5) running a new organization in the industry. Schumpeter also explained the correlation between entrepreneurial innovation and a resource combination. This productive activity will increase development output so that the country will compete to create new entrepreneurs as development accelerators (Darwanto, 2012). Entrepreneurship is the process of establishing a new, profit-oriented business, creating value, and creating unique and innovative new products and services. Entrepreneurship can be defined as a process of taking advantage of opportunities to create good products and services by promoting creativity and courage (SMP, 2022).

Entrepreneurial courage is needed during uncertain economic situations including during the COVID-19 pandemic. The COVID-19 pandemic has affected various sectors, including business. Thus, entrepreneurs need to develop business strategies during a pandemic in order to survive. Even though the government is no longer restricting activities outside, business actors still need to adapt to the new normal (Riskita, 2022). The COVID-19 pandemic causes a large impact on the business world. The wheel of the economy is slowing down, the market is sluggish, turnover is decreasing, and so does productivity. The government has prepared a stimulus to help boost the economy and maintain purchasing power, especially for MSMEs. Entrepreneurs must prepare a business strategy during a pandemic to survive and grow.

Entrepreneurs in Palu City practiced various ways to survive during the COVID-19 pandemic. Some of them switched their businesses focus. The COVID-19 pandemic has also opened up profitable selling business opportunities for some people. This profitable business is also supported by rapid information technology so that those who start doing business online can immediately promote goods or services.

It is necessary to understand the business concept as a whole so that a profitable business does not turn into a loss-making business. In running a business through an online platform, maximizing time to communicate with customers or potential customers is important to establish good relations and promotional capital. Limiting physical contact has a significant impact on many parties, including business actors. Many business actors including MSMEs have reported a decrease in income during the COVID-19 pandemic.

The COVID-19 pandemic has affected business sustainability and is considered to bring business changes, especially in consumer behavior and consumption. Social distancing can be an opportunity to optimize business strategies. This encourages the importance of identifying consumption behavior and consumers in producing goods needed by society. Besides, it is also a momentum for the development of the digital and creative economy. Many business sectors in Palu City create opportunities for business actors to increase income, including businesses engaging in basic needs health services/products, and delivery services.

The business engaging in basic needs is one of the business sectors that survive the crises because people need supplies of basic commodities such as food and drink, under any conditions. Business actors can carry out strategies to increase turnover through innovation using online shops and online delivery. The basic needs cover rice, sugar, salt, cooking oil, and cleaning supplies such as soap, shampoo, and so on, while some food supplies sold during a pandemic can be in the form of frozen food, packaged homemade side dishes, pastries, and drinks. The health services/products during the COVID-19 pandemic had very high market demand. Many customers find it difficult to obtain these health products so health products such as masks, disinfectants, hand sanitizers, face shields, vitamins, and others are urgently needed and have the potential to be profitable. This has made many entrepreneurs in Palu City switch businesses to survive and make a profit in an uncertain situation.

During the COVID-19 pandemic, the delivery service business in Palu City can survive crisis conditions and was utilized by many entrepreneurs due to the increasing demand for delivery services to meet individual needs for food and daily consumption goods without having to leave the house. The COVID-19 pandemic causes challenges to various business actors, but various opportunities can be taken advantage of.

CONCLUSION

The COVID-19 pandemic has caused major changes to all aspects of life. Now, community activities are starting to shift from conventional to digital. Therefore, without shifting to digitalization, every effort will slowly start to be abandoned. The pandemic has decreased purchasing power. Therefore, it is important to make changes and develop the potential in order to survive during the pandemic. Based on the results of this study, some business opportunities that can run during the COVID-19 pandemic are businesses engaging in basic needs, health services/products, and delivery services. These business opportunities are widely performed by business actors in Palu City in order to survive the COVID-19 pandemic.

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