



Competitiveness In Entrepreneurs Refilling Mineral Water and Pulse Agent Payment Point Online Bank (PPOB)

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ABSTRACT

The development of the visionary world of business in Indonesia is expanding. This can be seen from the emergence of many entrepreneurs, both in traditional and online stores. Clothing, food and other necessities for daily life are among the items available. In the world of entrepreneurship, competition or competitiveness cannot be avoided. Entrepreneurs are forced to compete to create something that can increase the added value of their products as a result of free trade. Claimed item benefits can strengthen the strength of other competitor items. An entrepreneur will always find new ways to improve and maintain the quality of his products in order to create new products

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INTRODUCTION

Since the time of Prophet Adam AS, when one of his sons, Habil, became a businessman by cultivating crops and Qobil became a businessman by herding livestock, entrepreneurial activity has been documented in Islamic history. Entrepreneurship in the fields of agriculture, animal husbandry, handicrafts and trade is mentioned in several traditions of the Prophet. Prophet Muhammad SAW is the most obvious illustration. At first he was involved in business by raising and selling sheep, then at that time he helped his uncle's business and lastly supervised saidatina Khadijah's business.

Entrepreneurship is the process of bringing about change through activity,

innovation and creativity by seeing opportunities and utilizing existing resources to make many people around them become winners of the competition. Kasmir said that entrepreneurship is the ability to be enthusiastic and dare to start new businesses and improve existing businesses to get the best results.¹

According to Amir (2003), there are three aspects of international competition that need attention, especially the competitiveness of export products:

1. Price: In order to sell a product, the price must be equal to or lower than the price offered by competitors, or the cost of production must be lower than the cost of production in the country where the product will be manufactured. sold. For this situation the sending country enjoys the same advantage.
2. Product Quality: Product quality must meet or exceed customer preferences.
3. The situation and market conditions of the destination country must determine the delivery time. Delays in delivery and delivery of goods can be fatal because it allows the product to no longer be marketable, which in turn can reduce product taste and demand.²

Entrepreneurship and competitiveness have been linked in a number of studies. Among these studies are:

1. According to research by Krumina and Paalzow (2012), entrepreneurship and competitiveness are interrelated.
2. Langford's (2013) exploration and Bosma's (2012) test as well as through parables in research findings that interpret the business can be a determinant of the seriousness of an industry.
3. Dechezlepretre and Sato (2014) understand that business impact intensity through the capacity to run a stronger and more capable business.

Entrepreneurs who refill mineral water and PPOB credit agents are entrepreneurs whose products are needed by the community. In running an entrepreneur, refilling mineral water and PPOB credit agents, of course, cannot be

¹Nurrahimah. Entrepreneurship Dalam Perspektif Ekonomi Islam. Skripsi Fakultas Ekonomi dan Bisnis Islam, IAIN Pare-Pare 2022.

²Budi Ramanda Bustami dkk. Analisis Daya Saing Produk Ekspor Provinsi Sumatera Utara. Jurnal Ekonomi dan Keuangan. Vol. 1, No. 2, 2013.

separated from entrepreneurial competition. Previous research, literature review, and literature study motivated the authors to conduct research on the title **"COMPETITIVENESS IN ENTREPRENEURSHIP OF MINERAL WATER REFILL AND PULSE AGENT ONLINE POINT BANK (PPOB) "**

RESEARCH METHODS

Descriptive analysis and qualitative research methods are used in this study. Primary and secondary data were collected, observation and interviews were the main methods for collecting data. Obtain secondary data from various sources, including official websites, articles, and books. The information obtained will be recorded, read, and handled to obtain total information and draw conclusions.³

THEORITICAL REVIEW

ENTREPRENEUR

When Nabi was 12 years old, he developed an entrepreneurial spirit. At that time, his uncle Abu Talib offered to take him on a business trip to Syria, which is now Lebanon, Syria, and Jordan. He was trained to become an independent entrepreneur as an orphan living with his uncle. Prophet Muhammad SAW was given full authority to handle all the affairs of his uncle when he was 17 years old. Rasulullah SAW experienced the greatest difficulty in his business career when he was 20 years old. In regional trading, he has to compete with senior players. But at that time the shining point of the Prophet Muhammad's efforts was reached when he was between 20-25 years old.

Badrudin (2001) claims that Prophet Muhammad SAW had applied the principles of modern business management at that time as follows:

1. Satisfaction with the services provided, service excellence: productivity, fair competition.
2. Transparency Prophet Muhammad SAW always upheld the principle of honesty in doing business. He is known as Al-Amin (Trusted).

³Djaelani, Aunu Rofiq. Teknik Pengumpulan Data Dalam Penelitian Kualitatif. GARUDA: Garda Rujukan Digital. Vol. 20, No.1. 2013

When he was 37 years old, he began to reduce his work in the business. Then, when he was 40 years old, he was more interested in thinking about how to solve the social problems of the ignorant community around him.

Another definition of a business venture is a process of imagination and development that has significant results to create an increase in the value of goods so that it can provide benefits and progress for business people. Joseph Schumpeter explains that innovation plays an important role in entrepreneurship, which has significant strengths.⁴

Entrepreneur's goals are:⁵

1. Obtain profit or profit
2. Further develop the family economy
3. Growing thoughts, gifts, capacities (assets) and the ability to turn into some kind of income.
4. Hiring workers
5. Provide a source of community income

Entrepreneurship has the following advantages:

1. If the venture or business generates a profit, it can grow large and benefit the individual, their family and other parties involved in the business.
2. Quality of life increases as the family's economic growth.
3. With an increase in thought, talent, ability (asset), and the ability to become a form of income, it becomes evident that the asset has been managed successfully and proficiently.
4. Hiring workers can lower the unemployment rate.
5. This potential can increase people's standard of living by becoming a source of income.
6. Can be utilized as a source of provincial and community financial development.
7. Can build social and business networks.

⁴Bambang Banu. Pengembangan Jiwa Kewirausahaan di Kalangan Dosen Dan Mahasiswa. Malang. 2020

⁵Muchson. Buku Ajar Entrepreneurship (Kewirausahaan). 16

The following are the characteristics and ways of successful entrepreneurs:⁶

1. Willing to take risks and able to calculate how to minimize them.
2. Always strive to improve services for customers, owners, suppliers, employees, the community, the nation and the country.
3. Be prepared to accommodate environmental changes.
4. Imaginatively seek and define open market doors and increase efficiency and productivity.
5. Continue to strive to improve the company's reputation for excellence by making new investments in various fields.

The Organization for Economic Co-Operation and Development (OECD) defines competitiveness as the ability of the business world, industry, region, country or between regions to generate high and durable factors of income and employment opportunities to compete with other businesses on a global scale.

Every business actor must be more responsive to the quality of the goods or services he sells in order to be competitive. When making a purchase, quality will be an important factor. Product quality is the ability of an item to meet or exceed customer expectations for results or performance (Kotler and Keller, 2012: 164). The higher level of contest in the business world and the state of vulnerability forces the business entertainer to win. This is done so that business actors can win over their competitors. For any product or service a company wants to sell, it must charge competitive prices and provide high-quality goods.

According to the management dictionary, competition is the effort of two or more businesses each actively seeking orders by offering the most favorable prices and terms. Some price cuts, advertising and promotion, variety and quality, packaging, design, and market segmentation are examples of competition. Competition between sellers known as "price competition" aims to attract customers by offering a product at a lower price than other sellers. Pricing of a product needs to be done in this price competition. In Islam this is permissible so that competition in values is fair and does

⁶Ojat Darajat dkk. Modul Pendidikan Kewirausahaan. 2015. smkalahdi.sch.id

not harm any party.⁷

PRICE COMPETITIVENESS

Buchari Alma (2018) says that price is the value of an item or service in dollars. In contrast, competitive pricing is a pricing strategy in which rivals are used as the benchmark for pricing. Price is also able to convey to the target market the desired value position of the company regarding its product and brand. In this case, sellers can differentiate their offerings from competitors by setting prices. With the ease of price information can be found on social media and the internet.⁸

A competitive pricing strategy is a type of competitor-based pricing strategy in which businesses set market prices for their goods at the same level as competitors selling similar goods. Marketing success in attracting consumer buying interest will be supported by competitive prices. Price is one of the factors that directly affects the company's profits. The number of products sold is influenced by the set price level. Pricing objectives can basically be broken down into four categories, namely:⁹

1. A goal centered on making money
2. Destination set volume
3. Goals with an emphasis on image Price stabilization goals

According to several different viewpoints, such as Kotler and Armstrong (1994), in setting prices, there are two main factors that need to be considered: the company's internal factors and external environmental factors. Costs, organization, a company's marketing mix strategy and marketing objectives are all internal factors. The nature of the market and demand, competition and other environmental factors are external environmental factors.

Harper W. Boyd, Jr. and Orville C. Walker, Jr. (1982) proposed a step-by-step price decision-making model that takes into account various internal and external

⁷Budi Solihin. Konsep Mekanisme Pasar Dan Persaingan Harga Dalam Islam. Al-Mujaddid. Vol. 1, No. 2, 2019.

⁸Geriadi Susanto dkk. Pengaruh Brand Awareness, Price Competitiveness, Dan Stock Availability Terhadap Purchase Intention Kulkas Side by Side. JUEB: Jurnal Ekonomi dan Bisnis. Vol. 1, No. 3, 2022.

⁹ Verina H. Secapramana. Model Dalam Strategi Penetapan Harga. Unitas, Vol. 9, No. 1, 2001.

environmental factors, which is consistent with the theory of Kotler and Armstrong. Both suggest the need for a methodical pricing procedure, which is considered very helpful in management tasks, given the many factors that must be considered when setting prices.

According to Stanton (1998) there are 4 things that describe price, specifically:¹⁰

1. Customers must be able to pay the price set by the company. In most cases, one brand contains several types of products, and their prices range from the cheapest to the most expensive.
2. Equality of cost with quality of goods Cost is often used as a sign of value to buyers. People often choose the higher price between two products because they see the difference in quality. If the cost was higher, one would expect the quality to be better as well.
3. Competitive pricing Consumers often compare the price of a product with other products. When making a purchase, the consumer gives significant weight to the high and low prices of the product.
4. Price alignment with benefits The higher the benefits that consumers get from a product or service, the higher the exchange rate, and the more means of exchange that consumers are willing to sacrifice.

COMPETITIVENESS PRODUCTS

Product is anything that can be offered to a market to fulfill a need or need. A product directive is a company directive to provide goods or services according to customer requirements, according to this definition. Anything a business is trying to offer its customers is a product. Businesses try to modify products to meet potential customer requirements.¹¹

The capacity of a product to enter and expand in a foreign market is an example

¹⁰ Harun Al-Rasyid. Pengaruh Inovasi Produk dan Harga Terhadap Keputusan Pembelian Sepeda Motor Yamaha di Kota Tangerang Selatan. *Perspektif*, Vol. XVI, No. 1, 2018.

¹¹ Widya Pemasari dkk. Strategi Pengembangan Produk Pembiayaan Syariah KSPPS Terhadap Peningkatan Daya Saing Di Koperasi Bakti Huria Cabang Bone. *IBF JOURNAL: Perbankan Syariah & Keuangan*. Vol. 2, No. 2, 2022.

of competitiveness. Production factors, marketing factors, financial factors, human resource factors, and the business environment are factors that influence competitiveness (Porter, 1990). Ecological and social variables are also one of the factors that also determine the influence of market demand that leads to green products and regional development (Rosadi 2005).¹²

Product development, according to Simamora, is the process of coming up with new ideas for products and services and turning them into more commercially successful product links. The search for new products is more important than ensuring that customers want new things, and introducing new products will help a company achieve its goals. Alma defines product development as "all forms of activities carried out by factories or manufacturers in determining and developing their products", "improving old products", "increasing the use of existing products", and reducing costs associated with production and packaging".

Item improvement system is very important for organizational strategy (enterprise technique). According to product development activities and the many factors that drive organizations to consider developing new products, there are still potential advantages and risks in product development tactics. When it comes to the creation of new products, almost all businesses believe that using a strategic management strategy not only reduces costs and risks but also increases the probability of success.

"Product development is a strategy for business growth by introducing new or modified products to current market segments," said Philip Kotler and Kevin Lane Keller. Consequently, the product is seen as a usable product. According to Hendry Simamora "goods upgrades are the most common way to find new angles for new workforce and products and turn them into other product offerings that are economically beneficial." The assumption that new products want new goods and socialization of new products helps achieve company goals supports the search for new products.

¹² Bintang CH Simangunsong dkk. Analisis Daya Saing Produk Pulp dan Kertas Indonesia di Pasar Dunia (Competitiveness Analysis of Indonesia's Pulp and Paper Products in a Global Market). J. Ilmu Teknol. Kayu Tropis. Vol. 14, No. 1, 2016.

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According to Wahyono (2002), the company's need for continuous innovation will result in competitive advantage. Bharadwaj et al. (1993) argues that a company's ability to innovate its products will remain in accordance with customer preferences and needs. According to Greenberg and Baron (2008) there are seven categories of innovation targets, namely:¹³

¹³ Hapsawati Taan. Pengaruh Inovasi Produk Dan Harga Terhadap Keunggulan Bersaing Usaha Karawo Di Kota Gorontalo. Jurnal Bisnis dan Kewirausahaan. Vol. 6, No. 2, 2017.

1. Product development (product development): introducing a new product or significantly improving an existing one
2. administrative progress: introducing services that are new or significantly improved
3. Process improvement (process improvement): creating new or significantly improved production or delivery methods,
4. Innovation in marketing (innovation in marketing): implementing a new or improved marketing strategy

RESEARCH RESULT

Research conducted at one of the mineral water refill entrepreneurs and PPOB credit agents in the Blitar area, there were several findings including:

1. Mineral Water Refill Entrepreneur

The results of interviews with entrepreneurial owners of mineral water refills are that there are several factors that can affect entrepreneurial competitiveness, including:

a. Product Quality Factors

For drinking water, consumers will choose water that is clear, clean, safe, and has been standardized for drinking from the local Health Office.

b. Cleanliness Factor

For the business of refilling drinking water, the majority of consumers said that the cleanliness of the place and the cleanliness of the product service were also their reasons for choosing the product.

c. Pricing Factors

Prices that are cheaper than competitors' prices make consumers choose a product.

d. Consumer Service Factors

Friendly, fast and responsive customer service makes customers come in person to buy their products.

2. Entrepreneur Credit Agent and PPOB

Several factors affect the competitiveness of PPOB pulse agents, namely:

a. Pricing Factors

The price difference is cheaper, even though it's only a difference of Rp. 500.00 to make consumers determine the choice of purchase.

b. Distance Factor

Consumers prefer to buy at a place that is closer than buying at a place that is far away for reasons that are more efficient in time, effort and transportation costs.

c. Consumer Service Factors

Service factors that are friendly, fast and responsive to consumer requests, make consumers able to determine the choice of product purchases.

CONCLUSION

Entrepreneurship is a process of creativity and innovation that aims to produce product excellence so that it can provide benefits for entrepreneurs. Competitiveness is the power to try to have an advantage over its competitors.

Pricing and product development are strategies for maximizing profitability. Competitive prices will support marketing success in attracting consumer purchase interest. The set price affects the number of items sold so that it directly affects profits. There are several things that can affect competitiveness for PPOB top-up entrepreneurs and PPOB agents, namely product quality, pricing, distance, and customer service.

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