



# The Role of Micro Entrepreneurs in Local Economic Empowerment: Case Study of West Depok City Forest Square

Puja Trisena<sup>1</sup>, Wulan Rindyana Syafitri<sup>2</sup>

<sup>1</sup> Muhammadiyah University Jakarta, Indonesia; [ptrisena@gmail.com](mailto:ptrisena@gmail.com)

<sup>2</sup> Muhammadiyah University Jakarta, Indonesia; [wulansyaaa@gmail.com](mailto:wulansyaaa@gmail.com)

## Article history

Submitted: 2025/01/01; Revised: xxxx/xx/xx; Accepted: xxxx/xx/xx

## Abstract

This research discusses the role of micro-entrepreneurship in empowering the local economy in Depok City Square, especially in the culinary sector. Using a qualitative approach with a case study method, this research was conducted to explore the contribution of micro-entrepreneurs to strengthening the community economy and local identity. The research results show that micro-entrepreneurship plays a strategic role in creating jobs, reducing economic disparities, and maximizing the potential of local resources. The square as a center of social and cultural activity provides significant opportunities for culinary businesses to market their products to various segments of society. However, business actors face challenges such as limited capital and complex government regulations. Through innovative marketing strategies, using local raw materials, and improving service quality, business actors are able to increase the competitiveness and sustainability of their businesses. Kedai Bites & Hype's financial report shows that increasing capital and diversifying the menu significantly increased business income. This research concludes that local economic empowerment through micro-entrepreneurship not only has an impact on strengthening the community economy but also strengthens social interactions and preserves local cultural riches.

## Keywords

Micro Entrepreneurship, Local Economic Empowerment, Culinary, Depok City Square, Community Economy



© 2025 by the authors. This is an open-access publication under the terms and conditions of the Creative Commons Attribution 4.0 International (CC BY SA) license, <https://creativecommons.org/licenses/by-sa/4.0/>.

## INTRODUCTION

In order to increase efficiency, productivity and competitiveness, MSMEs need to move forward by not only relying on the natural resources they have, but also utilizing high-quality and knowledgeable human resources [1]–[3]. In this case, developing and cultivating an entrepreneurial culture is a strategic step that is very necessary. Through entrepreneurship, it is hoped that superior entrepreneurs will be born who have characteristics such as the courage to take risks, a high work ethic, strong and tenacious competitiveness, the ability to adapt to competition, a

responsive and dynamic attitude, a clear vision, and the ability to plan a business well.[4], [5] Apart from that, they are expected to have high motivation, be able to anticipate changes, be flexible towards the environment, be creative in finding and creating market opportunities, and continue to increase productivity and efficiency. These entrepreneurs are also expected to be able to improve the company's excellence and image through new investments in various sectors.

Culinary micro-entrepreneurship in the town square has become an interesting phenomenon in the business world in Indonesia.[6] The square, as a center of social and cultural activity, offers a golden opportunity for business people to sell various types of appetizing food and drinks. With relatively little capital, individuals or groups can start a culinary business that not only provides financial benefits, but also contributes to local economic development.

The culinary diversity offered in the square, from traditional snacks to modern innovations, creates a special attraction for visitors. This makes the square an ideal place to enjoy culinary delights while socializing. However, business actors are also faced with challenges such as intense competition and the need to continue to innovate so that the products they offer remain attractive to consumers.

Effective marketing strategies, including the use of social media and participation in local events, are key to attracting customer attention. Thus, culinary micro-entrepreneurship in the square not only functions as a source of income, but also as a means to introduce Indonesia's culinary riches and strengthen social interaction in society. Through this business, entrepreneurs can play an active role in advancing the local economy while celebrating the diversity of culinary culture that exists.

## **RESEARCH METHODS**

This research uses a qualitative approach with a case study method. This approach was chosen to gain an in-depth understanding of the role of micro-entrepreneurship in empowering the local economy in Depok City Square. Through a qualitative approach, researchers can explore the experiences, views and challenges faced by micro-entrepreneurs more comprehensively.

This research was carried out at Depok City Square, which is known as the center of crowds and social activities in the area. This square not only functions as a public space that is visited by many people, but also as a gathering place for various community elements, including families, teenagers and tourists. The existence of various facilities, such as gardens, play areas and seating, makes the square an ideal location for socializing and enjoying free time. As a strategic location, Depok City

Square offers significant opportunities for micro entrepreneurs to sell their products. With the high volume of visitors, business actors can take advantage of this moment to introduce and market their snacks and culinary products. The diversity of visitors who come from various social and economic backgrounds also provides opportunities for business actors to reach a wider market.

Participatory observation is one of the important methods in this research, where researchers will carry out direct observations in Depok City Square. Through this approach, researchers are not only observers, but also involved in the existing social environment, so that they can gain a deeper understanding of the dynamics of interactions between sharia micro business actors and consumers. During the observation process, researchers will record various aspects related to business practices carried out by sharia micro-entrepreneurs. This includes the way they present their products, the marketing techniques they use, and the interactions that occur between sellers and buyers. By observing directly, researchers can identify effective strategies in attracting consumer attention, as well as understand how sharia values are applied in daily business practices. Participatory observation also allows researchers to identify challenges faced by business actors, such as competition with other businesses, changes in consumer behavior, and obstacles in implementing sharia principles.

## **RESULTS AND DISCUSSION**

Micro-entrepreneurs play an important role in empowering the local economy by contributing directly to strengthening economic activity at the community level.[7] Micro-entrepreneurship is often the main source of employment in local communities, especially in rural areas or areas with limited access to formal employment opportunities. In doing so, they help reduce the unemployment rate and increase the income of local people. They maximize the potential of local natural and cultural resources, such as agricultural products, handicrafts or regional specialties. This supports sustainable resource management and strengthens local identity.

By entrepreneurship, local communities do not only depend on external assistance or employment opportunities from outside parties.[8] Micro-entrepreneurship helps create an independent economic cycle that reduces dependence on economies outside the region. Micro entrepreneurial activities, such as trade, production or service provision, are the main drivers of the economy at the local level. They create a revolving flow of money within communities, strengthen local markets, and increase people's purchasing power. By providing economic

opportunities for people in remote or less developed areas, micro-entrepreneurship helps reduce the economic gap between urban and rural areas.

Micro-entrepreneurship helps local communities face economic challenges, such as recessions or crises, by creating a more resilient economic system. They also adapt to local needs, allowing local economies to survive in a variety of conditions. Micro-entrepreneurship helps local communities face economic challenges, such as recessions or crises, by creating a more resilient economic system. They also adapt to local needs, allowing local economies to survive in a variety of conditions.

Economic empowerment can be interpreted as an effort to build an economy that is strong, advanced, modern, and able to compete optimally in a healthy market mechanism. This understanding shows that empowerment includes aspects of process and goals. As a process, empowerment involves a series of steps to increase the strength or capacity of vulnerable groups in society, including individuals facing poverty. Through economic empowerment, people not only gain direct economic benefits but also self-confidence and the ability to manage their lives independently and sustainably.

Local economy is an economic system that focuses on the management, development and utilization of resources in a particular region or community in order to improve the welfare of local communities. This system includes various economic activities, including production, distribution and consumption, carried out by individuals, groups and organizations in the region. As the main pillar of regional development, the local economy has a strategic role, especially in areas rich in natural, cultural and other potential resources that can be maximized for the welfare of the community.

The Depok City Square and Forest Park in the western region, which was inaugurated on (19/9), has received a positive response from the local community. The enthusiasm of the community has been visible since the inauguration. The public's appreciation reflects satisfaction with the government's efforts to provide large and functional green open spaces. This square was built on an area of 2.1 hectares and is equipped with a 168 meter long suspension bridge which has become a new icon of the area. This bridge functions as a link between two areas, namely Sawangan and Bojongsari, precisely located at RW 09 Bojongsari. West Depok City Forest Square and Park are designed not only as a recreation area, but also as a conservation area that supports the environment and the development of micro-entrepreneurship in empowering the local economy, specifically for local residents.

Micro-entrepreneurship plays an important role in creating employment

opportunities for the community around the square. As a center of economic activity, the square is a strategic place for micro businesses such as street vendors, food stall owners and souvenir sellers. These businesses not only provide employment opportunities for their owners, but also create opportunities for local workers, such as daily workers, shop assistants, or raw material suppliers. With the existence of micro businesses, people who may have difficulty getting work in the formal sector have an alternative way to earn income. In addition, the presence of micro-entrepreneurs in the square helps encourage local economic turnover, because they often utilize resources and raw materials from the surrounding environment.

The use of local raw materials by micro-entrepreneurs in the square has a crucial role in supporting the regional economy. By utilizing local products, traders not only reduce production costs, but also strengthen ties between businesses and local communities. This step opens up opportunities for local farmers, craftsmen and suppliers to provide their raw materials, which directly increases demand for local products and accelerates the circulation of money in the area. Furthermore, the use of local raw materials helps maintain regional economic sustainability by reducing dependence on external supplies which are often more expensive and susceptible to disruption. Thus, micro businesses that prioritize local raw materials play an important role in improving community welfare and empowering the regional economy in a sustainable manner.

However, limited access to capital and the complexity of government regulations often become the main challenges for micro-entrepreneurs, especially small traders in town squares. A lack of capital limits their ability to expand their business, purchase stock in large quantities, or innovate to attract more customers. On the other hand, government regulations that are complicated and difficult to access, such as business permits or high tax burdens, add to their difficulties in maintaining business continuity. These obstacles hinder local economic growth and reduce the opportunities for small traders to compete with larger businesses or traders from outside the region.

To provide a clearer picture of the financial condition of micro businesses in the square, we present financial reports (Table 1) for the businesses we run, namely the food and beverage business. Based on data we obtained as business actors, the uncertain daily income is influenced by the number of visitors who come to the square every day.

Table 1. Financial Reports

<b>Business Income Report</b>				
<b>Bites &amp; Hype Shop</b>				
<b>Date</b>	<b>Income</b>	<b>Production</b>	<b>Operating costs</b>	<b>Total Net Cash</b>
16/11/24	IDR 130,000	Rp -	Rp -	IDR 130,000
17/11/24	IDR 250,000	IDR 115,000	IDR 20,000	IDR 115,000
23/11/24	IDR 180,000	IDR 70,000	Rp -	IDR 110,000
24/11/24	IDR 368,000	IDR 235,000	IDR 35,000	IDR 98,000
30/11/24	IDR 587,000	IDR 500,000	Rp -	IDR 87,000
08/12/2024	IDR 711,000	IDR 300,000	IDR 45,000	IDR 366,000
14/12/2024	IDR 826,000	IDR 450,000	IDR 45,000	IDR 331,000
15/12/2024	IDR 1,034,000	IDR 500,000	IDR 70,000	IDR 464,000
21/12/2024	IDR 911,000	IDR 470,000	IDR 45,000	IDR 396,000
22/12/2024	IDR 1,311,000	IDR 670,000	IDR 80,000	IDR 561,000
24/12/2024	IDR 682,000	IDR 350,000	IDR 30,000	IDR 302,000
25/12/2024	IDR 1,470,000	IDR 960,000	IDR 90,000	IDR 420,000
26/12/2021	IDR 934,000	IDR 715,000	IDR 40,000	IDR 179,000
28/12/2024	IDR 874,000	IDR 300,000	IDR 55,000	IDR 519,000
29/12/2024	IDR 2,015,000	IDR 1,580,000	IDR 105,000	IDR 330,000
<b>TOTAL</b>				<b>IDR 4,408,000</b>

We started this business with initial capital of IDR 500,000, which we used to prepare basic business needs, such as raw materials, tools and initial equipment. As time goes by, we see opportunities to expand our business by adding a wider variety of menus to attract more customers. To support this plan, we added additional capital of IDR 650,000. We use this additional capital to purchase new raw materials, develop recipes, and complete equipment requirements so that the new menu can be produced well. This step is expected to not only increase the attractiveness of the business, but also increase the potential income in the long term.

This additional capital also allows us to improve the quality of raw materials and update several equipment that supports operational efficiency. With the new menu variations, we see an increase in customer enthusiasm, which is reflected in the increase in the number of visits and daily income. In addition, this step helps us expand our target market, reach customers with diverse tastes, and create a more interesting culinary experience. Through this innovation, we are optimistic that our business can continue to grow and make a positive contribution to the local economy.

We also realize that business success is not only determined by the products offered, but also by the services provided. Therefore, we began to focus on improving service quality, such as speeding up serving times and maintaining the

cleanliness of business areas. Apart from that, we actively listen to input from customers to continue to improve the menu and service. This effort not only increases customer satisfaction, but also builds loyalty which is an important foundation for the sustainability of our business. With a combination of diverse products, quality services and consistent innovation, we hope to continue to compete and provide added value to the community around the square.

## **CONCLUSION**

This research shows that micro-entrepreneurship, especially in the culinary sector in Depok City Square, has a strategic role in empowering the local economy. Through their efforts, new job opportunities are created, local markets are strengthened, and people's purchasing power is increased. Micro-entrepreneurs utilize local resources effectively, thereby not only supporting economic sustainability, but also strengthening local cultural identity.

Depok City Square, which now functions as a public space and center of economic activity, offers great opportunities for micro-entrepreneurs. However, challenges such as limited capital and the complexity of government regulations are the main obstacles to the development of micro businesses. Empowering the local economy in this square has been proven to not only have a direct economic impact, but also improve the quality of life of the surrounding community. With transparent financial management and innovative strategies such as developing new menus and improving services, micro-entrepreneurs have succeeded in increasing revenue and customer loyalty.

The success of the culinary business in this square emphasizes the importance of synergy between innovation, service quality and government policy support in supporting the sustainability of micro-entrepreneurship. With these strategic steps, micro business actors can continue to develop and contribute significantly to strengthening the local economy.

## **BIBLIOGRAPHY**

- [1] H. Hernita, B. Surya, I. Perwira, H. Abubakar, and M. Idris, "Economic business sustainability and strengthening human resource capacity based on increasing the productivity of small and medium enterprises (SMES) in Makassar city, Indonesia," *Sustainability*, vol. 13, no. 6, p. 3177, 2021.
- [2] B. Surya, F. Menne, H. Sabhan, S. Suriani, H. Abubakar, and M. Idris, "Economic growth, increasing productivity of SMEs, and open innovation," *J. Open Innov. Technol. Mark. Complex.*, vol. 7, no. 1, p. 20, 2021.

- [3] K. Iqbal, T. Fathoni, L. M. Wijayanti, and M. N. A. Purnama, "Economic Empowerment Through Entrepreneurship Training to Advance Youth in Quetta, Pakistan," *Int. Assulta Res. Engagem.*, vol. 1, no. 2, pp. 109–125, 2023.
- [4] S. Hamdan, *The entrepreneurial mindset: How to think like an innovator: Entrepreneurial mindset*. Partridge Publishing Singapore, 2023.
- [5] R. D. M. Appiah, *Entrepreneurship Made Easy: Kingdom Entreprship Nexus*. Dorrance Publishing, 2023.
- [6] M. Ballesteros-Sola and G. Osorio-Novela, "Understanding the processes of necessity micro-entrepreneurs in developing contexts: The Tijuana Case," *J. Dev. Entrep.*, vol. 26, no. 04, p. 2150022, 2021.
- [7] I. R. Maksum, A. Y. S. Rahayu, and D. Kusumawardhani, "A social enterprise approach to empowering micro, small and medium enterprises (SMEs) in Indonesia," *J. Open Innov. Technol. Mark. Complex.*, vol. 6, no. 3, p. 50, 2020.
- [8] N. G. Leigh, *Planning local economic development: Theory and practice*. SAGE publications, 2024.