

## The Use of ICT by SME Shoe Crafters in Cibaduyut

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**Abstract.** The era of information and communication technology (ICT) advancement has brought changes to various sectors of life. This study aims to analyze the utilization of ICT by shoe crafters in Cibaduyut, Bandung. A case study was conducted on several shoe crafters in Cibaduyut as small and medium-sized enterprises. Data collection methods included in-depth interviews and field observations. The results showed that the majority of shoe crafters in Cibaduyut have utilized ICT. For them, ICT provides benefits such as faster access to information, increased operational efficiency, improved competitiveness, and increased access to markets. The use of ICT also contributes to faster and more accurate decision-making. However, obstacles such as high costs, lack of infrastructure accessibility, and lack of skills and understanding of ICT remain major barriers to its use by shoe crafters there. Therefore, the role of the government and relevant institutions is crucial in providing support and facilitation to ensure that shoe crafters can utilize ICT optimally to improve their business performance and competitiveness. This research contributes to the development of understanding regarding the utilization of ICT by shoe crafters in Cibaduyut, especially, and SMEs in Indonesia in general. In conclusion, the use of ICT by shoe crafters in Cibaduyut has improved their productivity in business. The Bandung city government should facilitate shoe crafters by improving infrastructure and policies that support their sustainable business.

**Keywords:** Information technology, SMEs, shoe crafters; Government support; Cibaduyut.

### 1. Introduction

In the current era of globalization, Information and Communication Technology (ICT) has become an important factor in increasing business productivity. Small and Medium Enterprises (SMEs) as one of the pillars of the economy in Indonesia have great potential to improve productivity by utilizing ICT[1]. However, many SMEs have not yet fully utilized ICT due to limitations in access and skills in using ICT[2]. Therefore, research on the use of ICT for SMEs is expected to provide a deeper understanding of the benefits of ICT in improving SME productivity and to help SMEs maximize their business potential through the use of ICT[3].

Cibaduyut is a center of the shoe crafting industry located in Bandung, Indonesia. Along with the development of time and increasing market demands, shoe craftsmen in Cibaduyut need to adapt to the development of information and communication technology[4]. The use of information and communication

technology can help shoe craftsmen improve production efficiency and effectiveness, expand market reach, and improve product quality. However, many shoe craftsmen in Cibaduyut have not fully utilized information and communication technology. Therefore, efforts are needed to increase digital literacy and awareness of the importance of utilizing information and communication technology among shoe craftsmen in Cibaduyut, so that they can compete with the increasingly competitive global shoe industry[2].

Research on the same topic has been conducted by previous researchers. Conducted research on the application of information technology in SMEs in Malaysia, which showed that the use of ICT can improve SME performance and operational efficiency, as well as expand the market and improve customer service[5]. Santoso [6] on the effect of the application of information technology on SME productivity in Central Java found that the use of ICT can improve SME productivity and performance. Wardani[7] on the factors influencing the success of information technology implementation in SMEs in Central Java showed that factors such as ease of use, organizational support, and managerial ability have a positive effect on the success of ICT implementation in SMEs.

Referring to the background of the problem and previous studies, it is evident that the utilization of TIK has the potential to improve productivity and performance of SMEs, and can be influenced by certain factors such as ease of use and organizational support. Therefore, further research on the utilization of TIK in SMEs can provide useful insights for the development of small and medium-sized businesses. The purpose of this research is to analyze the utilization of TIK by the shoe crafters SMEs in Cibaduyut, Bandung. The researchers hope that this study will be useful as a reference for future research and serve as a guide for the government or other organizations in advocating for SMEs in their respective areas.

## **2.Method**

The research method that can be used to explore the utilization of ICT by shoe craftsmen SMEs in Cibaduyut is the qualitative method. The qualitative method is used to understand social phenomena in more depth through descriptive and interpretative analysis of qualitative data such as interviews, observations, and documents. The sample in this study was selected using purposive sampling technique with criteria of shoe craftsmen who have been using ICT for at least 3 years. The total sample taken was 5 people.

**Data Collection Techniques** Data was collected through in-depth interviews and observations[8]. Interviews were conducted to gain a deep understanding of the use of ICT by shoe craftsmen. Observations were carried out to understand the context of the use of ICT in shoe production by shoe craftsmen in Cibaduyut.

**Data Collection Procedure** The researcher conducted interviews using a structured interview guide adapted to the research objectives. The interviews were conducted at the production location of the informants and recorded with the informant's consent. In addition, the researcher also conducted observations at the production location of the informants[9]. Observations were carried out for several hours and recorded the activities carried out by the informants as well as the use of ICT in the production process.

**Data Analysis** The collected data was analyzed using descriptive and interpretative analysis techniques. Data from interviews and observations were organized and analyzed to produce findings related to the use of ICT by shoe craftsmen in Cibaduyut. Data analysis was also conducted to obtain information related to factors that influence the use of ICT by shoe craftsmen in Cibaduyut.

**Data Validity** Data validity in this study was conducted using source triangulation techniques. The data obtained from interviews and observations were tested for validity by comparing data from both sources. The researcher also used the member checking technique by showing the research results to the informants to ensure that the research results corresponded to their perceptions.

### 3. Results and Discussion

Information and Communication Technology (ICT) plays a crucial role for Small and Medium Enterprises (SMEs) in optimizing their performance and business management. Here are some important roles of ICT for SMEs: accelerating information access, improving operational efficiency, enhancing competitiveness, and increasing market access.

**Tabel 1. Role of ICT for SMEs**

<b>Role of ICT for SMEs</b>	<b>Description</b>
Accelerating information access	ICT enables SMEs to quickly access and process relevant information for decision-making.
Improving operational efficiency	ICT can automate manual processes, reduce errors and save time, improving the overall efficiency of the business.
Enhancing competitiveness	ICT can provide SMEs with tools to compete more effectively in the market, such as advanced marketing techniques and data analysis.
Increasing market access	ICT enables SMEs to reach new markets and customers, expanding their reach beyond traditional boundaries.

Source : Researcher (2022)

#### **Implementation of ICT by SME Players:**

##### **Improving Information Access**

ICT allows SMEs to access information more quickly and efficiently, especially information about markets, customers, and competition. By obtaining this information in real-time, SMEs can make more accurate and timely decisions in running their businesses.

The implementation of Information and Communication Technology (ICT) has become a key factor for Micro, Small, and Medium Enterprises (MSMEs) in maintaining their businesses and enhancing their competitiveness in the market. One of the main benefits of using ICT for MSMEs is to improve access to information. With ICT, MSMEs can access market information, customer data, and competition analysis more quickly and efficiently.

Shoe makers in Cibaduyut, as MSMEs, acknowledge that they can easily obtain information about the current trend in shoe types, market demand for their products, and other relevant information through the use of ICT. By obtaining real-time information, they can make accurate and prompt decisions in running their businesses. Furthermore, ICT allows MSMEs to communicate with their customers through social media, websites, or emails, enabling them to easily obtain feedback and respond to customers' needs quickly.

The development of communication technology has provided many benefits for the business world, especially in accelerating the flow of information and expanding market access. Communication technologies such as the internet, mobile phones, email, and social media allow companies to contact customers and business partners more easily and quickly[10]

##### **Improving operational efficiency**

The use of Information and Communication Technology (ICT) has helped the shoe craftsmen in Cibaduyut to improve their operational efficiency. In any business, time and cost are key factors that need to be considered in order for the business to run smoothly and profitably. By leveraging ICT, the shoe craftsmen in Cibaduyut can automate most of their operational processes, such as production, inventory management, marketing, and finance.

Ahmadi (35) explains that ICT can help reduce operational costs. By using appropriate software and ICT equipment, UMKM players can increase their productivity and efficiency. For example, by using inventory management software, the shoe craftsmen in Cibaduyut can easily monitor their inventory in real-time, thus avoiding inventory shortages or excess stock accumulation. In addition, ICT also allows the shoe craftsmen in Cibaduyut to leverage digital marketing platforms to promote their products more effectively. By utilizing social media, websites, or e-commerce applications, they can reach a wider audience and reduce conventional marketing costs such as print advertising or offline promotions.

Information and Communication Technology (ICT) plays a crucial role in improving business operational efficiency. The use of business software and other ICT applications can help automate business processes, increase productivity, and reduce costs. Moreover, ICT also enables companies to collect, process, and analyze data faster and more accurately, allowing them to make more timely and accurate business decisions[11]

### **Enhancing competitiveness**

In today's digital era, business actors, including the Cibaduyut shoe craftsmen, must keep up with technological developments to increase their competitiveness in the market. One way to increase competitiveness is by utilizing Information and Communication Technology (ICT). ICT has helped Cibaduyut shoe craftsmen in marketing their products more effectively and reaching new customers.

In using ICT, SMEs, including shoe craftsmen, can use social media platforms and websites to promote their brand and products. With the existence of social media and websites, shoemakers can reach a wider market, not only limited to the local market, but also the international market. On social media platforms, shoemakers can create accounts and upload photos of their products to attract potential customers. In addition, they can also utilize paid advertising features on social media to promote their products more effectively.

The use of websites is also important in marketing products. SMEs can use the website as their online store and offer products online. On the website, they can display the products they sell in full, including product descriptions and prices. With the website, shoe craftsmen can reach a wider customer base and simplify the transaction process.

### **Increasing market access**

The Cibaduyut shoemakers acknowledge that TIK can help them expand their market more easily and efficiently. By utilizing e-commerce platforms, UMKM players can sell their products to all regions, even worldwide. By expanding their market, UMKM players can increase their profits and strengthen their brand position in the market.

In the current digital era, the market is no longer limited to certain regions but extends to the whole world. With the use of TIK, Cibaduyut shoemakers can use the internet network to sell their products to consumers worldwide. Through e-commerce, UMKM players can offer their products online and reach a larger market share. In addition, UMKM players can also utilize international shipping platforms to send their products overseas. By expanding their market through TIK, Cibaduyut shoemakers can enhance their competitiveness and become more significant players in the global market. This also creates opportunities for them to introduce local Indonesian products to the international world.

Information and Communication Technology (TIK) plays a crucial role in expanding market access for businesses. By utilizing e-commerce platforms and the internet, companies can sell their products worldwide and reach a wider market. This can increase profits and strengthen brand positioning in the market. In addition, TIK also enables companies to use digital marketing strategies and social media to

reach potential customers worldwide. By utilizing TIK effectively, companies can expand their market reach and become more significant players in the global market[12].

#### 4. Conclusion

In business management, Information and Communication Technology (ICT) plays a crucial role in improving performance and business management for Small and Medium Enterprises (SMEs). Some important roles of ICT for SMEs include accelerating information access, improving operational efficiency, enhancing competitiveness, and increasing market access. Shoe craftsmen in Cibaduyut have utilized ICT to accelerate information access and improve operations, optimize product marketing, expand their market and strengthen their brand position in the market. By utilizing ICT effectively, SMEs can optimize their business performance and become more significant players in the global market.

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