

# Cooperative And Msme Empowerment Strategies in Economic Recovery During The Covid-19 Pandemic in Bogor Regency Indonesia

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## Abstract

The development of organizations in Indonesia is increasingly rapid and competitive. One of the growing organizations in Indonesia is a cooperative. Cooperative is a form of business that is characterized by togetherness or based on kinship. In Indonesia, cooperatives are engaged in various fields to achieve community welfare. At first, cooperatives were a collection of people who had a lower level of the economy, where through cooperatives they both wanted or had a goal to improve their welfare. Nationally, the number of registered cooperatives is more than adequate to support the people's economic movement. This means that if the existing number has a paradigm, ideology, and a real cooperative spirit, it will become a very large force and provide guarantees for economic sustainability that is based on the spirit of self-help and cooperation. This condition actually became the ideals of the founding fathers of the nation when they had to choose the economic model to be built when the world was divided into 2 (two) models, namely capitalism and socialism. Cooperatives have similarities with the original social system of the Indonesian nation, namely collectivism. The Indonesian gotong royong community likes to help each other.

## Keywords:

Cooperatives, People's Economy, Business Entities, Family, Gotong Royong.

## 1. Introduction

Strengthening and empowering cooperatives in economic recovery during the Covid-19 pandemic in Bogor Regency is an effort to contribute, input and think to the Cooperatives and MSMEs Office to foster innovation/new ideas in formulating strategies. To improve services to stakeholders in the context of empowering cooperatives in economic recovery during the Covid-19 pandemic in Bogor Regency, so that it can be a guide or guide in empowering cooperatives during the Covid-19 pandemic to be able to recover the economy, especially in Bogor Regency as a strengthening and empowerment cooperatives in economic recovery during the Covid-19 pandemic in Bogor Regency.

### 1.1. Objectives

The purpose of this research is to provide a juridical framework for local governments to produce strategies for accelerating economic recovery in the form of institutional strengthening and empowerment as well as cooperative movement efforts as the driving force for Bogor Regency with new breakthrough ideas. Provide solutions/recommendations in the form of strengthening and empowerment for the cooperative movement and MSME actors to be able to spearhead economic recovery by providing an academic scientific basis for the formulation of Regional Government policies.

The target to be achieved is to produce a strategy to accelerate economic recovery in the form of strengthening and empowering institutions as well as the cooperative movement effort as a driving force for Bogor Regency with new breakthrough ideas. Identifying crucial problems faced by cooperatives during the Covid-19 pandemic related to strategies for strengthening and empowering cooperatives in recovery economy.

## 2. Literature Review

In-Law Number 25 of 1992 it is explained that "A cooperative is a business entity consisting of a person or a cooperative legal entity, by basing its activities on the cooperative principle as well as a people's economic movement

based on the principle of kinship." It was also explained that "Cooperatives aim to promote the welfare of members in particular and society in general and to participate in building the national economic order to create an advanced, just and prosperous society based on Pancasila and the 1945 Constitution." Indonesian Cooperatives run on the principles contained in Law Number 25 of 1992 as follows: Membership is voluntary and open, management is carried out democratically, SHU distribution is carried out fairly according to the size of each business service, remuneration limited to the capital, independence, cooperative education and cooperation between cooperatives (Hatta 2015, Raharja 2000, Suryokumoro and Ula 2020,). Legal basic explained in Figure 1.

Legal Basic
1. Of the 1945 Constitution;
2. Law Number 25 of 1992 concerning Cooperatives (State Gazette of the Republic of Indonesia of 1992 Number 116, Supplement to the State Gazette of the Republic of Indonesia Number 3502);
3. Article 86 of Law No. 11 of 2020 concerning work copyright.
4. Government Regulation Number 33 of 1998 concerning Equity Participation in Cooperatives (State Gazette of the Republic of Indonesia of 1998 Number 47, Supplement to the State Gazette of the Republic of Indonesia Number 3744);
5. Regulation of the Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia Number 09 of 2018 concerning the Organization and Development of Cooperatives.
6. Regulation of the Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia Number 09 of 2020 concerning Supervision of Cooperatives.
7. Bogor Regency Regional Regulation Number 1 of 2019 concerning Empowerment of Cooperatives and Micro Enterprises;

Figure 1. Legal basic

The principles of cooperatives include (Anoraga and Sudantoko 2002, Firdaus and Susanto 2002, Suroto 2015):

1. The principle of kinship, which reflects an awareness of nobility and sincerity to do everything in a cooperative by all for all, under the leadership of the management and supervision of members based on justice and truth and the courage to sacrifice for the common interest.
2. The principle of mutual cooperation, which means that in cooperatives there is awareness and awareness of the spirit of cooperation and shared responsibility for the consequences of their efforts without considering their own interests, but always for mutual happiness. In dividing the results of their efforts, each member receives his share according to the contribution of his work.

Developing cooperatives and MSMEs that are directed at making a significant contribution to economic growth, job creation, and increasing competitiveness, as well as increasing the income of low-income people (micro-enterprises). Strengthening institutions by applying the principles of good governance and gender perspective, especially to broaden the basis and business opportunities as well as to grow new entrepreneurs with excellence to encourage growth, increase exports and create jobs, especially by; develop MSMEs to increasingly play a role as providers of goods and services in the domestic market (Sitepu and Hasyim 2018).

### 3. Methods

The approach method used in this study is a qualitative research method wherein qualitative research an instrument is a person or human instrument, namely the researcher himself using various combined/simultaneous data collection techniques. The data analysis carried out is inductive in nature based on the facts determined in the field and then constructed into a hypothesis or theory (Ashshofa 2001, Raco 2010). Research methodology can be seen in Figure 2.

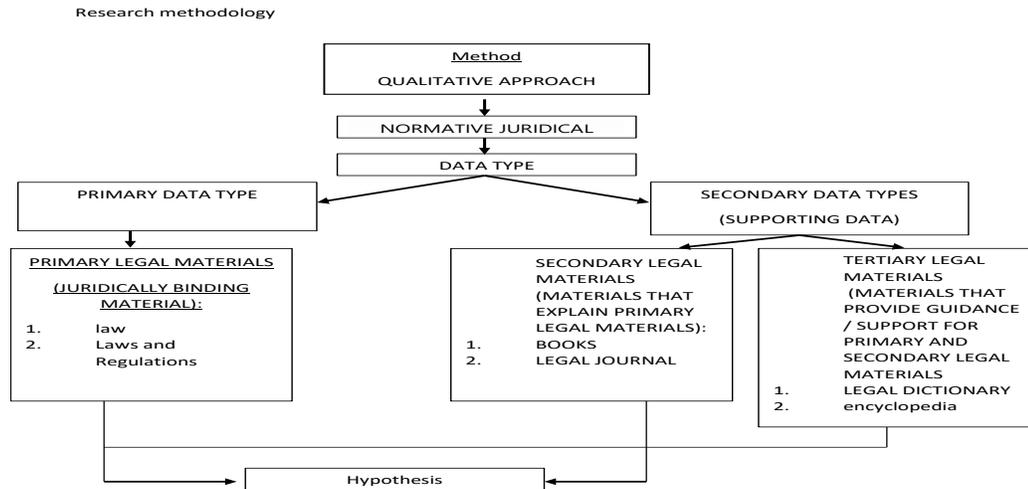


Figure.2. Research Methodology

#### 4. Data Collection

Based on the type and form, the data needed in this study are primary and secondary data. The secondary data obtained through research on the library (library research). Literature research aims to study, research, and trace secondary data including primary legal materials, namely binding legal materials, secondary materials that provide explanations of primary legal materials, and tertiary legal materials, namely materials that provide instructions and explanations for primary and secondary legal materials.

This research will be approached through two methods, namely normative juridical analysis and empirical juridical analysis. The normative juridical method departs from the study of the laws and regulations that are studied, especially related to government legal policies in general and especially clean governance policies from the aspect of research on legal principles, legal systems, and levels of synchronization between regulations both vertically and horizontally (Salim 2010). The approach is carried out with a statutory approach (*statute approach*) and a (*conceptual approach*). In the normative juridical method, the data used are primary and secondary data. The data analysis technique is carried out through description, systematization, and explanation.

#### 5. Results and Discussion

##### 5.1. Impact of Covid on MSME Cooperatives

The position of cooperatives in Indonesia is very important, especially in the field of the economic system Indonesian. Cooperatives as the pillars of economics have an important role in people's economic growth as well as realizing economic democracy as the nature of togetherness and mutual cooperation in the economy. Cooperative development policies are directed at strengthening the position and role of cooperatives that are balanced with other national businesses so that they can become teachers of the national economy in the economic system. To advance the development of the people's economy, the development of cooperatives is aimed at the growth of a positive culture and image as well as strengthening cooperative institutions so that they can play a role as a forum for community activities (Yustika 2006, Asshiddiqie 2006).

Plague The Covid-19 pandemic that is currently happening in Indonesia has brought sadness to some and difficulties to many. We all experience major changes in our daily lives. The Covid-19 pandemic has weakened the joints of the social and economic life of the community. Not only big companies went bankrupt but also small and medium businesses which resulted in thousands of workers having to be laid off. People who work in the informal sector, such as micro, small and medium enterprises (MSMEs), traders, odd jobs, transportation *online* and *offline*, cultivators of agricultural land including cooperatives and other informal professions are the parties who feel a significant impact on this condition. Not a few of them had to be laid off because their workplace was not operating.

Indonesia is one of the affected countries, especially on the economic side. The Covid-2019 pandemic brought various impacts on the economy such as difficulties in finding jobs, difficulty in meeting the needs of daily life, not having income to meet daily needs, and also many difficulties received from all sectors of the economy in all fields. also feel the impact of Covid-19. Gross Domestic Product (GDP) by business sector II quarter 20 19 and 2020 (*y-on-y*) Bogor Regency showed in Figure 3.

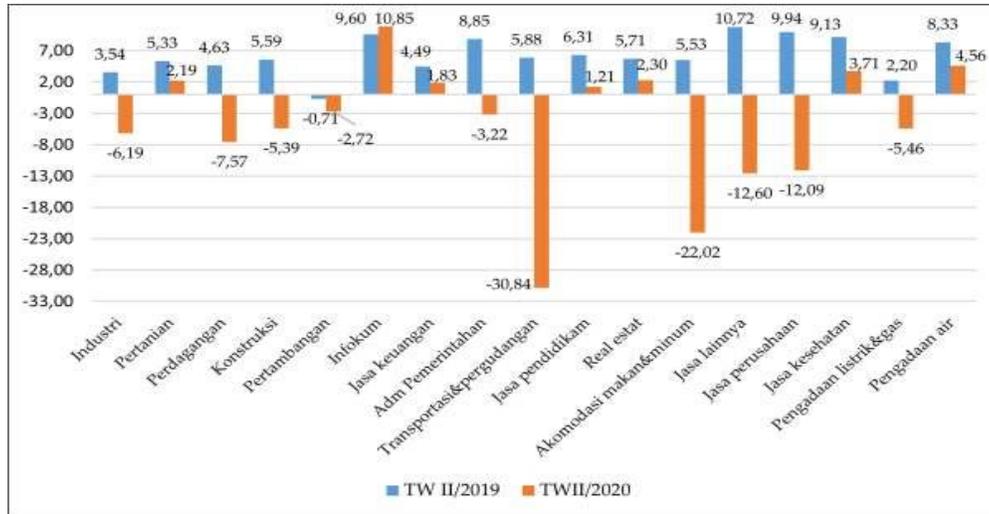


Figure.3. GDP (Gross Domestic Product) by business sector II quarter 20 19 and 2020 (*y-on-y*) Bogor district.

As of April 17, 2020, as many as 37,000 MSME actors reported themselves to the Ministry of Cooperatives and MSMEs affected by the COVID-19 pandemic. According to the data release, the difficulties experienced by MSMEs during the pandemic were divided into four problems. First, there is a decrease in sales due to reduced community activities outside as consumers. Second, capital difficulties due to difficult capital turnover due to declining sales levels. Third, there are product distribution barriers due to restrictions on the movement of product distribution in certain areas. Fourth, raw materials are difficult because as MSMEs, they depend on the availability of raw materials from other industrial sectors. Table 2 shows that of the four problems, the impact of declining sales is the biggest problem felt by MSME actors. The impact of the pandemic on MSMEs is believed to be even greater, due to the high level of vulnerability and lack of resilience due to limited human resources, *suppliers*, and options for overhauling business models.

Table 1. Impact of COVID-19 on MSMEs

Impact of	Percentage (%)
Decrease in Sales	56.0
Difficulty in Capital	22.0
Barriers to product distribution	15.0
Difficulty in raw materials	4.0

Source: Suryokumoro and Ula (2020)

Cooperatives being one of those affected by the Covid-19 pandemic, the challenges faced by cooperatives include declining sales and market demand (Swasono 2010). Due to various government policies to limit human movement during the pandemic, of course, hitting cooperative business activities. The market is disappearing as the purchasing power of the lower classes continues to decline due to restrictions on social activities as an effort to break the chain of the spread of Covid-19. Most of the cooperatives affected are engaged in daily necessities. Currently, many cooperatives are reporting operational difficulties. This is because the members are unable to pay the installments and many are now withdrawing their deposits from the cooperative's savings and loan. In terms of quantity, cooperatives always increase from year to year, but when viewed in terms of quality, it is quite the opposite. Besides that, the Covid-19 pandemic has also had an impact quite severe on Micro, Small, and Medium Enterprises (MSMEs). Which resulted in MSME actors who were ultimately unable to survive or chose to switch businesses.

The basic problem faced by MSMEs is the unavailability of capital to restart the business and the loss due to the spread of the virus.

In terms of quality, the existence of cooperatives still needs serious efforts to be able to adapt to the demands of the business world and the living environment, and the welfare of its members. The strength of cooperatives in various economic activities is still relatively small, and the dependence of cooperatives on assistance from outside parties, especially the government, is still very large. Institutions whose names are cooperatives are expected to be the pillars or pillars of the national economy and also the institutions of the people's economic movement that are not developing as well as in developed countries (Syahyuti 2003). Therefore, it is not surprising why the role of cooperatives in the Indonesian economy is still often questioned and always a subject of debate because cooperatives are often used for their existence.

## 5.2 MSME Cooperatives in Bogor Regency

Economic growth in Bogor District in 2014-2018 showed in Figure 4.

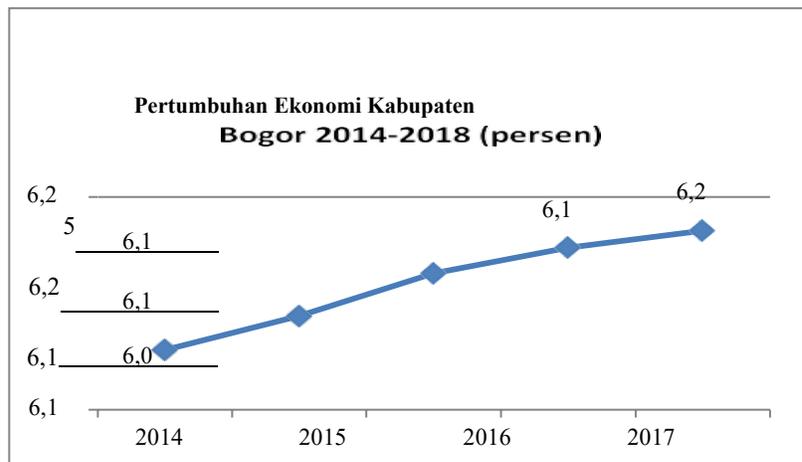


Figure.4. Economic Growth Graph of Bogor Regency

In Bogor Regency, the number of cooperatives and SMEs actors continues to increase from year to year, and number of active cooperative in Bogor Regency (2017-2020) showed in Table 2, 3 and 4. Based on information from the Office of Cooperatives and SMEs in Bogor Regency, every month 5 cooperative units (60 cooperatives/year) are established, while the addition of 20-50 SMEs per month is for SMEs, especially micro-business actors (. The proliferation of cooperative establishments and micro-enterprises in Bogor Regency is due to the community's need for alternative financing and easy shopping, as well as limited employment opportunities and the large potential market for Bogor Regency with a population of +- 5.8 million people.

Table 2. Number of Active Cooperative According to the District, 2017-2020

<b>Sub-district</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
Nanggung	...	...	7	7
Leuwiliang	...	...	17	18
Leuwisadeng	...	...	6	6
Pamijahan	...	...	13	13
Cibungbulang	...	...	12	12
Ciampea	...	...	28	11
Tenjolaya	...	...	11	30
Dramaga	...	...	10	15
Ciomas	...	...	18	15
Tamansari	...	...	2	2
Cijeruk	...	...	9	6
Cigombong	...	...	5	6
Caringin	...	...	13	3
Ciawi	...	...	17	15
Cisarua	...	...	16	11
Megamendung	...	...	4	3
Sukaraja	...	...	19	13
Babakan Madang	...	...	13	11
Sukamakmur	...	...	2	2
Cariu	...	...	6	6
Tanjungsari	...	...	5	5
Jonggol	...	...	13	13
Cileungsi	...	...	31	23
Klapanunggal	...	...	15	15
Gunungputri	...	...	47	39
Citeureup	...	...	39	37
Cibinong	...	...	79	85

Table 3. Number of Active Cooperative According to the District,2017-2020

<b>Sub- districts</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
	<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
Bojonggede	...	...	18	14
Tajurhalang	...	...	6	6
Kemang	...	...	31	31
Rancabungur	...	...	9	9
Parung	...	...	15	12
Ciseeng	...	...	3	3
Gunungsindur	...	...	10	4
Rumpin	...	...	6	5
Cigudeg	...	...	10	10
Sukajaya	...	...	2	1
Jasinga	...	...	7	8
Tenjo	...	...	4	4
Parungpanjang	...	...	11	11
<b>Bogor regency</b>	...	...	<b>589</b>	<b>540</b>

Source /Source: Department of Cooperatives and SMEs district. Bogor

Table 4. Number of Cooperative by Kind of Cooperative, 2017-2020

<b>Sub-district</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
Producer Cooperatives	...	...	...	94
Consumer Cooperatives	1 414	1 424	...	1 451
Marketing Cooperatives	33	32	...	33
Service Cooperative	36	46	...	50
Savings and Loan Cooperative	50	56	...	62
<b>Bogor Regency</b>	<b>1 533</b>	<b>1 558</b>	<b>...</b>	<b>1 690</b>

Table.5. Condition of Cooperative, 2019

<b>Description</b>	<b>Amount</b>
<b>Description</b>	<b>Total</b>
<b>(1)</b>	<b>(2)</b>
Number of Cooperatives	1 651
Number of Active Cooperatives	589
Number of Inactive Cooperatives	1 062
Number of New Cooperatives	59
Number of Managers	42
Number of Members	91 555
Total RAT	203
Number of Employees	787
Total Own Capital	248 589 778 560
Total External Capital	107 549 168 854
Total Business Volume	550 099 401 555
Total SHU	42 667 055 523

Contribution of cooperatives and MSMEs in the economy of Bogor Regency cannot be underestimated. If the

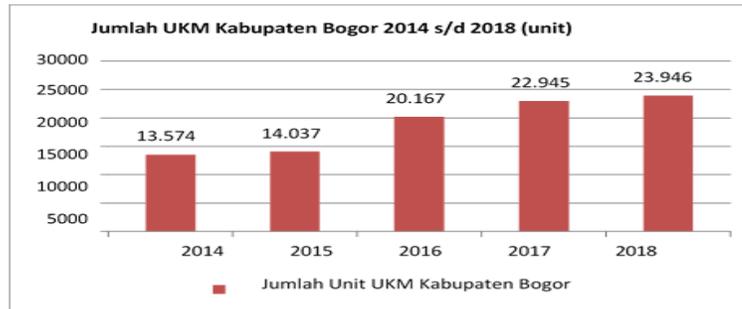


Figure.5. Graph of Number of MSMEs in Bogor Regency 2014 to 2018

cooperative actually contributes on a micro-scale, it can improve the economic quality of its members and the surrounding community. Meanwhile, based on data from the Bogor Regency Central Statistics Agency in 2017, the contribution of MSMEs to employment is 87% and to Gross Regional Domestic Income (GRDP) of 28.3%.

With such a large role and contribution of cooperatives and MSMEs in the regional economy, the Bogor Regency Government through its services in this decade has given great attention and full support in the form of empowerment programs for cooperatives and MSMEs, with 3 main programs, namely the Advocacy Program (Kotler et al. 2019). Education and Facilitation. The attention and support of the Bogor Regency Government have become more real and concrete with the issuance of Regional Regulation no. 1 of 2019 concerning KUKM Empowerment and the Regent's Regulation on the Movement to Buy MSME Products, and this is part of the Bogor Regent's Grand Program, namely "Panca Karsa - Bogor Maju". If using everyday language and making it easy for the public to understand, the existence of the Panca Karsa Program - Bogor Maju is expected to increase the quantity and quality of Cooperatives and MSMEs in Bogor Regency to be more advanced and developed and really contribute to regional economic development. For the hopes/goals/targets of Panca Karsa – Bogor Maju to be achieved in terms of empowering cooperatives and MSMEs, the measures of progress must be clear and measurable. The simplest measure of progress and development of a business entity is seen from the increasing number of cooperatives that can carry out Annual Member Meetings (RAT) with a positive trend of Remaining Operating Results (SHU), while the simplest measure of MSME progress is to see an increase in turnover. / Assets and Class Advancement (from Micro to Small, from Small to Medium, and from Medium to Large. . Graph of Number of MSMEs in Bogor Regency 2014 to 2018 showed in Figure 5.

Increasing the number of cooperative units and SMEs in Bogor Regency from 2014 to 2018 based on the data above which obtained from statistical data Bogor Regency has increased proven in 2018 at 23 946 units SME cooperatives. cooperatives can become the motor of the economy of Indonesia. The role of cooperatives is needed. Because of cooperatives engaged in the lower sector. If the cooperative can follow the times, equalization will be achieved.

### 5.3. Government Policy to Encourage the Recovery of MSME Cooperatives

Facing the economic impact of the pandemic, the government gives priority to supporting MSME Cooperatives with a large budget allocation. Various policies are designed to protect and restore MSMEs during the COVID-19 pandemic. The government provides assistance programs for MSMEs as reflected in the budget allocation for the National Economic Recovery Program (PEN) and the MSME stimulus that has been issued. The government also plans to expand KUR and provide working capital credit guarantees. This program aims to support the needs of labor-intensive corporations and MSMEs for additional working capital loans so that they can return to their maximum activities during the pandemic (Kotler et al. 2019).

The Job Creation Act, it can also have a positive impact on MSMEs in Indonesia. The reason is that the Job Creation Act was made in the context of creating job opportunities, facilitating business, and reducing regulations. The ease of doing business is marked by the fact that MSMEs do not need to carry out various permits but simply by registering (Tosida et al. 2019)

#### 5.4. MSME Cooperative Empowerment Strategy

To create and develop a climate and condition that encourages the growth and socialization of Cooperatives, as well as to provide guidance and convenience to Cooperatives as regulated in the Cooperative Law, the Government organizes the following development programs:

- a. Cooperative business guidance under the economic interests of its members;
- b. facilitation of the implementation of cooperative education and training;
- c. cooperative counseling;
- d. cooperative research;
- e. providing facilities to strengthen cooperative capital and develop cooperative financial institutions;
- f. facilitation of the development of cooperative business networks and mutually beneficial cooperation between cooperatives; and
- g. providing consultation assistance to solve problems faced by cooperatives while still taking into account the Articles of Association and cooperative principles.

In strengthening cooperative institutions, partnerships between business actors, including cooperatives, both between cooperatives and outside cooperatives are necessary. In the partnership, several things need to be considered, namely the principle of synergy, namely mutual need, and mutual assistance. The principle of mutual need is intended. Such as cooperation between business actors, both between cooperatives and cooperatives with other business actors as partners in progress. The existence of the principle of mutual need means that the collaborating parties (business partners) directly raise the principle of mutual assistance. Apart from that, other things that need to be considered are (1) mutual benefit, and mutual need; (2). oriented towards increasing competitiveness, and (3) fulfilling the following aspects: a. competitive prices compared to prices offered by other parties, b. good quality or quality following the agreement, c quantity, which can meet the specified amount, d. delivery, namely the fulfillment of the delivery of goods/services on time as agreed. (4) There is a willingness on the part of large businesses to guide small businesses and cooperatives as business partners.

Various other innovations need to be done such as building cooperation between cooperatives to strengthen each other. Such as financing cooperatives providing capital sharing or capital cooperation with production cooperatives. Then the production cooperative markets their products in collaboration with consumer cooperatives. In addition, cooperatives can enter into partnerships or cooperate with the private sector, BUMN, BUMD, and also BUMDes.

The advantage of cooperation between cooperatives and other cooperatives is that there is no fear of competition because each has its own strengths and focus. As in the cooperation of production cooperatives and consumption cooperatives. Production cooperatives focus on developing and empowering members to produce an item whose production is carried out by micro-enterprises. Production cooperatives focus on sales. Meanwhile, consumption cooperatives focus on meeting the needs of each member. In this case, consumption cooperatives can become distributors of goods originating from production cooperatives.

The capital strategy can be done with various approaches. All opportunities can be explored to strengthen cooperative capital. One of them is by revitalizing the government's role as a cooperative builder, including involving the Indonesian Cooperative Council (Dekopin) and Bogor Regency Dekopinda organizations to be involved in facilitating cooperative capital.

Regulation of the Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia Number 09 of 2018 concerning the Implementation and Development of Cooperatives Article 156 Policies and strategies for increasing access to finance, as referred to in article 148 letter d, is further elaborated into various programs and activities, at least covering:

- a. expansion sources of funding;
- b. expansion of financing institutions;
- c. expansion of guarantee institutions;
- d. establishment of (*cooperative development fund*);
- e. mentoring and increasing access to financing sources; and
- f. developing working capital and investment capital financing.

One of the capital strategies is to utilize various possible schemes, both from the government and the private sector, to strengthen cooperative capital. Such as the provisions in the Limited Liability Company Law (UU PT) which requires corporations to allocate Corporate Social Responsibility (CSR) funds or known as Social and Environmental Responsibility (TJSL) to be accessed by cooperatives. This CSR obligation is not only affected by pure corporations but also corporations under the auspices of State-Owned Enterprises (BUMN) and Regional-Owned Enterprises (BUMD) and Village-Owned Enterprises (BUMdes). By utilizing the capital from these institutions, the cooperative has a strategy for business development (Adam 2002).

In addition, the government, both central and regional, can provide facilitation assistance with the banking sector to provide capital strengthening with cooperatives. Of course, this is done by first conducting a selection and study so that the cooperatives that receive assistance are on target. This includes assistance so that the cooperative does not have problems with returning the loan if it is in the form of a soft loan.

It is also necessary to build a networked capital concept and a system with sales and strengthening market access. There is a concept, such as cooperative networking among cooperatives to co-finance concept model (*joint financing*), buy joint (*joint buying*), and sell the joint (*joint selling*). This model can be carried out between cooperatives or between business actors and cooperatives.

Moreover, the corporate centers in Bogor Regency are potentials that have not been optimized. For example, if in Bogor Regency there are many garment industries under corporations, it is necessary to encourage the growth of consumer cooperatives in the garment industry, which are facilitated by local governments to purchase basic necessities, for example from industrial cooperative networks. So that when CSR funds are obtained from the garment industry corporations to finance the capital of industrial cooperatives in Bogor district then the industrial cooperative products are purchased by consumer cooperatives whose members are employees in the garment industry itself. So that they mutually reinforce each other.

To revive the MSME sector in this region, the Bogor Regency Cooperatives, and MSME Service has taken various steps strategic. One of them is by inviting MSME to implement digital marketing (digital marketing). Economic recovery efforts in Bogor Regency are carried out by optimizing the participation of MSME actors. One of them is by conducting SME bazaar activities, both online and in-person, in collaboration with malls in Bogor Regency with the theme of expressing SME actors in the Covid-19 Pandemic. The Bogor Regency Government has also facilitated SMEs Bogor Regency through a shop rental program. Of the 40 sub-districts, only 29 sub-districts have received the shop rental program facilitation. strategies digital-based business are very important to do, considering a large number of MSME actors in Bogor Regency which reaches 707 thousand MSMEs. Various products are produced ranging from metal, food and beverage, leather crafts, clothing, and others. During the pandemic, he continued, many MSMEs are also producing goods according to current conditions, such as masks, hand washing sinks, hand sanitizers, and others. For optimal marketing and buying and selling transactions must also be done online.

In Indonesia, about 145.26 million people have access to the internet, or more than 50% of the population. This is a huge potential for cooperatives to take advantage of shifting conditions. Therefore, there must be a disruptive leader who brings a vision of the future to the present. Java, Bali, and Sumatra have the highest internet connections. This means that the market potential in the region can be captured by today's cooperatives. Know your customer, know your market. Gen Z has the highest internet penetration. The market must be captured by the cooperative. Regarding digital technology, cooperatives can be an instrument to attract and serve members better. Marketing 4.0 shows that purchasing power is not decreasing but shifting online. The online touch differentiates a company. For that, there must be retraining for HR who will handle marketing 4.0 (Kotler et al 2019, Tosida et al. 2020). Thus they can make good packaging for artificial intelligence that is balanced with qualities *human to human*. The point is to help companies relate to customers.

ICT facilities include the Internet network to be online. In principle, cooperatives that use ICT in their business processes will gain additional capabilities, including online transactional transactions. Some things that give a plus for the cooperative after using ICT facilities from PT Telkom Indonesia, for example, monitor the position of the loan status and share capital of each member.

Who masters information technology, he will lead the world'. Microsoft strengthens MSME information technology with application training to strengthen competitiveness and effectiveness in production and marketing aspects (Tosida et al. 2018, Tosida et al. 2019). Thanks to the digital ecosystem, everyone has no boundaries anymore. Big companies are not necessarily better than smaller companies. Likewise in cooperatives, quantitatively large and small scale cooperatives do not guarantee their durability against qualitative digitalization and automation. Now everyone can take on the role they want in the "economic cake" that has been presented (Figure 6).

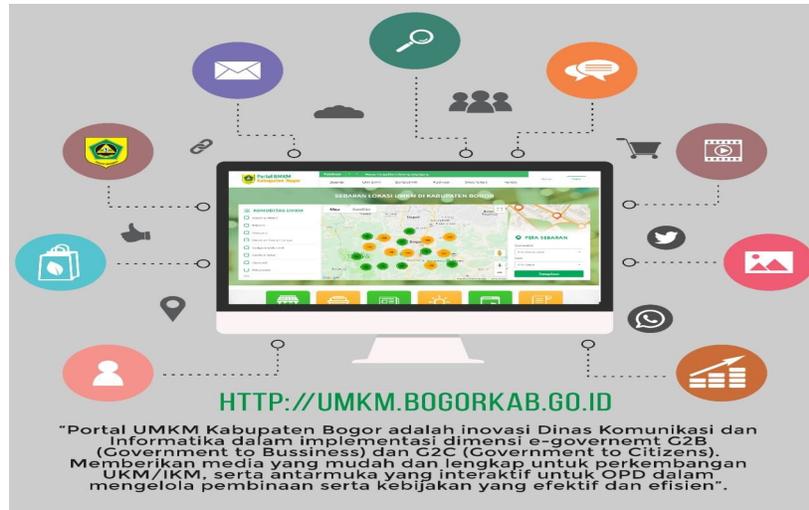


Figure.6. Information Portal UMKM Bogor Regency

To meet the needs of the economic progress of the people of Bogor Regency, especially in the field of Micro, Small, and Medium Enterprises, the MSME Cooperative Service cooperates with the Communication and Information Office and the Industry and Trade Office in realizing strategic marketing in the digital era. This strategy can declare to be validation technique for this research.

In the latest breakthrough web address [umkm.bogorkab.go.id](http://umkm.bogorkab.go.id), there are many features offered. Such as making the profile of the business unit itself, e-catalog, detailed products that are marketed. Entrepreneurs are also given the opportunity with a blog facility where they can review their MSME activities. Another advantage that can be obtained is supporting the marketing strategy. With the existence of a special web portal in such a way, industry activists can interact and support each other to be able to market their products not only on a national scale but also contribute to the international arena.

Of the many things described earlier, of course, data collection on the community's industry is very important for regional economic progress. Because according to Christian Messakh, the number of industrial units in the Bogor district is estimated at more than 10,000 units. Until now, from the results of direct involvement in the field with the relevant agencies, the local government has confirmed that 2000 MSME units have been registered on the MSME special web. This data collection will continue to be carried out consistently by conducting socialization and inviting industrial community activists to participate.

In addition to entrepreneurs getting strategic points in marketing, registered MSMEs will be given guidance and training by the government. With this provision, it is hoped that the local community's economy can be much more effective and advanced. It is planned that the debriefing is scheduled after July with a target of 1000 participants and will continue as needed.

## 6. Conclusion

Cooperatives and MSMEs, especially micro, must build the synergy of the two institutions to be necessary. Because the potential for micro-enterprises, especially those associated with cooperatives, is quite large. First, the dominance of economic activity in Indonesia in terms of a large number of MSMEs. Second, micro MSMEs have the fighting power to survive in a difficult economic era. This is verified by history. Third, MSMEs when they join cooperatives have strong bargaining power with third parties. Because cooperatives with legal entities will easily access capital, provide guidance to their members and have the opportunity to prosper together. Fourth, there are requirements for synergy, namely improvements to cooperatives so that regulations are strong enough, professional management, access to capital opportunities, and assistance from both central and regional governments.

Cooperatives must keep up with the times and utilize digital considering that in the covid era, physical interaction is very limited so that innovative business actors by utilizing digital technology have far more potential to access better markets. With assistance from the government local, technically it accommodates the role of the parties in digital marketing and educates business actors to have the capacity to take advantage of access to digital marketing. It is necessary to formulate policies that are implementable in the form of programming and activities by the Department of Cooperatives and MSMEs in Bogor Regency to strengthen and empower cooperatives, in the form of Changes in business models and management and services.

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