Implementation of Business Integration Strategy in the Retail Sector of Grocery Store to Increase Sustainable MSMEs Business Competitiveness through the SRC Business Partnership Network Program during at the Transition Era of the Pandemic to the Endemic of Covid-19 In Bengkalis Sub District

Teguh Widodo ¹, Erma Domos ², Suharyono³

{ teguh@polbeng.ac.id1, emmadom.os@gmail.com2, suharyono@polbeng.ac.id3}

International Business Administration, State Polytechnic of Bengkalis, Bathin Alam Street, 28711

² Digital Business, State Polytechnic of Bengkalis, Bathin Alam Street, 28711

³Port Management, State Polytechnic of Bengkalis, Bathin Alam Street, 28711

Abstract. The long-term goal of the research is the realization of sustainable empowerment of MSMEs in the Grocery Store Retail Sector, especially the map of MSMEs conditions during the transition period from the pandemic to the endemic of Covid 19 in Bengkalis Sub District. The method of achieving goals is done by researchers using interview data obtained from sources, then analyzing the data and information to get a conclusion. The research results show that the market opportunities for local consumers that should have been taken up by MSMEs in the Grocery Store Retail Sector cannot be utilized properly because there are still limitations which is owed by MSMEs in the Grocery Store Retail Sector which have not implemented the concept of a business integration strategy through a business partnership network. Even though through business integration in the Business Partnership Network Program, MSMEs business actors get many benefits, both economic and non-economic.

Keywords: Business Integration, MSME, Grocery Store, Business Partnership, SRC

1 Introduction

1.1. Background

The impact felt during the transition period from the pandemic to endemic of the Covid-19 for the business actor of the retail sector SMEs in the grocery store in Bengkalis sub District, Bengkalis Regency, was a decrease in income turnover experienced by MSME actors in the grocery store retail sector due to changes in consumption and purchasing behavior patterns.

consumers who reduce their mobility out of the house for less important things due to fear of contracting the dangers of Covid 19 so that this condition has indirectly caused the market situation to be quiet. In addition, the decline in the income of the consumer community due to various causes caused by the Covid-19 pandemic has also brought consequences to a decrease in the level of purchasing power of the consumer community to carry out consumption activities to purchase goods for daily needs. The description of conditions like these in turn has made MSMEs in the grocery store retail sector, which in general business management is still done conventionally and has not applied the concept of modern grocery store retail business management and the lack of a business partnership network that has been carried out so far has made The condition of its sales turnover has been hit, unlike the conditions felt before the Covid 19 pandemic that hit the whole world, including our country, Indonesia.

MSMEs are one of the most affected business sectors during the pandemic to the end of the Covid 19, because many Indonesians have changed their consumption patterns. In fact, in a situation like this, grocery stores around the house should actually be a wise choice as a place to shop for basic needs for everyone [1]. This is in accordance with the Government's appeal in order to maintain the economic resilience of small communities, namely that everyone can help each other with fellow citizens in their homes by shopping for basic needs at grocery stores in their own environment. Shopping at a grocery store near home can also help suppress the spread of Covid-19 by avoiding activities in crowded places, in other words doing physical distancing [1].

On the other hand, the market opportunities for local consumers that should have been taken up by MSMEs in the Grocery Store Retail sector during the pandemic transition to the endemic of Covid-19 were not able to be utilized by MSMEs in the grocery store retail sector itself, because there were still limitations which is owned by MSMEs actors in the Grocery Store Retail sector due to the business conditions of MSMEs actors in the Grocery Store Retail sector in general who have not implemented the concept of a business integration strategy through a business partnership network program that is organized, led and fostered by an industry that has a strong marketing network, as well as PT HM Sampoerna Tbk as the developer of the Sampoerna Retail Community (SRC) Business Partnership Network Program.

During the Covid 19 pandemic in 2020 until 2021 and continuing towards the endemic period of Covid 19 in 2022 at this time the SRC Grocery Store Retail Sector MSMEs, which are today's grocery store communities also take on the role of government support in breaking the chain of the spread of Covid-19. Many initiatives have been carried out by SRC shop owners as measures to prevent the spread of Covid-19, including making transparent barriers at the checkout counter, using face coverings and transparent face coverings, providing queuing distance barriers for consumers, providing hand washing facilities, providing hand sanitizer, doing digital promotions in the "AYO SRC" application, as well as online order services (pick up/deliver) [1].

There are many advantages that can be felt and utilized by MSME actors in the Grocery Retail sector by applying the concept of a Retail Grocery Store business integration strategy through the SRC Business Partnership Network Program in order to increase competitiveness and realize sustainable MSMEs empowerment during the pandemic transition to the endemic of the Covid-19 in Bengkalis Sub District. Through the integration of MSMEs actors in the

Grocery Store Retail sector in the SRC Business Partnership Network Program, MSMEs actors in the Grocery Store Retail sector will get many benefits that can be felt and utilized by them, both beneficial benefits related to increasing sales turnover. as well as the profit margins that will be obtained by MSMEs actors in the grocery store retail sector as well as direct non-economic benefits, but can expand business communication networks that can be enjoyed and benefited by fellow MSMEs actors in the Grocery Store Retail sector who are members of the association or business partnership network community of SRC throughout Indonesia.

MSMEs in the Grocery Store Retail sector who are members of the SRC business partnership network are taking preventive measures against the spread of Covid-19 so that SRC Grocery Store Retail Sector MSMEs customers can shop more comfortably to meet their needs. In addition, MSMEs in the SRC Grocery Store Retail Sector also want them to still be able to have income to support their families. MSMEs in the retail Sector of the SRC Grocery Store realize that they do not know how long the Covid 19 pandemic situation will last, but the MSMEs Retailers of the SRC Grocery Store believe that everything will pass.

Entering the age of 12 years, the presence of SRC which has empowered more than 120,000 grocery stores in all provinces in Indonesia, is increasingly felt its role in the surrounding community. Under current conditions, SRC wants to play another role in helping the government's efforts to mitigate the impact of the Covid-19 pandemic on the MSMEs sector, which is the driving wheel of the Indonesian economy [1].

The Head of Commercial Business Development of SRC, Henny Susanto (2020) in [1] said that SRC will directly help spread positive spirit in dealing with this transitional situation towards the Covid-19 endemic, but also not only among grocery store owners, but also to the surrounding environment. For that end, the SRC initiated the Joint Grocery Store movement #KitaSalingMenolong as an effort to provide consumer convenience in shopping, by implementing preventive measures in accordance with Government Directives [1].

Where the #KitaSalingMenolong movement invites and educates SRC grocery store owners to help the community in the surrounding environment, by taking preventive measures and keeping shops open so that people's daily needs can be met. This movement is also an invitation for consumers to support grocery stores by making shopping closer to home become more comfortable [1].

Henny Susanto (2020) in Warta Ekonomi (2020) also explained that his party carried out preventive action education through the "AYO SRC" application. This education includes efforts to promote physical distancing in stores, in line with one of the programs of the Ministry of Cooperatives and MSMEs, which is actively promoting physical distancing practices in food stalls/grocery stores [1].

Through the "AYO SRC" application, SRC owners are encouraged to carry out "Together Against Covid-19" activities as a tangible form of the SRC store's active role in taking preventive actions as well as educating the surrounding community. Complete information regarding the "Together Fighting Covid-19" activity which is expected to provide an overview for the general public in dealing with the pandemic transition situation towards the endemic of Covid-19 [1].

Based on the research background that has been described above, the researchers are interested in raising the title of the applied research scheme through funding sourced from the Bengkalis State Polytechnic PNBP for the 2022 fiscal year regarding the Implementation of the Business Integration Strategy for the Grocery Stores Retail Sector to Improve the Competitiveness of Sustainable MSMEs Businesses Through the Business Partnership Network Program SRC during the Pandemic Transition period to the Endemic of Covid-19 in Bengkalis Sub District.

1.2. Problem Formulation

Based on the research background described above, the formulation of the research problem which determined is as follows:

- 1. How was the business condition of the MSME retailers in the grocery store in Bengkalis Sub District in the pre-pandemic period, during the pandemic and the transition period of pandeic to endemic of Covid-19?
- 2. What are the reasons why MSMEs in the Grocery Store Retail sector in Bengkalis Sub District choose to implement a business integration strategy through the SRC business partnership network program?
- 3. What benefits will MSMEs actors get in the grocery store retail sector in Bengkalis Sub District by becoming a partner in the SRC business partnership network program?
- 4. How does the developer of SRC (PT. HM Sampoerna Tbk) apply the concept of coaching to MSMEs in grocery stores in Bengkalis Sub District who have joined the SRC business partnership network program during the Covid 19 pandemic until the transition period of pandemic to endemic of Covid-19?
- 5. How did the SRC (PT. HM Sampoerna Tbk) developer implement the SRC business partnership network program during the transition period from the Pandemic to the endemic of Covid-19 so be able to increase the competitiveness of retail sector of MSMEs in grocery stores in Bengkalis Sub District?
- 6. How did the SRC (PT. HM Sampoerna Tbk) developer implement the sustainable SRC business partnership network program during the transition period of the pandemic to the endemic of Covid-19 so be able to realize the empowerment of retail sector of MSMEs in grocery stores in Bengkalis Sub District?
- 7. How do MSMEs in the grocery store retail sector who are members of the SRC Business Partnership Network Program implement grocery store management initiatives in order to improve the quality of services that are more comfortable and safe for shopping to meet their needs as a precautionary action to protect their consumers from the potential dangers of spreading of Covid-19 Virus in the transition period of pandemic to endemic of Covid-19?

1.3. Research Limits

The scope of the limitation in the research carried out is that this study only analyzes the condition of the MSMEs actors in the grocery store retail sector before and after the pandemic of Covid-19 and what is the picture of the condition of MSMEs actors who carry out a business integration strategy through the SRC business partnership network program.

1.4. Research purposes

The purpose of the research which conducted by the researchers in this study can be fully explained as follows:

- 1. To find out the business conditions of MSME actors in the grocery stores retail sector in Bengkalis Sub District in the period of before, during the pandemic and the transition period of pandemic towards endemict of Covid-19.
- 2. To find out why MSMEs in the grocery store retail sector chose to implement a business integration strategy through the SRC business partnership network program.
- 3. To find out the benefits that will be obtained by MSMEs in the grocery retail sector by becoming partners in the SRC business partnership network program.
- 4. To find out the guidance carried out by the developer of the SRC business partnership network for MSMEs in the grocery store retail sector who have joined in the SRC business partnership network program.
- 5. To find out the sustainable program of the SRC business partnership network which is implemented by the developer (PT. HM Sampoerna Tbk) during the transition period of pandemic to endemic of the Covid-19 so be able to increase business competitiveness of the retail sector of MSMEs in grocery stores in Bengkalis Sub District?
- 6. To find out the ongoing program of the SRC business partnership network which is implemented by the developer (PT. HM Sampoerna Tbk) during the transition period of pandemic to endemic of the Covid-19 so that it can realize the empowerment of retail sector of MSMEs in grocery stores in Bengkalis Sub District?
- 7. To find out the management initiatives of MSME actors in the grocery store retail sector who are members of the SRC Business Partnership Network Program in order to improve the quality of services that are more comfortable and safe for shopping to meet their needs as a preventive action to protect their consumers from the potential dangers of the spread of Covid -19 Virus during the transition period from pandemic to endemic of Covid-19?

2 Literature Review

2.1. Previous Research

Previous research that discusses the Concept of Retail Business Integration Strategy for Grocery Stores as an Effort to Increase Business Competitiveness and Realize Sustainable MSMEs Empowerment Through Business Partnership Network Programs during the transition period of pandemic to endemic of Covid-19 including the research which was conducted by [2] that entitled about Increasing the Competitiveness of Micro, Small and Medium Enterprises through Business Networks. The results of the research conducted stated that increasing competitiveness in MSMEs must be gradual, meaning that increasing competitiveness begins with efforts to win the competition. To find out the various conditions of the competitiveness of MSMEs, it is necessary to have a form of sustainable development, in order to improve the standard of living for MSMEs in the country. The orientation and focus of MSMEs empowerment needs to be improved, the empowerment includes providing easy access to company functions and providing supporting facilitation, so that MSMEs are truly able to apply general rules that apply in the economy consistently and consequently and efficiently. One of the efforts that can be done is to establish a strong business network.

Business Network is one of the important factors in the MSMEs business to increase economies scale, efficient business management and expand market share. MSMEs that have a strong business network will be the capital to be able to carry out their operations effectively and efficiently, so that the business network can also be the capital of the company's competitiveness.

2.2. Sampoerna Retail Community

SRC is a Today's Grocery Store which is part of the PT SRC Indonesia Sembilan (SRCIS) partnership program, which aims to increase the competitiveness of SMEs in grocery stores through modernizing grocery store retail management and sustainable business assistance programs [3].

SRC is an acronym for Sampoerna Retail Community, which makes it easy for SRC partners to share business knowledge, obtain information on Sampoerna MSMEs, and then make it easier to manage stores properly. Present since 2008, SRC has now become known and has many partners. Where they also just launched a mobile application for Android called the Ayo SRC application.

The AYO SRC application was launched on Friday 10 May 2019. This application will make it easier for Sampoerna SRC partners to share information and get support quickly from Sampoerna SRC. Because this program is fairly easy, it is still very easy for those of you who want to become a partner of SRC Sampoerna.



Fig.1. Know What is SRC Sampoerna

How to register for SRC Sampoerna is not as difficult as registering for other business programs. This is one of the advantages of Sampoerna's SRC program. SRC Sampoerna specifically aims to make the grocery stores fostered by SRC Sampoerna adaptable to today's ever-changing developments. It is hoped that stores that are partners with SRC Sampoerna can develop and gain more customers [4].

At the beginning of the establishment of SRC Sampoerna in 2008 there were 57 stores that became SRC partners. And in 2018, Sampoerna's SRC partners had 100,000 stores. Where the partner is already the largest in all regions in Indonesia such as Sumatra, Java, Kalimantan, Sulawesi, Papua, Bali and Madura [4].

2.3. Reasons Why Choose SRC Sampoerna

By becoming a partner of Sampoerna's SRC, retail sector businesses in the MSMEs Grocery Store will receive ongoing business assistance from store arrangement, business expansion, consumer activation and other business opportunities. You will also join a community of paguyuban that can grow together. Later you will also get new business partners for the advancement of grocery stores who are members of the SRC business partnership network [4]. Becoming a partner of SRC Sampoerna will also make it easier for business actors in the retail sector of MSMEs Grocery Stores to increase their competitiveness. Then the shops of the MSMEs retail sector of the Grocery Store will be more trusted, then look comfortable for the customers of the MSMEs retail sector of the Grocery Stores when shopping and also indirectly the role of the SRC Grocery Store MSME customers can help the welfare of all MSMEs of the grocery store so that they can developing in today's digital era [4].



Fig.2. Reasons Why Choose SRC Sampoerna

2.4. Benefits of Being a Sampoerna SRC Partner

According to Farah (2019), the advantages of being a partner of SRC Sampoerna include:

- 1. Entrepreneurs in the SRC MSMEs retail sector receive guidance on managing and arranging stores to make them look more comfortable for consumers.
- 2. Business actors in the SRC MSMEs retail sector will get business information for the progress of the store.
- 3. Business actors in the SRC MSMEs retail sector can join with other partners and can build business together.
- 4. Grocery stores owned by SMEs in the SRC retail sector will be better known by the public throughout Indonesia.
- 5. Grocery stores owned by SRC MSMEs retail sector business actors will later be easily found by consumers
- 6. Entrepreneurs in the SRC MSMEs retail sector will receive full support from SRC Sampoerna through the AYO SRC application.

If the business actor who has a grocery store business is now rivaled by a modern store. So there is no harm in trying to become a partner of SRC Sampoerna. Because these business actors after joining the SRC business partnership network will later get guidance to build their grocery stores so they can compete with modern stores such as Indomaret, Alfamart or Alfamidi. In addition, SCR Grocery Store business actors can also develop other businesses in their grocery store, because they will get the latest business information from other Indonesia SRC partners [4].



Fig.3. Benefits of Being a Sampoerna SRC Partner

Minister of Cooperatives and Small and Medium Enterprises Teten Masduki at the inauguration of the RSC Festival and at the same time inaugurating the "Berkah" movement (shopping near home) said the importance of partnerships between big businesses and small entrepreneurs in order to develop together. Teten in Warta Ekonomi stated that economic disparities must be resolved through partnerships between large and small businesses so that the two business actors can advance together [5].

Furthermore, Teten in Warta Ekonomi [5] also explained that MSMEs actors cannot be left alone but must enter the supply chain, be given ongoing education and assistance in order to compete in the market. SRC itself continues to strive to increase its contribution in realizing a people's economy and increasing the competitiveness of MSMEs in Indonesia through support for MSME actors, especially grocery stores. Ivan Cahyadi as Sales Director of PT HM Sampoerna Tbk in Warta Ekonomi [5] stated that SCR wants to bring about change by helping develop their businesses through better administrative management so that they can help realize an inclusive people's economy. In fact, currently, SMEs Retail Grocery Stores who have joined the SRC partnership network program have been equipped with digital innovations through the Ayo SRC application. This application makes it easy for grocery store owners to manage their stores, control stock of goods and make purchases to wholesale partners without having to leave the store like when it was still conventional.

According to Henny Susanto as Sampoerna's Head of Commercial Affairs and Business Development in Warta Ekonomi [5], the number of stores in the SRC network has grown rapidly in the last 3 years. This development is supported by Sampoerna's marketing network spread throughout Indonesia. Where Sampoerna's marketing network which spreads from Sabang to Merauke has extraordinary field staff, has the same spirit to help grow SRC Grocery Store SMEs, in addition there is also SRC Association which is also ready to help and now there is the Ayo SRC application that makes it easier for MSMEs SRC.

Henny Susanto in Warta Ekonomi [5] also explained that every shop or grocery shop owner who wants to develop more modern can join or integrate business into the SRC business partnership network program without any fees or join fees. The conditions for joining the Sampoerna Retail Community partnership network program are very easy, you already have a shop, you can join without any fees including a join fee, and we don't provide capital but assistance and education. Regarding the renovation and decoration of the shop by the SRC developer, references will be given and can be carried out in stages according to the ability of the shop owner. It doesn't have to be luxurious, but neat and tidy. Regarding shopping for stock items, shop owners are free to shop anywhere, but the SRC developer introduced Sampoerna's wholesale partner to be used as a reference for purchases by MSME retailers in Grocery Stores in order to get good stuff, be guaranteed at more competitive prices.

2.5. Pandemic Transition Towards Endemic of Covid-19

Currently, Indonesia is no longer in a state of emergency for the Covid-19 pandemic and is starting to transition to the endemic phase," said the spokesperson for the Covid-19 Task Force [6].

The World Health Organization (WHO) has determined that Coronavirus Disease (Covid-19) is a disease caused by a new type of corona virus or SARS-CoV-2 which can be categorized as a pandemic. This status was determined following the impact of the disease not only on health, but also on various sectors. In the world of epidemiology or the study of patterns of disease spread, there are several terms related to disease transmission, namely endemic/outbreaks, epidemics, and pandemics. What's the difference?

1. Endemic/Outbreak: small, but overwhelming

The first level is the severity of the spread of the disease seen from the population, environment or region. The population affected is small, but arguably extraordinary. A certain disease is declared to be an epidemic or endemic when there is a significant increase in the number of cases but it is still limited to an area. Examples of outbreaks of malaria, dengue fever, measles, and so on.

2. Epidemic: Bigger and spreading

The second degree of severity of a disease that is greater than endemic and spread to a wider area. The Centers for Disease Prevention and Control (CDC) explains that an epidemic occurs when a disease spreads quickly to many people to a stage beyond 'normal' that is difficult to contain. One example is the case of the Severe Acute Respiratory Syndrome Coronavirus (SARS-CoV) and Middle East Respiratory Syndrome Coronavirus (MERS-CoV) epidemics.

3. Pandemic: International and out of control

A pandemic is an epidemic that spreads to many other countries and affects large numbers of people around the world simultaneously or continuously. A disease is designated as a pandemic when its spread is international and unexpected, making it difficult to control [7].

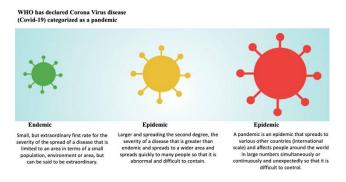


Fig.4. Difference between Endemic, Epidemic and Pandemic

2.6. Business Partnership Network

In general, networking and partnerships are also known as "partnership". Etymologically, the term "partnership" comes from the word "partner" which means a partner, mate, ally or

companion. Thus, a partnership can be interpreted as a form of partnership between two or more parties that form a cooperative bond in a particular business field or a certain purpose so that they can obtain better results. Networking is a process of togetherness. In addition, networking is also defined as a beneficial and mutually beneficial relationship. In other words, building networking must be based on the principle of mutual benefit and two-way (dialogical) communication [8].

3 Research Method

3.1. Research Stages

This research is intended to determine the competitiveness of SMEs in grocery stores after implementing the concept of business integration through the SRC partnership network program in a sustainable manner in Bengkalis Sub District. The researcher tries to describe what is understood and described by the research subjects.

The data collection technique carried out in this study was carried out by taking information about the impact during the Covid-19 pandemic on the retail sector of MSMEs Grocery Stores in Bengkalis Sub District, the number of retail grocery stores that had joined or integrated business in the Sampoerna Retail Community partnership network program (SRC). Data on the estimated comparison of grocery store sales turnover in Bengkalis District before and after integrating business into partnership network programs during the Covid 19 Pandemic. The main reason for consideration for Grocery Stores in Bengkalis District is to join or integrate business into the Sampoerna Retail Community partnership network program. Furthermore, the benefits obtained by the Grocery Store after conducting business integration into the Sampoerna Retail Community network program. Additional data was also obtained from observations of MSMEs in the Grocery Store sector during the Covid 19 pandemic in 2020 -2021. Especially regarding the development of the competitiveness of the Grocery Store sector in Bengkalis District after conducting business integration through the Sampoerna Retail Community (SRC) partnership network program.). After getting some information about the condition and development of the MSME business in the Grocery Store sector in Bengkalis District before and after integrating the business through the Sampoerna Retail Community (SRC) partnership network program, the data were then analyzed to obtain conclusions, the data analysis method was carried out as follows

- 1. Descriptive Analysis (Descriptive Analysis), Researchers do a place mapping of the data that has been searched.
- 2. Content analysis,

Analyzing more in-depth information about the condition and development of MSME businesses in the Grocery Store retail sector in Bengkalis District before and after conducting business integration through the Sampoerna Retail Community (SRC) partnership network program.

The stages of research activities carried out in full can be explained and seen in Figure 3, as follows:

- 1. Initial Confirmation of Willingness to Participate in Activities through field surveys.
- 2. Providing an understanding of the benefits of implementing the concept of the Retail Grocery Store business integration strategy through partnership network programs such as the Sampoerna Retail Community (SRC) as an effort to increase competitiveness and

- sustainable empowerment of MSME Retail Grocery Stores in Bengkalis District during the pandemic transition to endemic Covid 19.
- 3. Re-evaluating willingness to take part in training and mentoring activities. Implementation of the concept of Retail Grocery Store business integration strategy through partnership network programs such as the Sampoerna Retail Community (SRC) as an effort to increase competitiveness and empower MSME Retail Grocery Stores in a sustainable manner.
- 4. Providing training and assistance in implementing the concept of the Retail Grocery Store business integration strategy through partnership network programs such as the Sampoerna Retail Community (SRC) as an effort to increase competitiveness and empower MSME Retail Grocery Stores in a sustainable manner.
- 5. Evaluating the results of the training and mentoring that have been carried out in order to find out the success of the activities that have been carried out using Descriptive Analysis and Content Analysis.
- 6. Preparing reports on research activities carried out.

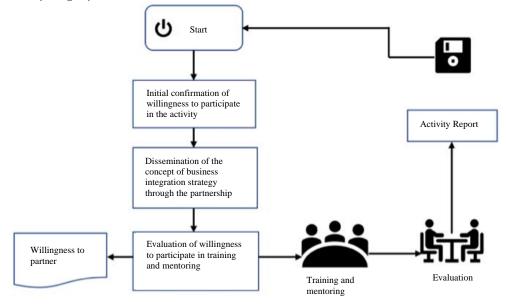


Fig.5. Stages of Research Activities

3.2 Research Sites

The location of this research is in Bengkalis District, Bengkalis Regency, namely the Grocery Store which is part of the SRC Partnership Network program. A number of grocery stores that have joined the SRC Partnership Network program that we have surveyed early and have obtained business development data are the Sampoerna Retail Community Grocery Store located in Bengkalis Sub District, Bengkalis Regency, Riau.

3.3 Parameters of Measurement and Observation

The process of change that is observed/measured from the progress of the Grocery Store business starting from before applying the concept of a business integration strategy to

implementing the concept of a Grocery Store business integration strategy through a partnership network program with SRC in an effort to improve business competitiveness and realize sustainable empowerment of MSMEs Retail Grocery Stores in Bengkalis Sub District during the transition period of pandemic to endemic of the Covid-19, namely:

- The condition of the grocery store retail business before implementing the Business Integration Strategy Concept through the SRC partnership network program in Bengkalis Sub District
 - What is the real condition of the progress of the grocery store retail sector business before implementing a business integration strategy through a partnership network program during the transition period of pandemic to the endemic of Covid-19 in Bengkalis Sub District.
- 2. The condition of the grocery store retail business after implementing the concept of business integration stategy through the SRC partnership network program in Bengkalis Strategy District during the transition period of pandemic to the endemic of Covid-19. How is the real condition of the progress of the grocery store retail sector business after implementing the concept of a business integration strategy through the SRC partnership network program in Bengkalis Sub District during the transition period of pandemic to the endemic of Covid-19.

The research design briefly goes through the stages of transformation of the grocery store retail sector business before and after applying the concept of a grocery store business integration strategy to increase business competitiveness and realize sustainable MSMEs empowerment through the SRC business partnership network program in Bengkalis Sub District in a sustainable manner during the transition period of the pandemic to the endemic of the Covid-19 begins with the following activities:

- 1. Socialization of the Concept of Business Integration Strategy through the Business Partnership Network Program
 - To create an understanding of the importance of implementing the concept of a grocery store business integration strategy to increase business competitiveness and realize sustainable MSMEs empowerment through the SRC business partnership program in Bengkalis District in a sustainable manner during the pandemic transition to the Covid 19 endemic to retail business players at the grocery store in Bengkalis. Bengkalis District. Business actors in the grocery store retail sector, if interested, will agree to carry out business integration into the business partnership network program. MSMEs in the Grocery Store Retail sector will enter into a Cooperation contract agreement with the SRC. MSMEs in the Grocery Store Retail sector will start implementing the concept of business integration into the SRC partnership network program with the concept of Grocery Store management as suggested by the SRC, namely the concept of managing a grocery store in a better and modern way like mini market management in a modern way.
- 2. Business coaching and mentoring activities Grocery store retailers who have joined the Sampoerna Retail Community partnership network will continue to participate in coaching and mentoring activities carried out by PT. HM Sampoerna Tbk. The business actors of the grocery store retail sector who have joined the SRC partnership network will also join the SRC Association as a forum to build business communication between the fellow business actors of the grocery Store retail sector who are members of the SRC partnership network.

3.4 Research Model

The model used in this study is applied research because this study intends to identify and describe the application of the concept of the business integration strategy of the grocery store retail sector as an effort to increase business competitiveness and realize sustainable MSMEs empowerment through the SRC partnership network program in Bengkalis Sub District during the transition period of the pandemic to the endemic of the Covid-19.

4 Results and Discussion

4.1. The business conditions of MSMEs actors in the grocery stores retail sector in Bengkalis Sub District

The business conditions of MSME actors in the grocery store retail sector in Bengkalis Sub District in the period before the Covid-19 Pandemic were quite conducive. The sales of grocery store carried out by the retail sector business actors of grocery stores are running normally and well. The circulation of transactions carried out by consumers in the MSMEs of the grocery store retail sector is running normally and well. Likewise, the circulation of transactions that occured between business actors of MSME in the grocery stores retail sector and wholesalers also proceeds normally and well. Business income of MSMEs actors from the grocery stores retail sector also occured normally and well. Furthermore, the business growth experienced by MSMEs in the grocery store retail sector is also can be said running normally and well.

The business conditions of MSME actors in the grocery store retail sector in Bengkalis Regency during the Covid-19 pandemic were less than normal. The circulation of transactions carried out by consumers in the MSME retail sector of grocery stores is less normal and there is a decline. Likewise, the circulation of transactions that occur between MSME business actors in grocery stores in the retail sector and wholesalers is also less normal and declining. The business income of MSME actors from the grocery store retail sector is also running poorly and tends to decline. Furthermore, the business growth experienced by MSMEs in the grocery store retail sector can also be said to be running abnormally and tends to decline.

The business conditions of MSMEs actors in the grocery stores retail sector in Bengkalis Sub District after the transition period from the pandemic to the endedemic of the COVID-19 began to run well and there was an increase in business. Grocery store sales carried out by the the grocery store retail sector have started normally and are doing quite well. The circulation of transactions carried out by consumers in the MSMEs of the grocery stores retail sector also experienced an upward trend. Likewise, the circulation of transactions between MSMEs business actors in the grocery stores retail sector and wholesalers also increased. The business income of MSMEs actors from the grocery store retail sector is also running normally and tends to increase. Furthermore, the business growth experienced by MSMEs actors in the grocery store retail sector can also be said to be getting better again.

4.2. The Reason Choose Business Integration Strategy through the SRC Business Partnership Network Program.

Business actors retail sector in the MSMEs Grocery Store who are partners with SRC Sampoerna will receive ongoing business assistance from SRC Developers in the form of store arrangement, consumer activation, business expansion, and a number of other business opportunities. Sampoerna SRC partners will also join the community that can grow together. Later Sampoerna SRC Partners will also get new business partners who can support the progress of grocery stores that are members of the SRC business partnership network [4]. Business actors in the retail sector of the MSMEs Grocery Store who are partners with SRC Sampoerna will also be facilitated in increasing business competitiveness. Another impact that can be felt by SMEs in the retail sector of grocery stores is that the businesses of SMEs in the retail sector of grocery stores will be more trusted, then look comfortable for customers when shopping and also indirectly the role of SMEs customers in SRC Grocery Stores can help the welfare of all UMKM stores. grocery stores so that they can thrive in today's digital era [4]. The presence of SCR developers wants to bring about a change in the appearance and governance of MSMEs Grocery Stores in the Retail Sector by helping develop their businesses through better administrative management so that they can help realize an inclusive people's economy. In fact, at this time, MSMEs in the Grocery Store Retail Sector who have joined the SRC partnership network program have been provided with digital innovation through the Ayo SRC application. This application makes it easy for grocery store owners to manage their stores, control stock conditions and make purchases to wholesale partners without having to leave the store like when it was still conventional.

4.3. The Benefits by Becoming Partners in the SRC Business Partnership Network Program.

Through business integration in the SRC business partnership network program, MSME actors in the Grocery Store sector, MSME actors in the Grocery Store Retail sector will get many benefits or advantages that can be felt and utilized by them, both economic benefits related to increasing sales turnover. which will be obtained by MSME actors in the grocery store retail sector as well as profits that are not direct economic but can expand business communication networks that can be felt and benefited by fellow MSMEs actors in the Grocery Store Retail Sector who are members of the association or SRC business partnership network community in throughout Indonesia.

4.4. The Guidance Carried Out by the Developer of the SRC Business Partnership Network for MSMEs Actors in the Grocery Store Retail Sector Who have Joined in the SRC Business Partnership Network Program.

The guidance carried out by the SRC business partnership network developer for SMEs in the grocery store retail sector that has been incorporated in the SRC business partnership network program includes:

- Providing guidance to manage and organize the store to make it look more comfortable for consumers.
- 2. Providing business information for the progress of the grocery store.
- 3. Providing opportunities for SRC MSME retail sector business actors to be able to join with other partners and be able to build business together.
- 4. Providing opportunities for SRC MSME retail sector businesses to be better known by the public throughout Indonesia.
- 5. Providing opportunities for grocery stores owned by SRC MSME retail sector business actors will later be easily found by consumers
- 6. Providing opportunities for SMEs in the SRC retail sector to get full support from SRC Sampoerna through the AYO SRC application

4.5. The Sustainable Program of the SRC Business Partnership Network during the Transition Period to Increase Business Competitiveness of the Retail Sector of MSMEs in Grocery Stores in Bengkalis Sub District?

The sustainable business partnership network program which is implemented by SRC developers during the transition period of pandemic to the endemic of covid-19 so as to increase the competitiveness of the retail sector MSME against the existence of modern retail must be carried out in stages, meaning that increasing competitiveness begins with efforts to win the competition. To find out the various conditions of MSME competitiveness, it is necessary the form of sustainable coaching, in order to improve the standard of living for MSMEs in the Retail Sector of Grocery Stores in the country.

The presence of Today's Grocery Store SRC, which is part of the PT SRC Indonesia Sembilan (SRCIS) partnership program, aims to increase the competitiveness of MSMEs in the grocery store retail sector through modernization of grocery store retail management and sustainable business assistance programs.

This is in line with research conducted by [4] which said that MSMEs in the grocery store retail sector after joining the SRC business partnership network program will later receive guidance to build their grocery stores so that they can compete with modern stores such as Indomaret, Alfamart or Alfamidi. In addition, SCR Grocery Store business actors can also develop other businesses in their grocery store, because they will get the latest business information from other SRC Indonesia partners.

4.6. The Ongoing Program of the SRC Business Partnership Network during the Transition Period that can Realize the Empowerment of Retail Sector of MSMEs in Grocery Stores in Bengkalis Sub District

The sustainable business partnership network program implemented by SRC Sampoerna developers during the transition period is expected to realize the empowerment of the grocery store retail sector in the face of the rapidly growing presence of modern retail. Improving the ability of MSMEs managers in the Grocery Retail sector in terms of the need to apply the concept of a business integration strategy in the Grocery Store Retail Sector as an effort to increase competitiveness as well as to realize sustainable MSMEs empowerment in the retail sector through a business partnership network program in Bengkalis Sub District during the transition period of pandemic to endemic of the endemic of Covid 19.

4.7. The Management Initiatives of MSMEs Actors to Improve the Quality of Services that are more Comfortable and Safe for Shopping during the Transition Period of Pandemic to Endemic of Covid-19

The management initiatives of MSMEs actors in the grocery store retail sector who are members of the SRC Business Partnership Network Program in order to improve the quality of services that are more comfortable and safe for shopping to meet their needs as a preventive action to protect their consumers from the potential dangers of the spread of Covid -19 Virus during the transition period from pandemic to endemic of Covid-19 including using masks and transparent face coverings, making transparent barriers at the checkout counter, providing hand washing facilities, providing hand sanitizers, providing queue distance barriers for consumers, conducting digital promotions in the "AYO SRC" application, as well as online order services (pick up yourself) [1].

5. Acknowledgements

This research was supported by the Center for Research and Community Service (P3M) Bengkalis State Polytechnic (Polbeng). We Thank the P3M Leaders and Polbeng Director who have allowed us the opportunity to get research grants sourced from Non-Tax National Revenues (NTNR) from the campus so that we can carry out and complete our research activities in 2022. Hopefully going forward through this institution will continue to provide fresh funding support to all lecturers and education staffs of Polbeng with a research grant competition scheme so that the research climate of lecturers and education staffs on this campus continues to develop rapidly and progress [9].

6. Conclution And Contribution

6.1 Conclution

In this section we will explain the conclusions obtained from the analysis in the previous section. The conclusion of the research results is based on a research analysis to determine the implementation of the business integration strategy of the grocery store retail sector to increase the competitiveness of sustainable MSMEs businesses through the SRC business partnership network program during the transition period of pandemic towards the endemic of covid 19 in Bengkalis Sub District.

The conclusion from the results of the research which is carried out by the researcher in fully can be explained as follows:

- 1. The business conditions of MSME actors in the grocery store retail sector in Bengkalis Sub District in the period before the Covid-19 Pandemic were quite conducive. Then during the Covid-19 pandemic were less than normal. Furthermore after the transition period from the pandemic to the endedemic of the COVID-19 began to run well and there was an increase in business. Grocery store sales carried out by the grocery store retail sector have started normally and are doing quite well.
- 2. Business actors in the retail sector of the MSMEs Grocery Store who are partners with SRC Sampoerna will receive ongoing business assistance from SRC Developers in the form of store arrangement, consumer activation, business expansion, and a number of

other business opportunities. Sampoerna SRC partners will also join the community that can grow together. Later Sampoerna SRC Partners will also get new business partners who can support the progress of grocery stores that are members of the SRC business partnership network. Futhermore Sampoerna SRC Partners will also be facilitated in increasing business competitiveness. Another impact that can be felt by SMEs in the retail sector of grocery stores is that the businesses of SMEs in the retail sector of grocery stores will be more trusted, then look comfortable for customers when shopping and also indirectly the role of SMEs customers in SRC Grocery Stores can help the welfare of all UMKM stores, grocery stores so that they can thrive in today's digital era.

- 3. MSME actors in the Grocery Store sector, MSME actors in the Grocery Store Retail sector will get many benefits or advantages that can be felt and utilized by them, both economic benefits related to increasing sales turnover. which will be obtained by MSME actors in the grocery store retail sector as well as profits that are not direct economic but can expand business communication networks that can be felt and benefited by fellow MSMEs actors in the Grocery Store Retail Sector who are members of the association or SRC business partnership network community in throughout Indonesia.
- 4. The guidance carried out by the SRC business partnership network developer for SMEs in the grocery store retail sector that has been incorporated in the SRC business partnership network program includes: providing guidance to manage and organize the store to make it look more comfortable for consumers, Providing business information for the progress of the grocery store, providing opportunities for SRC MSME retail sector business actors to be able to join with other partners and be able to build business together, providing opportunities for SRC MSME retail sector businesses to be better known by the public throughout Indonesia, providing opportunities for grocery stores owned by SRC MSME retail sector business actors will later be easily found by consumers, providing opportunities for SMEs in the SRC retail sector to get full support from SRC Sampoerna through the AYO SRC application
- 5. Increasing the competitiveness of the retail sector MSME against the existence of modern retail must be carried out in stages, meaning that increasing competitiveness begins with efforts to win the competition. To find out the various conditions of MSME competitiveness, it is necessary the form of sustainable coaching, in order to improve the standard of living for MSMEs in the Retail Sector of Grocery Stores in the country. The presence of Today's Grocery Store SRC, which is part of the PT SRC Indonesia Sembilan (SRCIS) partnership program, aims to increase the competitiveness of MSMEs in the grocery store retail sector through modernization of grocery store retail management and sustainable business assistance programs.
- 6. Improving the ability of MSMEs managers in the Grocery Retail sector in terms of the need to apply the concept of a business integration strategy in the Grocery Store Retail Sector as an effort to increase competitiveness as well as to realize sustainable MSMEs empowerment in the retail sector through a business partnership network program in Bengkalis Sub District during the transition period of pandemic to endemic of the endemic of Covid 19.
- 7. The management initiatives of MSMEs actors to improve the quality of services that are more comfortable and safe for shopping during the transition period from pandemic to endemic of Covid-19 including using masks and transparent face coverings, making transparent barriers at the checkout counter, providing hand washing facilities, providing hand sanitizers, providing queue distance barriers for consumers, conducting digital promotions in the "AYO SRC" application, as well as online order services.

6.2 Research Contribution

The contribution of the research which is carried out in the implementation of this research is that the researcher wants to try to introduce and improve the ability of MSMEs actors in the Grocery Store Retail sector in terms of the need to apply the concept of a business integration strategy in the Grocery Store Retail sector as an effort to increase competitiveness and to realize sustainable MSMEs empowerment through business partnership network program in Bengkalis Sub District during the transition period of pandemic to endemic of Covid 19.

6.3 Limitation

This research has several important limitations, in the methodology and access to the distance between the MSMEs actors of the grocery store retail sector and researchers, where the MSMEs actors of the grocery store retail sector that become the partners spread over in 2 sub districts at Bengkalis Island while the researchers residing on Bengkalis City. This condition sometimes becomes an obstacle in the implementation of intensive assistance activities to the MSMEs actors of the grocery store retail sector that become the partners.

7. References

- [1]. Warta Ekonomi. Sektor UMKM Terdampak Pandemi Covid-19, Ratusan Ribu Toko Kelontong Lakukan Ini, 2020. URL https://www.wartaekonomi.co.id/read285453/sektor-umkm-terdampak-pandemi-covid-19-ratusan-ribu-toko-kelontong-lakukan-ini, Accessed on: Mei, 3, 2021.
- [2]. Irawan D. Peningkatan Daya Saing Usaha Micro Kecil dan Menengah Melalui Jaringan Usaha, Jurnal Ilmiah Manajemen, 2020. (E-ISSN: 2615-4978, P-ISSN: 2086-4620). URL https://media.neliti.com/media/publications/325683-peningkatan-daya-saing-usaha-mikro-kecil-768d06be.pdf. Acces-sed on Mei, 8th 2021.
- [3]. SRC. Mau Tahu Apa Saja Manfaat Bergabung dengan SRC? Simak Penjelasannya disini. 2020. URL: https://www.src.id/blog/kabar-src/mau-tahu-apa-saja-manfaat-bergabung-dengan-src-simak-penjelasannya-disini, Acces-sed on September, 25th 2022.
- [4]. Farah. Apa Itu SRC Sampoerna dan Keuntungan Menjadi Mitra Src, my Journey. 2019. URL https://www.myjourney.id/apa-itu-src-sampoerna/, Accessed on: Mei, 3, 2021
- [5]. Warta Ekonomi. Sudah Berjumlah 120 Ribu Toko SRC, Begini Cara Sampoerna Kembangkan Jaringannya. 2019. URL https://www.wartaekonomi.co.id/read258134/sudah-berjumlah-120-ribu-toko-src-begini-cara-sam-poerna-kembangkan-jaringannya, Accessed on: Mei, 3, 2021
- [6]. Wibowo EA. 2022, Indonesia Mulai Transisi dari Pandemi Covid-19 Menuju Endemi, Tempo. 2022. URL https://nasional.tempo.co/read/1590419/ indonesia-mulai-transisi-dari-pandemi-covid-19-menuju-endemi

- [7]. PPIPTEK BRIN. The Difference Between Endemic, Epidemic, And Pandemic. 2020. URL https://ppiptek.brin.go.id/post/read/perbedaan-endemi-epidemi-dan-pandemi. Accessed on: September, 25th, 2022
- [8]. Teguh L. Membangun Jaringan Kemitraan. 2015. URL http://distan.jabarprov.go.id/distan/uploads/files_download/MEMBANGUN_JARINGAN_KEMITRAAN.pdf
- [9]. Widodo T, Suharyono. Implementation of Financial Management and Financial Accounting Standard Number 69 Concerning Agricultural Atvillage-owned Enterprises. In Proceedings of the 2nd International Conference on Applied Economics and Social Science ICAESS, ISBN 978-989-758-517-3. 2021. pages 165-173. DOI: 10.5220/0010355301650173