



FOSTERING THE ECONOMIC SELF-RELIANCE OF SMALL BUSINESSES BASED ON LOCAL POTENTIAL IN MAKASSAR CITY

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Abstract

This qualitative study employed a phenomenological approach. The findings indicate that improvements in the economic well-being of small business owners in Makassar City can be achieved through strategies such as enhancing product quality, fostering innovation, utilising digital technology, practising sound business management, developing human resources, expanding partnerships, and optimising local potential. Support from the government, financial institutions and various stakeholders is also a key factor in creating competitive and sustainable businesses. Small business owners in Makassar have advantages in the form of business flexibility, the utilisation of local potential, proximity to consumers, and their contribution to job creation. However, business owners face constraints such as limited capital, poor management skills, sub-optimal innovation, and limited use of technology. Therefore, there is a need to enhance the capacity of business owners and provide ongoing support.

Keyword : Economics, Strategy, Motivation, self-reliance, business

INTRODUCTION

Small businesses are one of the main pillars of Indonesia's economic development. They not only provide employment opportunities but also drive economic activity at the local level. Amid an increasingly competitive economic landscape, small businesses are capable of making a tangible contribution to increasing community income, reducing unemployment figures, and ensuring equitable economic development. Therefore, strengthening the economic self-reliance of small business owners is a strategic step that must be taken to ensure they can survive and thrive in the face of various economic challenges, both at local and national levels.

The economic self-reliance of small business owners is not merely defined as the ability to generate sustainable profits, but also encompasses the ability to manage resources independently, enhance competitiveness, utilise technology, and develop value-added products. However, in practice, many small business owners still face various obstacles, such as limited business capital, poor managerial skills, limited access

to market information, outdated production technology, and sub-optimal marketing strategies. These issues make it difficult for many small businesses to grow and leave them unable to compete effectively with larger enterprises or products from outside the region.

The city of Makassar, as one of the centres of economic growth in Eastern Indonesia, has enormous potential for the development of small businesses. As the capital of South Sulawesi Province, Makassar boasts rapidly growing sectors in trade, services, the creative industries and tourism. These conditions create extensive opportunities for the community to establish various types of small businesses capable of meeting the needs of both local and regional markets. Furthermore, infrastructure development, digitalisation and population growth also provide opportunities for business owners to expand the market reach of their products.

On the other hand, the city of Makassar also possesses a diverse range of local potential that can serve as a foundation for small business development. This potential includes fisheries produce, local culinary specialities, handicrafts, traditional textiles, processed food products, and cultural heritage with high economic value. Various local products, such as coto Makassar, konro, pisang epe, fish floss, processed seaweed, woodcrafts, and a range of creative products based on local culture, have great potential to be developed into flagship products capable of competing in both national and international markets. Harnessing local potential not only adds value to the products produced but also serves as an effort to preserve the region's culture and identity.

However, the local potential of Makassar City has not yet been fully utilised by small business owners. The majority of businesses still operate using traditional production methods, with limited innovation. Furthermore, there are still business owners who have not been able to develop attractive product packaging, build a strong brand, or utilise digital marketing as a means of expanding their market reach. This situation means that local products often struggle to compete with those from outside the region, which boast superior packaging, promotion and distribution networks.

Advances in information technology actually open up new opportunities for small business owners to enhance their economic self-reliance. Through the use of social media, e-commerce platforms, digital payment systems, and internet-based marketing strategies, business owners can reach a wider consumer base at a relatively low promotional cost. Digitalisation also enables business owners to access information on market trends, consumer preferences, and opportunities for collaboration with various parties. However, there remains a digital skills gap amongst small business owners, making it necessary to improve digital literacy through ongoing training and mentoring.

In addition to internal factors relating to business operators, support from the government, financial institutions, universities, the business community and the general public also plays a vital role in fostering the economic self-reliance of small businesses. Local authorities have implemented various empowerment programmes, such as entrepreneurship training, capital assistance, facilitation of product certification,

promotion through trade fairs, and the development of business hubs. Nevertheless, the effectiveness of these programmes still requires evaluation to ensure they are truly capable of meeting the needs of business operators on the ground. Closer collaboration between the government, the business sector, academia, the media and the public is expected to create a conducive business ecosystem, enabling small businesses to grow sustainably.

Fostering economic self-reliance based on local potential is also in line with the concept of sustainable economic development. This approach emphasises the importance of optimally utilising local resources without neglecting social, cultural and environmental aspects. By developing businesses based on regional potential, communities not only reap economic benefits but also help to preserve local culture, create new jobs, and improve the welfare of the community in an equitable manner. Economic self-reliance built on local strengths will strengthen regional economic resilience in the face of various changes in global economic conditions.

B. Statement of the Problem

1. What is the business potential of small enterprises based on local resources in the city of Makassar?
2. What strategies do small enterprises employ to improve economic well-being in the city of Makassar?
3. What are the strengths and weaknesses of small enterprises in economic activities in the city of Makassar?

LITERATURE REVIEW**A. Economic Independence**

There are many definitions of independence; everyone is born in a state of helplessness or in need of others' help, and is dependent on those around them. The word 'independence' derives from 'autonomy', meaning something that is self-reliant or self-sufficient, with the courage to fulfil one's obligations to meet one's basic needs. Independence is an individual's freedom to stand on their own two feet, to make plans for the future and to be free from the influence of others, even one's parents.

According to Havingurts, independence encompasses several aspects, including social, intellectual and economic dimensions. Economic independence is a person's ability to manage their finances independently and not rely on others. Economic independence means that a person is capable of taking the initiative, solving problems on their own without the help of others, and possesses a strong sense of self-confidence. It can be said that independence is a state in which a person is able to make decisions and overcome the problems they face without relying on others, whilst possessing self-confidence and a sense of responsibility.

The factors that can influence a person's independence include: a) b) c) Parental upbringing within the family The social system The education system⁵⁹ 2) The parameters for the success of economic independence include: a) A person's economic

independence is characterised by engaging in economically viable activities or those that generate a profit. b) Economic independence is characterised by an individual's ability to progress and develop. c) An individual must also possess self-confidence in carrying out economic activities. d) Possessing a courageous attitude.⁶⁰ The economic empowerment of the community is a necessary step in building a strong national economy, and this should be a priority for the government, because if the community's economic well-being is high, the national economy will also improve. Achieving the welfare of the people within a country requires the economic empowerment of the community, which is a government programme aimed at improving life skills so that people can meet their basic needs and improve their living conditions through entrepreneurship.

B. Business Development

According to the Kamus Besar Bahasa Indonesia (Great Dictionary of the Indonesian Language), development is the process, method or act of developing. Development is a planned effort by an organisation to enhance the knowledge, skills and capabilities of its staff. Development places greater emphasis on enhancing knowledge to carry out future work, achieved through an approach that is integrated with other activities aimed at changing work behaviour. From the above definition, it can be concluded that development encompasses everything undertaken to improve the performance of current and future work, as well as providing information, guidance, regulation and guidelines for business development.

A business is the regular and continuous carrying out of activities with the aim of making a profit, whether organised by an individual or a business entity – whether incorporated or unincorporated – which is established and has its registered office in a particular region within a country. From the above definition, it can be concluded that a business is an activity encompassing production, and distribution, utilising physical labour, intellectual effort and personal commitment to achieve a specific objective. Based on the above definition, the researcher can conclude that business development is a method or process of improving current and future operations by expanding the business and enhancing the quality and quantity of production in economic activities, through the mobilisation of labour and resources to achieve a specific objective.

In business, business development refers to the task and process of analytical preparation regarding potential growth opportunities, as well as the support and consolidation of the implementation of such business growth opportunities. Meanwhile, for large enterprises – particularly in the field of industrial technology – business development is a term that often refers to the establishment and management of strategic relationships and alliances with other parties.

There are two key elements in business development, namely: a) Elements originating from within the company (internal factors) 1. The entrepreneur's intention to expand their business. 2. Knowledge of production techniques, such as how many goods should be produced, the methods to be used to develop goods/products, and so on. 3. Drawing up a budget to determine the level of income and expenditure for the products.

b) Factors Originating from Outside the Business (External Parties) 1. Keeping abreast of developments in information from outside the business. 2. Securing funding not solely from internal sources, such as by borrowing from external sources. 3. Understanding the surrounding environment to ensure it is favourable for the business. 4. Price and quality are the most commonly encountered strategic factors. This strategy can be used to produce top-quality products or services at appropriate prices, or to produce low-cost goods and sell them at low prices as well. 5. Product range: a varied range of products or services that enables customers to meet their needs in a single place. This can also stimulate the economy, which in turn will benefit consumers. Conversely, a limited product range allows for a deeper exploration of the product's potential and may include numerous alternatives within the same product category. A limited product range can also be seen as a sign of meticulous expertise.

Local Potential

The word 'potensi' derives from the English word 'to potent', which means 'strong' or 'powerful'. In another, broadly similar sense, the word 'potensial' conveys the meaning of strength, ability and power, whether unrealised or already realised but not yet optimised. Meanwhile, in the general Indonesian dictionary, 'potensi' refers to the abilities and qualities possessed by a person, but which have not yet been utilised to the full. Potential is a capacity possessed by human beings. However, this capacity has not yet been utilised to its full potential. Therefore, the next task for individuals with potential is to harness that potential to achieve success. Generally speaking, potential can be classified as follows:

- a. Basic abilities, such as intelligence, abstract thinking, logic and comprehension.
- b. Work attitudes, such as perseverance, attention to detail, work pace, and resilience under pressure.
- c. Personality, which is the overall pattern of all a person's abilities, actions, and habits—whether physical, spiritual, emotional, or social—organised in a distinctive way under external influences. This pattern manifests as behaviour in one's endeavour to become the kind of person one aspires to be. Examples of personality traits include sincerity, honesty, agility, intelligence, and so on.

It can therefore be explained that potential is a capacity or strength possessed by a person which can produce something of great value; however, as this capacity has not yet been utilised by that person, it has not yet yielded anything of value. Therefore, one should make use of existing potential, whether through tourism potential, regional potential or personal potential. Local potential comprises the natural resources, culture and human resources of a region. The natural potential of a region depends on its geographical conditions, climate and landscape. These varying natural conditions give rise to differences and distinctive characteristics in the local potential of each area. The distinctive features of the landscape, the behaviour and culture of the local community, and the community's well-being form an interrelated triangle of interaction.

Consequently, the development and enhancement of a region's local potential must take these three elements into account.

RESEARCH METHODOLOGY

This study employs a qualitative approach using a phenomenological method to explore and understand in depth the phenomenon of economic self-reliance among small business owners based on local potential in Makassar City. The phenomenological approach was selected because it is capable of uncovering firsthand experiences, core meanings, awareness, and perceptions of small business operators regarding business development strategies, the utilization of regional potential, and the internal and external constraints they face in their daily economic activities. The research location was purposively established in Makassar City, considering its strategic position as a primary center for economic growth in Eastern Indonesia, which boasts an abundance of diverse local potential ranging from traditional culinary sectors and processed fisheries products to creative handicraft industries.

The subjects or informants in this study consist of small business owners in Makassar City, selected using a purposive sampling technique. The criteria for informant selection include business operators who manage enterprises based on local potential, have been actively operating for at least two years, and are willing to share their business experiences openly. Primary data in this research were gathered directly from the field through structured and semi-structured in-depth interviews with small business owners as well as several key informants from relevant government agencies to strengthen information validity. In addition to interviews, direct observations were conducted to examine the production processes, packaging methods, operational management, and the utilization of digital technology at the business sites. Supporting secondary data were obtained through documentary studies of scholarly literature, local government regulations, and statistical reports concerning the profile of micro, small, and medium enterprises in Makassar City.

All collected qualitative data were subsequently analyzed inductively through phenomenological analysis stages, which include data reduction, data display, and conclusion drawing. The data reduction process was carried out by transcribing interview results, sorting information relevant to the research questions, and discarding unnecessary data. Furthermore, the data were presented narratively in the form of systematic descriptive text to illustrate the potential, strategies, as well as the strengths and weaknesses of the business owners. The final stage involved drawing conclusions to uncover the deepest essence of their economic self-reliance phenomenon. To ensure data trustworthiness and credibility, the researchers applied source and method triangulation techniques by comparing interview results among different informants and cross-checking them regularly with field observations.

DISCUSSION

A. Business potential for small enterprises based on local resources in the city of Makassar

The city of Makassar is one of the largest centres of economic growth in Eastern Indonesia, boasting a range of local potential that can be developed into promising business opportunities. As the capital of South Sulawesi Province, Makassar occupies a strategic position as a hub for trade, services, transport and tourism, linking various regions in eastern Indonesia. These conditions present significant opportunities for small business owners to develop enterprises that utilise local resources as a competitive advantage. The local potential of Makassar is not limited to natural resources, but also encompasses cultural heritage, cuisine, handicrafts and the creativity of its people, all of which can form the basis for the development of various types of businesses.

One of the most prominent business opportunities in Makassar is the culinary sector. Makassar is renowned for its diverse range of traditional dishes that are widely recognised throughout Indonesia, such as coto Makassar, konro, pallubasa, pisang epe, and various seafood specialities. These culinary products hold high economic value as they are a major attraction for tourists visiting Makassar. Small business owners can capitalise on this opportunity by developing food and drink businesses that highlight distinctive local flavours. As well as selling products directly, business owners can also develop products in the form of packaged food with a longer shelf life, enabling them to be marketed to various regions and even international markets.

In addition to the culinary sector, there is also significant potential for developing businesses based on fisheries products. The city of Makassar, situated on the coast, has access to abundant marine resources. Various types of fish, prawns, seaweed and other seafood can be processed into value-added products such as fish floss, fish crackers, smoked fish, frozen foods and processed seaweed products. Processing seafood into ready-to-eat products can increase their market value whilst expanding market reach. With the support of sound processing and packaging technology, small businesses in this sector have the opportunity to grow into an industry capable of competing at a national level.

Another area of potential that small business owners can capitalise on is the handicrafts and creative industries sector. Makassar boasts a rich cultural heritage, reflected in a variety of traditional handicrafts, such as wood carvings, regional accessories, tourist souvenirs and other products made from local raw materials. The increasing number of tourists visiting the city of Makassar has created demand for distinctive local products that can serve as souvenirs. Small business owners can harness their creativity to produce goods that not only possess cultural value but also align with modern market trends, thereby making them more appealing to consumers.

The development of the tourism sector also presents extensive business opportunities for small business owners. Various tourist destinations, such as Losari Beach, Fort Rotterdam, the Centre Point of Indonesia area, and numerous other attractions, act as magnets for both domestic and international tourists. The presence of

tourists creates a demand for a range of products and services, from food and drink, transport and accommodation to souvenirs. Small business owners can capitalise on these opportunities by providing high-quality products and services that reflect the local identity of Makassar.

In today's digital age, the business potential for small enterprises is increasingly unlocked through the use of information technology. The use of social media, marketplaces and e-commerce platforms enables businesses to market their products without being constrained by geographical location. Local products that were previously known only in the immediate vicinity can now be promoted to consumers from various regions and even overseas. Digitalisation also helps business owners to build their brands, enhance customer engagement, and expand their marketing networks at relatively low cost. Consequently, the ability to utilise digital technology has become a key factor in boosting the competitiveness of small businesses in Makassar.

Furthermore, the creative economy sector based on local culture has ever-growing potential. The Bugis-Makassar culture, rich in historical value and tradition, can serve as inspiration for creating a variety of creative products such as clothing designs, handicrafts, digital content, performing arts, and home décor items. These products possess a uniqueness that sets them apart from those of other regions. Through continuous innovation, small business owners can produce high-value products whilst introducing local culture to a wider audience.

Business opportunities based on local potential are also supported by growing public awareness of domestic products. Many consumers are now taking an interest in local products, as these are regarded as being of good quality and reflecting the region's cultural identity. This situation presents an opportunity for small business owners to improve product quality, enhance packaging, and build a strong brand image in order to attract consumers. Government support through SME empowerment programmes, entrepreneurship training, capital assistance, and the promotion of local products further enhances the prospects for the development of small businesses in Makassar.

Despite these opportunities, the development of small businesses based on local potential still faces a number of challenges, such as limited capital, poor managerial skills, increasingly fierce market competition, and a lack of product innovation. Therefore, efforts are needed to enhance human resource capacity through training, business mentoring, and improved access to technology and finance. Collaboration between the government, universities, the private sector, and the community is also a key factor in creating a business ecosystem that supports the growth of small businesses.

B. Strategies employed by small business owners to improve economic well-being in the city of Makassar

Small business owners play a vital role in improving the economic well-being of the community in Makassar. As well as creating jobs, small businesses are a source of income for many families and contribute to regional economic growth. Amid increasingly fierce business competition and ever-changing technological developments, small

business owners are required to have the right strategies to survive, grow and improve economic well-being in a sustainable manner. These strategies should not only focus on increasing profits, but also encompass improving product quality, strengthening human resources, utilising technology and developing business networks.

One of the key strategies that can be implemented is improving the quality of products and services. Product quality is a crucial factor in determining customer satisfaction and business sustainability. Small business owners in Makassar City need to ensure that the products they produce are of good quality, safe to use or consume, and meet the needs and preferences of consumers. For example, food and beverage businesses can maintain the hygiene, flavour and consistency of their products, whilst craft businesses can improve the quality of raw materials and the finish of their products. In addition to product quality, friendly, prompt and professional service can also boost customer trust, thereby encouraging repeat purchases and expanding market share.

The next strategy is to pursue continuous product innovation. Changing market trends and consumer preferences require businesses to constantly innovate so that the products they offer remain in demand. Innovation can be achieved through the development of product variations, more attractive packaging designs, improvements to product functionality, or adaptation to market needs. For example, traditional Makassar foods such as pisang epe or fish floss can be packaged in a modern format with a longer shelf life, making them easier to market as souvenirs or via online sales. Innovation not only adds value to the product but also sets it apart from competitors' products.

The use of digital technology is also a key strategy for improving the economic well-being of small business owners. The development of the internet and social media has transformed the way people conduct transactions and search for information about products. Business owners can utilise various digital platforms such as social media, online marketplaces, instant messaging apps and digital payment services to expand their marketing reach. Through digital marketing, small businesses in Makassar can reach consumers from various regions without having to open branch outlets. Furthermore, the use of digital technology also helps business owners to manage stock, record financial transactions, and analyse market needs more effectively.

Another strategy is to improve business management skills. Many small businesses struggle to grow not because of a lack of demand, but because their business management is not yet optimal. Therefore, business owners need to be able to draw up business plans, manage finances, organise stock, and evaluate business progress. Proper financial record-keeping will help business owners understand the true state of their business, calculate profits, control expenditure, and plan for future business development. Good management will also make it easier for business owners to access finance from financial institutions.

Strengthening human resources is an equally important strategy. Business owners and workers need to continually improve their knowledge and skills through training, seminars and business mentoring. Training can cover areas such as entrepreneurship

development, digital marketing, financial management, product innovation and customer service. As the competence of human resources improves, business owners will be better prepared to face changes in the business environment and able to create more competitive products.

In addition to enhancing internal capacity, small business owners also need to build partnerships and expand their business networks. Partnerships with the government, financial institutions, universities, business communities and private companies can provide various benefits, such as access to training, capital assistance, business mentoring, product promotion and broader marketing opportunities. In the city of Makassar, business owners can take advantage of various MSME empowerment programmes organised by the government to improve their business capabilities and expand their marketing networks. Collaboration between business owners can also strengthen competitiveness through the exchange of information, the sharing of experiences, and joint product development.

The next strategy is to capitalise on local potential as a competitive advantage. The city of Makassar is rich in natural resources, culture and cuisine, which can be used to shape the identity of its products. By highlighting local elements in the products they produce, businesses can create added value that is difficult for other regions to replicate. For example, the use of local raw materials, motifs characteristic of South Sulawesi on handicrafts, or the packaging of traditional foods with modern designs can enhance a product's appeal in the market. Harnessing local potential also supports cultural preservation and provides economic benefits for the surrounding community.

Access to finance is also a key factor in improving the welfare of small business owners. Adequate capital enables business owners to increase production capacity, purchase more modern equipment, improve product quality, and expand their marketing reach. Therefore, business owners need to make use of the various financing facilities provided by the government and financial institutions, such as the People's Business Credit (KUR), cooperatives, and other MSME financing programmes. However, the use of capital must be accompanied by sound financial management in order to maximise its benefits.

Ultimately, the success of strategies to improve the economic well-being of small business owners depends not only on the individual capabilities of these business owners, but also on support from various parties. Local government, educational institutions, the private sector and the community play a vital role in creating a conducive business ecosystem through the provision of training, access to finance, mentoring, promotion and infrastructure development. Such synergy will accelerate the growth of small businesses whilst enhancing their contribution to regional economic development.

By implementing strategies to improve product quality, foster innovation, promote digitalisation, strengthen business management, develop human resources, expand partnership networks, utilise local potential, and ensure adequate access to finance, small business owners in Makassar have a greater opportunity to enhance their

competitiveness and economic well-being. It is hoped that these strategies will create resilient, sustainable businesses capable of making a tangible contribution to the economic growth of Makassar City and to the overall improvement of the community's standard of living.

C. Strengths and weaknesses of small business owners in economic activity in the city of Makassar

Small business owners are one of the main drivers of economic activity in the city of Makassar. Their presence makes a significant contribution to job creation, increased community income and regional economic growth. As a metropolitan city and a commercial hub in Eastern Indonesia, Makassar has a dynamic business environment that offers extensive opportunities for small businesses to thrive. However, behind these opportunities, small business owners also face various challenges that affect their ability to compete and ensure the sustainability of their businesses. It is therefore important to understand the strengths and weaknesses of small business owners as a basis for formulating more effective development strategies.

One of the key strengths of small business owners in Makassar is their ability to harness local potential as a primary resource for running their businesses. Makassar is rich in natural resources, culture and culinary traditions, which can be transformed into a variety of economically valuable products. Many small business owners utilise local raw materials, such as fishery and agricultural produce, as well as cultural products unique to South Sulawesi, to produce processed foods, handicrafts and a variety of creative products. The utilisation of this local potential not only adds value to the products but also strengthens the regional identity and supports the preservation of local culture.

Another advantage is the flexibility in running business operations. Small business owners generally have a simple organisational structure, meaning that decision-making can take place quickly. They find it easier to adapt their products, prices and marketing strategies in line with changing consumer needs. For example, when market trends shift, business owners can immediately innovate their products or introduce new variants without having to go through complex bureaucratic processes. This flexibility is one of the key advantages of small businesses compared to large companies, which often have more complex operational procedures.

Small business owners also have a closer relationship with their customers. Direct interaction between the business owner and consumers facilitates good communication, enabling customer needs to be understood more quickly. This close relationship helps to boost customer loyalty, as consumers feel they are receiving a more personalised service. Furthermore, proximity to the local community also encourages the formation of word-of-mouth marketing networks, which are highly effective in promoting products without the need for significant promotional expenditure.

From an economic perspective, small businesses play a vital role in creating employment opportunities for the local community. Many small businesses employ

people from the surrounding area, thereby helping to reduce unemployment and improve family welfare. The existence of small businesses also stimulates the local economy, as raw materials, labour and sales revenue are largely sourced from the local community. Consequently, the economic benefits generated are felt not only by business owners but also by the wider community.

Despite their many advantages, small business owners in Makassar also face a number of challenges that hinder the growth of their businesses. One of the most common challenges is a lack of capital. The majority of small businesses still rely on personal funds or loans from family, which limits their ability to expand. This lack of capital makes it difficult for business owners to purchase more modern production equipment, increase production capacity, or carry out wider-reaching promotional activities. Consequently, businesses struggle to grow despite offering high-quality products.

The next weakness is poor business management skills. Many small business owners have not yet implemented sound business management systems, particularly in terms of financial record-keeping, business planning and stock management. Quite a few business owners still mix their personal finances with their business finances, making it difficult to ascertain the true financial position. Furthermore, a lack of business planning often makes it difficult for business owners to determine long-term business development strategies.

In the field of marketing, some small business owners still face limitations in utilising digital technology. Although the use of social media and online marketplaces is on the rise, there are still business owners who rely on conventional marketing methods. This situation limits their market reach and means that opportunities to attract new customers are not utilised to their full potential. Low digital literacy also means that some business owners are unable to keep up with modern marketing trends, which are now predominantly conducted via digital platforms.

Another weakness is the lack of product innovation. Some businesses still stick to products with designs, packaging or variations that remain relatively unchanged over time. Yet today's consumers tend to seek out products that offer added value, have an attractive appearance and keep up with the latest trends. This lack of innovation makes it difficult for local products to compete with those from large companies or imported goods, which generally boast superior packaging quality and marketing strategies.

In addition to internal factors, small business owners also face external challenges in the form of increasingly fierce business competition. The influx of products from other regions and abroad, developments in modern business, and changes in consumer behaviour require business owners to continually improve their competitiveness. On the other hand, fluctuations in raw material prices, changes in economic conditions, and market uncertainty can also affect the stability of small businesses' income. Therefore, business owners need to be highly adaptable in order to remain viable under various conditions.

To address these various shortcomings, support from a range of stakeholders is required. Local governments can expand entrepreneurship training programmes, business mentoring, support for product certification, and access to easy and affordable finance. Higher education institutions can play a role through research, community engagement, and guidance on the application of technology and business digitalisation. Furthermore, collaboration with the private sector and the business community can open up partnership opportunities, expand marketing networks, and enhance the competitiveness of local products..

Conclusion

Small businesses in Makassar have significant business potential, supported by a wealth of local resources, such as cuisine, fisheries, handicrafts, tourism and the creative economy. Harnessing this potential, combined with product innovation and the use of digital technology, can enhance competitiveness, expand markets, and make a significant contribution to regional economic growth and community welfare.

Improving the economic well-being of small business owners in Makassar City can be achieved through strategies to improve product quality, foster innovation, utilise digital technology, ensure sound business management, develop human resources, expand partnerships, and optimise local potential. Support from the government, financial institutions, and various stakeholders is also a key factor in creating competitive and sustainable businesses.

Small business owners in Makassar City have advantages such as business flexibility, the utilisation of local potential, proximity to consumers, and their contribution to job creation. However, they still face various challenges, such as limited capital, poor management skills, a lack of innovation, and limited use of technology. Therefore, capacity building for business owners and sustained support are required to enable them to compete and make a greater contribution to the regional economy.

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