

Analysis of the Potential for Developing Community Participation-Based Sports MSMEs in Sungai Ulas Village

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ABSTRACT

This study aims to explore the potential for developing sports-based Micro, Small, and Medium Enterprises (MSMEs) in Sungai Ulas Village based on community sports participation patterns. This research employs a qualitative exploratory approach with a purposive sampling technique. Data were collected through in-depth interviews with 10 informants, consisting of sports enthusiasts, school principals, and community members. Data analysis was conducted using NVivo 12 Pro software with a thematic coding approach covering four main themes: community interest and participation in sports, purchasing patterns of sports equipment, accessibility constraints to sports products, and perspectives on sports MSME development. The findings indicate high community interest in sports activities, particularly volleyball and football, involving various age groups from youth to housewives. However, accessibility constraints to sports equipment remain a major challenge, as residents must travel to the district capital or purchase online with high shipping costs. The community shows positive attitudes toward local sports MSME development, believing it would facilitate access and boost the village economy. Sports MSME development has significant potential if managed strategically by considering community characteristics and needs. This requires collaboration between the village government, local entrepreneurs, and sports communities to build a village-based sports economy ecosystem.

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INTRODUCTION

In recent years, the intersection between sports development and micro, small, and medium enterprises (MSMEs) has emerged as a promising strategy for promoting inclusive economic growth, social empowerment, and community resilience. Sports are no longer viewed solely as recreational or competitive activities but are increasingly recognized as economic drivers capable of generating employment, supporting entrepreneurship, and fostering community development (Bason et al., 2022; Ratten, 2018). Globally, the sports economy is contributing to both national GDPs and the informal sectors through various micro-initiatives ranging from sports apparel production, event management, to fitness coaching and facility rentals (Sotiriadou et al., 2017).

The MSME sector, in parallel, is widely acknowledged as the backbone of most developing economies, especially in rural and semi-urban areas. In Indonesia, MSMEs account for over 97% of national employment and contribute more than 60% to GDP (Kementerian Koperasi dan UKM, 2023). When integrated with sports-based initiatives, MSMEs can become powerful tools for local economic development, especially when built upon the active participation of community members.

Community participation is key in ensuring the sustainability and relevance of MSMEs in sports. It encourages local ownership, increases social capital, and ensures that services and products align with the cultural and contextual needs of the population (Khoza & Nkoane, 2021). This participatory model is especially suitable for rural villages like Sungai Ulas, where collective efforts are foundational to social and economic systems.

Sungai Ulas Village, a rural community with growing youth engagement in sports activities, presents a fertile environment for exploring sports MSMEs. The village has shown steady interest in organizing sports events, informal futsal tournaments, martial arts activities, and community exercise programs. However, despite this enthusiasm, the economic potential embedded within such activities has yet to be systematically harnessed.

Sports MSMEs in rural areas may include initiatives such as the production and sale of local sportswear, rental of sporting facilities, mobile coaching services, grassroots talent academies, and small-scale sports tourism (Ratten, 2019). Additionally, sports-related events can provide temporary markets for vendors and service providers, such as food stalls, screen printing, and souvenir manufacturing. The integration of these MSMEs into community life supports a circular economy model where economic benefits are retained within the local population (Tichaawa & Swart, 2018).

Crucially, the success of such ventures depends on a combination of community participation, access to funding, training in business and sports management, supportive policy frameworks, and market accessibility. Identifying the existing resources, gaps, and readiness of a village like Sungai Ulas to engage in this economic model requires a contextualized and participatory analysis.

Despite the significant promise of sports MSMEs, communities like Sungai Ulas face multiple obstacles in operationalizing this concept. First, there is a lack of structured frameworks to guide the development of sports MSMEs that are rooted in community participation. Many residents are unaware of how to convert sports enthusiasm into sustainable business models. Furthermore, limited access to capital, training, and mentorship hampers entrepreneurial initiatives (Nasution et al., 2020).

Second, most community sports activities in the village are not yet connected to broader market systems. While informal tournaments and recreational sports exist, they are rarely monetized or connected to product or service provision. Moreover, the absence of institutional support, such as from local government units or cooperatives, means that community members often lack incentives or logistical support to pursue sports MSMEs.

Third, gender inclusivity and youth engagement present further challenges. Women and girls may face cultural or logistical barriers in participating in sports or entrepreneurship, and youth may lack guidance or see limited role models in this sector (Suherman et al., 2022). These barriers require systematic intervention through participatory approaches that acknowledge and address the unique socio-cultural dynamics of the community.

While there is a growing body of literature on the economic impact of sports and the development of MSMEs in urban settings, research is limited when it comes to rural, community-driven sports entrepreneurship. Existing studies largely focus on formalized sports business in cities, overlooking the grassroots level where informal participation and untapped entrepreneurial potential are abundant (Ratten & Ferreira, 2021).

In Indonesia, academic literature on the integration of community participation with sports MSME development remains scarce. Most research emphasizes sports performance, education, or health benefits, without exploring the socio-economic linkages of sports through MSMEs (Dewi & Anindita, 2020). Moreover, village-level analyses—especially in regions outside Java—are notably lacking, limiting the scalability of policy interventions that seek to empower rural communities.

Sungai Ulas Village represents a microcosm of untapped opportunity, yet no systematic study has assessed its potential for sports-based MSME development from a community participation lens.

This study offers a novel contribution by conducting a comprehensive analysis of the potential for developing sports MSMEs based on community participation in Sungai Ulas Village. It is among the first to bridge the disciplines of sports development, rural entrepreneurship, and participatory community development in an Indonesian rural context.

The study uses a participatory action research framework, incorporating focus group discussions, stakeholder interviews, and SWOT analysis to evaluate readiness and opportunity structures. It goes beyond traditional economic feasibility studies by embedding the voices and agency of community members at every stage, ensuring that proposed models reflect local aspirations and capacities.

This research is also innovative in its attempt to develop a community-driven sports MSME framework that can be replicated in other rural villages across Southeast Asia. It highlights how sports—often underutilized in economic policy—can serve as a dynamic entry point for inclusive rural entrepreneurship.

In light of the above, the present study seeks to analyze the potential for developing community participation-based sports MSMEs in Sungai Ulas Village. The primary objectives of the research are to: (1) Map current sports activities and informal economic engagements in Sungai Ulas, (2) Identify the community's readiness, resources, and challenges for MSME development, and (3) Propose a participatory framework for initiating and managing sports MSMEs in the village context.

The findings are expected to contribute to a growing discourse on sustainable rural development, youth entrepreneurship, and sports economy in Indonesia. Ultimately, this research aims to support evidence-based policy recommendations that leverage community participation to unlock new economic pathways through sport.

METHODS

This research employed a qualitative method with an exploratory approach. Qualitative methods were chosen to deeply understand social phenomena and analyze the meaning behind community behavior in the context of sports and the potential of MSMEs (Creswell, 2015).

The research was conducted in Sungai Ulas Village, Muara Siau District, Merangin Regency, Jambi Province, in June 2025. The location was selected based on the characteristics of the village, which has a high level of sports activity but lacks a local sports MSME.

The sampling technique used was purposive sampling, with the criteria being that informants were active in sports activities and had experience purchasing sports equipment. The research informants consisted of 10 individuals, including students, housewives, school principals, and youth aged 15–55.

Data collection was conducted through in-depth interviews using a pre-developed interview guide. The interviews focused on four main themes: (1) community interest in and participation in sports, (2) purchasing patterns of sports equipment, (3) constraints on accessibility of sports products, and (4) perspectives on the development of sports MSMEs.

Data analysis used NVivo 12 Pro software with thematic coding techniques. The analysis process included data import, themed coding, data visualization, and thematic interpretation. Data validity was ensured through source triangulation and member checking. Results were presented using exploratory diagrams and word clouds to provide a comprehensive visual overview.

RESULTS AND DISCUSSION

Community Interest and Participation in Sports

Research results show that the Sungai Ulas Village community's interest in sports is very high and diverse. The most popular sport is volleyball, followed by soccer and takraw. This participation is not limited to one age group, but involves a wide range of people, from teenagers to housewives.

As stated by informant Liya Veronica: "As for sports, I like volleyball and takraw because they are both quite active and fun." Zahar echoed this sentiment: "I am interested in volleyball and takraw because they are both played quite often here."

The community's motivation for exercising is not only for physical health, but also as a means of recreation and social interaction. Rusmaniani stated: "I feel volleyball is suitable for me because it helps control my weight and is fun." This view reinforces the fact that sports have become an integral part of the village's social life.

Purchasing Patterns for Sports Equipment and Facilities

Analysis of purchasing patterns shows that the community still relies heavily on sports stores located in the district. Almost all informants reported obtaining equipment such as shoes, sportswear, and balls from physical stores outside the village. This reflects the limitations of local economic infrastructure in providing sports equipment.

Putri explained, "I buy sports equipment directly from sports stores in the district." Meanwhile, some informants also tried online shopping, but faced high shipping costs and uncertain product quality.

Melly said, "I usually shop through Shopee because it's more convenient and offers a wider selection, but shipping costs are sometimes expensive, and the items aren't always suitable." This demonstrates that while digital platforms offer access, they haven't completely replaced the in-person shopping experience.

Barriers to Accessibility to Sports Products

The people of Sungai Ulas Village experience various obstacles in accessing sports products. The main obstacle is the limited availability of sporting goods stores within the district, creating distance and transportation challenges.

Zahar stated, "I feel like buying in-store is more expensive, but I can see the goods in person. Shopping online is even more expensive, so I have no other choice." This statement confirms that the community faces a dilemma between trust in quality and cost efficiency.

Amelia added, "I prefer buying in person because I can see the physical product. Buying online is also expensive because of shipping costs." This indicates that the physical experience of selecting a product remains a significant factor in purchasing decisions.

Perspectives on the Development of Sports MSMEs

The majority of informants had a positive view of the potential for developing sports MSMEs in the village. This is evidenced by their support for the establishment of local sports equipment businesses, which they believe can meet community needs.

Lihah emphasized: "I am very confident that having a sports equipment business here would be very helpful, especially for schools." Meanwhile, Melly stated: "I think this village needs a sports equipment business, because many young people and women are active in sports."

Zahar added an economic perspective: "I believe the potential for sports MSMEs in this village is huge, as long as the products are of high quality and the prices are not too high." This highlights the importance of pricing strategies and quality management in developing sports MSMEs.

Discussion

The findings of this study indicate that high community participation in sports activities creates significant opportunities for the development of sports MSMEs. This aligns with Green (2005), who stated that sports participation has a dual role in building individual health while strengthening community social networks.

The accessibility barriers faced by the community can be explained through Penchansky & Thomas' (1981) concept of five dimensions of accessibility: availability, geographic convenience, service suitability, affordability, and service acceptability. In Sungai Ulas Village, the community faces barriers across nearly all of these dimensions.

The community's positive view of sports MSMEs supports the theory of Ardichvili et al. (2003) that business opportunities arise when economic actors are able to identify unmet market needs. High interest in sports and the desire for easy access to equipment are strong signals for the emergence of community-based entrepreneurship.

CONCLUSION

This study concludes that the people of Sungai Ulas Village have a high level of interest and participation in sports, particularly volleyball and soccer, involving participants of all ages. Limited access to sports products is a major obstacle due to the lack of local stores, forcing residents to purchase from outside the area or online at high costs. The community's view of the development of sports MSMEs is very positive, with the belief that the presence of local businesses can provide easy access and boost the village economy.

The development of sports MSMEs in Sungai Ulas Village has significant potential if managed strategically, taking into account the characteristics and needs of the community. Collaboration between the village government, local businesses, and the sports community is needed to build a sustainable village-based sports economic ecosystem.

Further research is recommended to develop a sustainable, digital-based sports MSME business model to reach a wider market and integrate community empowerment aspects into sports entrepreneurship development.

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